HELENSBURGH COMMUNITY WIND FARM

How much does the Community stand to gain?

Helensburgh Community Council (HCC) is being asked to support the proposed wind farm – 5 turbines with a total rated capacity of 4MW – on the understanding that it will bring significant financial benefits to Helensburgh and neighbouring communities. This paper attempts to assess the probable scale of those financial benefits.

The Developers' Estimates of Community Benefit

The most recent estimates of the scale of the community benefit are contained in the Environmental Statement (ES) accompanying the developers' Planning Application. This states (p.58) that HCT could earn up to £250,000 or £6.25 million over 25 years. Since the latter presupposes that £250,000 would be paid to the community in each and every one of the 25 years it is presumably not expected to be taken at face value. In any event it is wholly unrealistic.

The basis of the payment to the community is summarised in the Non-technical Summary (Volume 5) which states that the "minimum *guaranteed* (emphasis added) community income will be £40,000 as set out in the shareholder agreement. If total annual profit is greater than £120,000 then the community will receive one third of the total amount"; and this is elaborated further in ES p.61 with "The shareholder agreement is such that the community will take the first £40,000 in any year, and that the three-way split will kick in only if there is more than £120,000, so the community will always have a minimum revenue of £40,000."

These statements are broadly in line with the presentation by Helensburgh Renewables (HR) to HCC on 27 March 2014, but differ in one crucial respect. That presentation made it clear that if profits were less than £40,000 the community would receive only the profit (Annual Profit £20K, HR £20K, Green Cat Nil, Luss Estates Nil). The ES statement appears to commit the developers to paying at least £40,000 to the community in every year, regardless of whether or not the wind farm made a profit in that year, and also if in any year the profit exceeds £120,000 to pay the community 1/3 of those profits regardless of any preceding losses. [The developers should be asked to confirm that this is an accurate interpretation of the shareholder agreement. If not, the statements in the ES should be withdrawn.]

The developers' estimates of the total value in cash terms of the community benefit over the life of the wind farm have varied. The first available estimate is contained in the Green Cat Renewables (GCR) projection dated January 2013, and amounted to nearly £7 million over a 20 year period. More recent figures have been lower. As of 20 July 2014 the Luss Estates (LE) Website stated "Helensburgh could soon benefit from a windfall totalling more than £5 million* over 20 years (*based on average wind speeds, anticipated wholesale electricity prices and the returns of similarly sized

projects.)" However, this figure has now been reduced to £4 million, the figure also implied in HR's presentation to HCC.

The ES now refers to "the shareholder agreement". Previously we had understood that no agreement had been signed and that any commitment to make payments to the community would be subject to the agreement of the bank providing finance for the project. The current status of the "guarantee" of a minimum payment of £40,000 each year to the community needs to be ascertained. At that level the total cash value to the community over 25 years amounts to £1 million. If inflation runs at 3% a year this is equivalent to a little under £700,000 – or an average of less than £30,000 a year - at current prices.

Scenarios

To test the plausibility of the claimed £4 million figure for community benefit we have attempted to model the project's finances under three scenarios – labelled central, optimistic and pessimistic – using so far as possible data that are currently in the public domain. Of necessity the figures for capital and operating costs have been taken from the GCR January 2013 projections since no other information is available, and as in the GCR projection, the analysis has been carried out for a 20-year period. The GCR figures are assumed to be at 2012 prices, which is also the base year for the prices used in computing the revenue estimates.

(a) Common assumptions

The following assumptions are common to all the scenarios:

Capital Cost - £7.791 million [Source: GCR Jan. 2013]

Operating Expenses, DUoS grid charges, Depreciation, Admin costs as in GCR Jan.2013 [Source: GCR Jan. 2013]

Inflation – 3% per annum. As in GCR Jan 2013. Also consistent with current 15-year inflation expectations implied by yields on UK government securities.

Rental for Land - £40,000 per annum (2012 prices, index-linked)) payable to Luss Estates. [Source: Presentation by HR to Rhu and Shandon CC] This falls within the range of rental rates cited as typical by consultants.

