

**Home Condition Report Register and Associated Services
Pro-Forma Financial Model For BAFO**

To change the financial model parameters, please go to the other tabs

Lodgement volumes assume that EPCs will be lodged alongside HCRs in the register

ESTIMATED CASH FLOW

Year:	0	1	2	3	4	5	6	7	8	9	10
Period to:	31 May 2007	31 May 2008	31 May 2009	31 May 2010	31 May 2011	31 May 2012	31 May 2013	31 May 2014	31 May 2015	31 May 2016	31 May 2017
Starting Balance	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
HCR Lodgement Levels (incl home sales EPCs):	1,200,000										
Lodgement Fee Bid:	£0.00										
Baseline service credit value for Performance Deductions:	£0										
Total HCR Receipts	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Line No. Implementation Costs:

1 Hardware	£0	£0
2 Software	£0	£0
3 Hosting provider and other third party expenses	£0	£0
4 Gross Salaries	£0	£0
5 Salary expenses (Taxes, NI..)	£0	£0
6 Operating Reserves	£0	£0
7 Indirect Overheads	£0	£0

Variable Operating Expenses (Variable on transaction volume):

8 Hardware (purchase or lease)	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
9 Software	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
10 Hosting provider and other third party expenses	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
11 Gross Salaries	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
12 Salary expenses (Taxes, NI..)	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
13 Operating Reserves	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
14 Indirect Overheads	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
15 Address lookup fees	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Fixed Operating Expenses:

16 Hardware (purchase or lease)	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
17 Software	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
18 Hosting provider and other third party expenses	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
19 Gross Salaries	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
20 Salary expenses (Taxes, NI..)	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
21 Operating Reserves	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
22 Indirect Overheads	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
23 Address lookup fees (flat)	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
24 Independent Review Costs	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Subtotal Expenses	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
25 Indirect Corporate Costs	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Total Expenses	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Net Cash Flow	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
End Balance	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Internal Rate Of Return	#NUM!										

Home Condition Report Register and Associated Services Review Model (for first review after three years)

		Year: Period to:
Income		
Baseline Lodgement Fee:		Actual Loc
Recommended new lodgement fee:		Forecast Loc
New Service Credit Level:	£0	
Baseline Lodgement Level:	1,200,000	
Total HCR Revenues		
Bad Debts		
Net Income (past and projected)		
Baseline Variable Expense Budget (incl Op reserve)		
Adjusted Baseline Variable Expense Budget (incl Oper Reserve)		
Baseline Fixed Expense Budget (incl Oper Reserve)		
Total Adjusted Expense Budget (incl Oper Reserve)		
Actual Variable Expenses		
Actual Fixed Expenses		
Total Actual Expenses		
Total Actual Expenses above budget (incl operating reserves)		
Adjustments		
Underspends		
Underspend to date		
Baseline Operating Reserve (Variable)		
Adjusted Baseline Operating Reserve (Variable) to date		
Baseline Operating Reserve (Fixed)		
Total Adjusted Baseline Operating Reserve		
Underspend to be taken into account		
Underspend to deducted at 40%		
Service Credits		
Service Credits to date		
Value of service credits to date		
Agreed cost of rectification work carried out		
Remaining Service Credits to be added		
Other Adjustments to be deducted		
Net Income Model		
Expenses		
Actual Variable Expenses (as above)		
Forecast Future Variable Expenses (incl Op Reserve)		
Actual Fixed Expenses (as above)		
Budgeted Future Fixed Expenses (incl Op Reserve)		
Sub-Total		
Indirect Overhead		
Sub-Total		
Indirect Corporate Overhead Cost		
Net Expense Model		
Net Cash Flow Model		
Internal Rate Of Return		

This sheet is for illustrative purposes only and is not for supplier input

0	1	2	3	4	5
31 May 2007	31 May 2008	31 May 2009	31 May 2010	31 May 2011	31 May 2012

Judgement Levels:
Judgement Levels:

£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0
£0	£0	£0	£0
£0	£0	£0	£0
£0	£0	£0	£0

£0	£0	£0	£0
£0	£0	£0	£0

£0	£0	£0	£0
£0	£0	£0	£0
£0	£0	£0	£0
£0	£0	£0	£0
£0	£0	£0	£0
£0	£0	£0	£0
£0	£0	£0	£0

£0	£0	£0
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£0	£0	£0	£0	£0
£0	£0	£0	£0	£0

£0	£0	£0	£0	£0
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£0	£0	£0	£0		
£0				£0	£0
£0	£0	£0	£0		
				£0	£0
£0	£0	£0	£0	£0	£0
£0	£0	£0	£0	£0	£0
£0	£0	£0	£0	£0	£0
£0	£0	£0	£0	£0	£0
£0	£0	£0	£0	£0	£0
£0	£0	£0	£0	£0	£0

£0	£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0	£0
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#NUM!

