

RAY VALLEY SOLAR

Summary projections first five years (£)

	At Commissioning	Year 1	Year 2	Year 3	Year 4	Year 5	Total
CASH FLOW							
Energy Sales Income		680,520	698,132	716,200	734,735	753,750	3,583,338
Operating Costs		-404,580	-411,910	-419,386	-427,012	-415,746	-2,078,633
Net Operating Cashflow		275,941	286,223	296,814	307,723	338,004	1,504,705
Senior Debt Annuity and Fees(15 year tenure)		-131,966	-132,026	-132,087	-132,150	-132,213	-660,442
Members Interest		-152,355	-152,355	-152,355	-152,355	-190,444	-799,863
Members Capital Repayments		0	0	0	0	-25,000	-25,000
Tax		0	0	0	0	0	0
Community Benefit Donations		0	0	0	0	0	0
Operational Reserves		0	0	0	0	0	0
Cash Surplus		-8,380	1,842	12,372	23,219	-9,653	19,399
Minimum Year End Cash Position		91,621	93,463	105,834	129,053	119,400	91,621
PROFIT AND LOSS ACCOUNT							
Total Revenue		680,520	698,132	716,200	734,735	753,750	3,583,338
Operating Costs		-404,580	-411,910	-419,386	-427,012	-415,746	-2,078,633
Community Benefit Donations		0	0	0	0	0	0
Operating Profit (EBITDA)		275,941	286,223	296,814	307,723	338,004	1,504,705
Senior Debt Interest		-11,966	-12,026	-12,087	-12,150	-12,213	-60,442
Members Interest		-152,355	-152,355	-152,355	-152,355	-190,444	-799,863
Depreciation		-243,722	-243,722	-243,722	-243,722	-243,722	-1,218,609
Grant Write Back		109,675	109,675	109,675	109,675	109,675	548,374
Tax		0	0	0	0	0	0
Net Profit		-22,427	-12,205	-1,675	9,172	1,300	-25,836
BALANCE SHEET							
Assets							
Total Fixed Assets	9,748,874	9,505,152	9,261,430	9,017,708	8,773,987	8,530,265	8,530,265
Total Current Assets	446,992	438,612	440,454	452,825	476,044	466,391	466,391
Total Assets	10,195,866	9,943,764	9,701,884	9,470,534	9,250,031	8,996,656	8,996,656
Long Term Liabilities							
Senior Debt Principal	2,000,000	1,880,000	1,760,000	1,640,000	1,520,000	1,400,000	1,400,000
Equity Loan Principal	3,808,872	3,808,872	3,808,872	3,808,872	3,808,872	3,783,872	3,783,872
Capital Grant	4,386,993	4,277,318	4,167,643	4,057,969	3,948,294	3,838,619	3,838,619
Total Long Term Liabilities	10,195,865	9,966,190	9,736,515	9,506,841	9,277,166	9,022,491	9,022,491
Total Assets Minus Liabilities	1	-22,426	-34,631	-36,307	-27,135	-25,835	-25,835
Shareholders Funds							
Equity (LCH share in SPV)	1	1	1	1	1	1	1
Profit/(Loss) for the Year	0	-22,427	-12,205	-1,675	9,172	1,300	1,300
Retained Earnings	0	0	-22,427	-34,632	-36,308	-27,136	-27,136
Total Shareholders Funds	1	-22,426	-34,631	-36,307	-27,135	-25,835	-25,835

* EBITDA= Earnings before interest, tax, depreciation, and amortisation.

This model remains illustrative with the final project costs to be confirmed by the end of 2020. The model is based on a fully comprehensive construction contract that meets with our required equipment and performance specifications representing 84% of projected total capital expenditure as modelled. 95% of project costs are currently subject to fixed agreements and in our control – final project design will vary costs subject to these fixed agreements.

The model is based on a conservative Power Purchase Agreement (PPA) price of £38/MWh, reflecting the COVID-impacted energy market in which the project was developed. Initial PPA offers we have since received are significantly higher, and will enable us to release capital earlier and increase the community benefit income generated.