Financing Structure – 80% bank loan, 16% loan from GCR, 4% equity [Source: HR presentation to HCC.]

Bank loan – repayable over 15 years [Source: HR presentation to HCC], interest at 6.5% payable monthly [Source: GCR Jan. 2013.]

GCR loan – No details of this loan are available. It has been assumed to be a subordinated loan, with interest and capital repayments ranking behind payments due to the bank, and carrying significant risk of deferral or non-payment. For the

projections this loan has been assumed to be repayable by level annual instalments over 10 years with interest at 10%. In practice, notably when wind conditions in a year were poor, payments due on this loan might need to be deferred and carried forward to a later year. No allowance has been made for additional interest charged on any GCR loan payments that have to be deferred.

Payment to Helensburgh Community Development Trust (HCDT) – In line with the formula noted above, i.e. a minimum of £40,000 each year and 1/3 of total profits in any year in which profits exceed £120,000.

(b) Efficiency Assumptions

The scenarios differ in the assumptions regarding the initial efficiency of the turbines (measured by the capacity factor (CF) in the wind conditions expected in an average year) and regarding the rate of degradation (if any) of the CF.

Until data from the wind mast is available the probable average capacity factor (CF) is subject to considerable uncertainty. We understand from informal contacts with HR that a figure of 30% is confidently expected and 32% is hoped-for. A CF of 30% has been used in the central and pessimistic scenarios. For the optimistic scenario the CF has been taken as 32%

The CF can be expected to decrease as the turbines age. We understand that the proposed deal with the manufacturer includes a guarantee that down-time will not exceed 3% in any year during the first 15 years. However, general wear and tear is also likely to cause degradation. For the central scenario this has been assumed to reduce the CF to around 25% after 20 years (i.e. an annual reduction in efficiency of 1%.) The optimistic scenario assumes that there is no degradation at all and the pessimistic that the annual reduction in efficiency is 2%.

(c) Price Assumptions

The price achieved for energy supplied to the grid is clearly a key variable.

Since GCR's Jan. 2013 projection there have been major changes in the support regime for renewable energy in the UK. In effect the new arrangements guarantee a "strike price" of £95/MWh for large onshore wind farms commissioned before April 2017 and £90/MWh for those commissioned in the following 3 years. These guarantees last for the first 15 years of operation, after which subsidies cease. The figures are at 2012 prices and will be adjusted for inflation.

Small wind farms with up to 5MW in capacity are still covered by a feed-in and export tariff scheme, with guaranteed prices for 20 years. However, the feed-in tariff has been reduced and for schemes accepted before April 2015 the revenue from the feed-in tariff, the export tariff and climate change levy together amounts to £87.21/ MWh (2014/5 prices). The feed-in tariff is likely to be reduced slightly for schemes

commissioned in subsequent years and there is no guarantee that the climate change levy will continue indefinitely.

Even though the guaranteed price is only for 15 years the strike price arrangement appears to be more favourable and we have assumed that the proposed 4MW wind farm would be able to take advantage of it. For the central and optimistic scenarios the price in years 1-15 has been assumed to be £95/MWh and for the pessimistic scenario £90/MWh.

After 15 years the price will revert to the unsubsidised wholesale price of energy at the time. This is currently around £50/MWh. The price of energy more than 15 years from now is very uncertain. Rapid technological developments may well reduce prices (consider the effects of fracking on gas prices in the US and cost reductions in solar energy in recent years), geopolitical developments could go either way, and rising demand for energy will act in the other direction. It follows that any projection of revenue beyond the guaranteed period is highly speculative.

Nevertheless, assumptions have to be made. For the central and pessimistic scenarios the price in years 16-20 has been taken as £50/MWh at 2012 prices (i.e. broadly the current level) while for the optimistic scenario it has been taken as £75/MWh (i.e. a rise of around 50% from the current level.)