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6	7	8	9	10
31 May 2013	31 May 2014	31 May 2015	31 May 2016	31 May 2017

£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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£0	£0	£0	£0	£0
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Parameters Fixed For BAFO Purposes - Please enter values in green fields

Transactions per annum 1,200,000

Supplier Parameters

Lodgement Fee	£1.51	
Operating Reserve (must be less than 20%)	20.00%	20.00%
Indirect Overhead (must be less than 20%)	20.00%	20.00%
Indirect Corporate Overhead Cost (must be less than 10%)	10.00%	10.00%

Implementation Costs - Please enter values in green fields

	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07-->	
(a) Hardware										£0	
(b) Software										£0	
(c) Hosting provider and other third party expenses										£0	
(d) Gross Salaries										£0	
(e) Salary expenses (Taxes, NI..)										£0	
(f) Operating Reserves	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
(g) Indirect Overheads	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Please provide a supporting spreadsheet giving a breakdown of the above

Variable Operating Expenses - Please enter values in green fields

Year:	0	1	2	3	4	5	6	7	8	9	10
Period to:	31 May 2007	31 May 2008	31 May 2009	31 May 2010	31 May 2011	31 May 2012	31 May 2013	31 May 2014	31 May 2015	31 May 2016	31 May 2017
Variable Operating Expenses (Variable on transaction volume):											
(a) Hardware (purchase or lease)											
(b) Software											
(c) Hosting provider and other third party expenses											
(d) Gross Salaries											
(e) Salary expenses (Taxes, NI..)											
(f) Operating Reserves	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
(g) Indirect Overheads	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
(h) Address lookup fees											
Total	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Above is based on lodgement fees per annum: 1,200,000

Please provide a supporting spreadsheet giving a breakdown of the above

Totals:

Fixed Operating Expenses - Please enter values in green fields

	Year:	0	1	2	3	4	5	6	7	8	9	10
	Period to:	31 May 2007	31 May 2008	31 May 2009	31 May 2010	31 May 2011	31 May 2012	31 May 2013	31 May 2014	31 May 2015	31 May 2016	31 May 2017
(a) Hardware (purchase or lease)												
(b) Software												
(c) Hosting provider and other third party expenses												
(d) Gross Salaries												
(e) Salary expenses (Taxes, NI..)												
(f) Operating Reserves		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
(g) Indirect Overheads		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
(h) Address lookup fees (flat)												
(i) Independent Review Costs												
		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Please provide a supporting spreadsheet giving a breakdown of the above

Totals:

Termination For Convenience caps

Please enter values in green fields

Event	Cost Reimbursement	Reinbursement will not exceed:	Cancellation Fee	Maximum Amount Payable
Contract termination for convenience prior to Final Preparations Commitment Date	Software development costs to date within cost profile agreed the and any termination costs from third-party software and services commitments.		£50,000	£50,000
Contract termination for convenience after Final Preparations Commitment Date but before 1 st June 2007	All above costs plus staff termination costs		£150,000	£150,000
Contract termination for convenience after 1 st June 2007	<p>If costs are greater than revenue to date then the difference is payable.</p> <p>If costs are less than revenue to date then no reimbursement is payable.</p> <p>Costs as defined in Clause 32.5 (incl. legal minimum redundancy package where staff are unavoidably made redundant.</p> <p>The supplier is expected to offer alternative employment on a reasonable endeavours basis if possible to reduce costs).</p> <p>Used assets will remain property of the supplier. Unused assets, or assets committed for delivery will become property of DCLG.</p> <p>Not to exceed £1,000,000</p>		£250,000 or 312 days service credit or half of remaining business days (Mon-Sat) to contract end date as service credit whichever is lowest	£250,000