Results

The projections for the three scenarios are shown in Tables 1-3. It should be noted that while these show a fairly smooth progression from year to year, wind conditions are in fact highly variable. In a good year for wind an outcome shown as a loss could in fact yield a profit, while in a bad year for wind a projected profit could turn out to be a loss. If the CF is reasonably accurate good and bad years should broadly average out, but there is risk that a poor year may result in a cash shortfall which will have to be made good by the developers. Since the financing structure does not include any allowance for working capital the implication is that there will need to be considerable flexibility in the servicing arrangements for the GCR loan.

(a) Central Scenario (Table 1)

The projections in the central scenario show the implications of an initial CF of 30%, efficiency loss through wear and tear of only 1% a year, a guaranteed price of £95/MWh for 15 years and the unsubsidised price at around the current level (in real terms) subsequently.

In the central scenario (Table 1) income rises by 2% a year for the first 15 years, reflecting a 3% inflation increase less 1% for loss of turbine efficiency. The ending of the guaranteed period results in a sharp reduction in income in year 16. Operating expenses, DUoS grid charge, admin and land rental all rise by 3% a year in line with inflation, with operating expenses also reflecting one-off changes in years 2 and 6 reflecting the maintenance agreement with the manufacturer. Depreciation is a fixed

amount each year for the 20 years, totalling the capital cost over that period. [Note that the charge for depreciation is a notional cost charged in calculating profits but does not involve any cash payment, so while it reduces profits it has to be added back to the profits figures in computing the funds available for servicing debt and distribution to stakeholders.] Since both the bank and GCR loans involve level payments of interest and capital together, and only the interest element is a cost in computing profits, the interest charges decline over the term of the loans as the capital is gradually repaid.

Table 1 shows that on this scenario the project would result in a net loss in the early years, reflecting the high levels of bank and GCR loan interest that would be payable. In the following years, however, as revenue increases due to inflation and the gradual build-up of loan repayments reduces the annual interest charges, profits increase and rise to nearly £200,000 in year 10. For the next 5 years, with the GCR loan paid off and the interest on the bank loan rapidly diminishing the project is highly profitable. However, when the subsidy arrangement ceases and the price falls back to the current price level, revenue falls sharply and even though the loans have been paid off the project shows a net loss in years 16-20.

The cumulative losses in the early years peak at nearly £300,000, and it is not until year 9 that the payment to HCDT rises above the minimum level of £40,000. The payments then rise, peaking at nearly £150,000 in year 15 before reverting to £40,000 in the following years. On this scenario the total payments to HCDT exceed the cumulative net profits for the whole 20 year period.

The last section of the table looks at the project's cash flow, with depreciation added back to the net profit to calculate the funds available for repaying the capital element in the bank and GCR loans and the contribution to HCDT. The projection in Table 1 shows a deficit in each of the first 10 years, implying that part of the servicing of the GCR debt would need to be deferred if other commitments were to be met, or alternatively some other source of funds would need to be found. There is a cash surplus in each of the following years (adding depreciation back to the net losses in years 16-20 gives a positive cash flow.) The cumulative cash deficit peaks at over £1.1 million in year 10.

On this scenario the project would not be viable: a project showing cash deficits for the first 10 years is not a bankable proposition, and GCR would be unwilling to commit funds to the project in the expectation that most of the interest and capital payments could not be made.

(b) Optimistic Scenario (Table 2)

The projections in Table 2 show the implications of the promoters achieving the hoped-for CF of 32%, of the turbines not experiencing any degradation over 20 years, and of prices being at the guaranteed £95/MWh for 15 years followed by only a relatively small reduction to £75/MWh in years 16-20. The wind mast test data will

determine whether or not the 32% CF is reasonable. It is clearly optimistic to assume that there will be no degradation at all, even after the manufacturer's guarantee on reliability has expired. The energy price after 15 years is speculative, and assuming a 50% real increase from current levels has to be optimistic.

Table 2 shows a much healthier financial situation than Table 1, because revenue is consistently higher than in the central scenario. While there are losses in the first two years the project becomes profitable in year 3, after which profits rise to a peak of over £700,000 in year 15. Payments to HCDT start at around the minimum £40,000 for the first 6 years, but then rise to a peak of nearly £250,000 year 15. With energy prices at £75/MWh the payment to HCDT then falls back to around £150,000 in years 16-20. The total payments to HCDT in the first 15 years are £1.6 million and over the 20 years are £2.4 million.

For the first 10 years practically all of the cash generated by the project is committed to debt servicing and payments to HCDT. LE would receive the regular land rental payments and GCR most of the interest and capital repayments due on their loan, but the cumulative cash surplus after all commitments is negative until year 11 when the GCR loan has been paid off.. After that there is a cash bonanza for LE and GCR totalling over £4.5 million in years 11-20.

On this scenario the project appears to be viable. Provided that GCR were prepared to defer capital and possibly even interest payments in years when wind conditions were poor it is likely to be a bankable proposition. The uncertainty about the price of energy after 15 years would not concern the bank and even if the wind turbine performance did degrade there would still be sufficient revenue to enable payments to the bank to be made in full and on time. The land rental for LE and management fees and loan interest for GCR, together with the possibility of substantial long-run gain, would make it worthwhile for the developers to go ahead with the project.

(c) Pessimistic Scenario (Table 3)

This scenario is more pessimistic than the central scenario in two respects. While the initial CF is held at 30% degradation is assumed to run at 2% rather than 1% per year. The price of energy in the 15-year guaranteed period is set at £90/MWh compared with £95/MWh in the central scenario. £90/MWh is the guaranteed price that would apply if commissioning was delayed until 2017/18, but is nevertheless higher than the £87.21/MWh expected under the current arrangements for small wind farms.

The prevalence of red ink in the profit and cash surplus figures in Table 3 demonstrates that on this scenario the project is not viable.

This is by no means a "worst case" scenario. The CF could turn out to be less than 30% initially, and degradation and/or operating expenses could be higher, particularly in the later years after the manufacturer's guarantee on down-time has

run out. The price realised for intermittent energy after the strike price guarantee terminates could be much less than £50/MWh.

Conclusion

The project is unlikely to go ahead unless either (a) the wind mast data support the prospect of an average CF significantly above 30%, or (b) the initial capital costs and thus the debt servicing requirements, can be reduced.

The three scenarios demonstrate the sensitivity of the outcome to variations in the price achieved for the energy sold to the grid and in the technical efficiency of the turbines. Since there is great uncertainty about the price and considerable doubt about the technical efficiency of the turbines after 15 years it makes sense to focus on the outcome over the first 15 years. What happens after that is highly speculative – there could be a bonanza or there could be nothing at all.

The optimistic scenario gives an indication of what might happen if the project goes ahead and conditions are favourable. The central scenario illustrates the outcome if the guaranteed prices are achieved but the CF turns out in practice to be less than the hoped-for level. The pessimistic scenario illustrates the consequence of prices being roughly 5% lower (though still roughly 5% above the combined value of the feed-in tariff, the export tariff and the climate change levy) and the performance of the turbines falling more rapidly as they age.

On the optimistic scenario HCDT would receive the minimum of £40,000 or a little more for the first 6 years. After that it would rise quite rapidly to average over £150,000 in years 7-15. However, if the turbine performance proved to be disappointing (central scenario) it would be 10 years before HCDT received appreciably more than the minimum, with payments averaging a little over £100,000 in years 10-15. If in addition the £95/MWh was not achieved (pessimistic scenario) payments would remain at the minimum level even longer and rise slightly above it only at the very end of the period.

It is clear that the outcome for HCDT is crucially dependent on the minimum payment of £40,000 being *guaranteed* even over an extended period in which the wind farm could be making losses. It is also dependent on earlier losses *not* affecting HCDT's entitlement to payments in profitable years. Without those guarantees HCDT would be left carrying risks which LE, through its land rental payments, and GCR, through the interest and capital payments on its loan, would be able to avoid.

Andrew Bain

28 August 2014

Table 1: HELENSBURGH COMMUNITY WIND FARM
FINANCIAL PROJECTION - CENTRAL SCENARIO

Helensburgh Community Wind Farm			
	£,000	Total MW	4
		Capacity Factor	30%, degrading by 1% per annum
Estimated Capital Cost	7,791	Initial output	10512 MWh
Bank Loan - 80%	6,233	Revenue	£95/MWh years 1-15, £50/MWh thereafter
GCR loan -16%	1,247	Inflation	3% p.a.
Equity - 4%	312	Bank loan	15 year term, 6.5% payable monthly
		GCR loan	10 year term, 10% payable annually
		Depreciation	straight line, 20 years

Profit and Loss Account	Year 1 £,000	Year 2 £,000	Year 3 £,000	Year 4 £,000	Year 5 £,000	Year 6 £,000	Year 7 £,000	Year 8 £,000	Year 9 £,000	Year 10 £,000	Year 11 £,000	Year 12 £,000	Year 13 £,000	Year 14 £,000	Year 15 £,000	Year 16 £,000	Year 17 £,000	Year 18 £,000	Year 19 £,000	Year 20 £,000
Income	**999**	**1019**	**1039**	**1060**	**1081**	**1103**	**1125**	**1147**	**1170**	**1193**	**1217**	**1242**	**1267**	**1292**	**1318**	**707**	**722**	**736**	**751**	**766**
Operating expenses	72	141	145	149	154	234	241	248	256	264	272	280	288	297	306	315	324	334	344	354
DUoS grid charges	22	23	23	24	25	26	26	27	28	29	30	30	31	32	33	34	35	36	37	39
Admin	40	41	42	44	45	46	48	49	51	52	54	55	57	59	61	62	64	66	68	70
Land Rental (Luss Estates)	40	41	42	44	45	46	48	49	51	52	54	55	57	59	61	62	64	66	68	70
Depreciation	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390
Bank loan interest	397	381	362	343	323	300	277	252	225	197	166	134	99	62	22	0	0	0	0	0
GCR loan interest	125	117	108	99	88	77	65	50	35	18	0	0	0	0	0	0	0	0	0	0
Total Expenses	**1086**	**1134**	**1113**	**1092**	**1070**	**1119**	**1095**	**1066**	**1035**	**1002**	**965**	**945**	**923**	**899**	**872**	**864**	**878**	**892**	**907**	**923**
Net Profit/Loss	**-87**	**-115**	**-74**	**-33**	**11**	**-17**	**30**	**81**	**135**	**191**	**252**	**296**	**344**	**393**	**445**	**-157**	**-156**	**-156**	**-157**	**-157**
Memo: Cumulative net profit	-87	-202	-277	-309	-298	-315	-285	-204	-68	123	375	672	1015	1408	1854	1697	1541	1384	1228	1070
Contribution to HCDT	40	40	40	40	40	40	40	40	45	64	84	97	115	131	148	40	40	40	40	40
Cash Flow																				
Profit + depreciation	303	275	316	357	401	373	420	471	525	581	642	686	734	783	835	233	234	234	233	233
Less bank loan capital repayment	254	271	289	308	329	351	375	400	426	455	485	518	553	590	629	0	0	0	0	0
Less GCR loan capital repayment	78	86	95	104	115	126	139	152	168	184	0	0	0	0	0	0	0	0	0	0
Less Contribution to HCDT	40	40	40	40	40	40	40	40	45	64	84	97	115	131	148	40	40	40	40	40
Cash surplus(+)/deficit(-)	**-69**	**-122**	**-108**	**-95**	**-83**	**-144**	**-134**	**-121**	**-114**	**-122**	**73**	**71**	**66**	**62**	**58**	**193**	**194**	**194**	**193**	**193**
Memo: Cumulative cash surplus	-69	-191	-300	-394	-477	-621	-755	-876	-989	-1111	-1038	-966	-901	-839	-780	-587	-393	-200	-6	186

Table 2: HELENSBURGH COMMUNITY WIND FARM
FINANCIAL PROJECTION - OPTIMISTIC SCENARIO

Helensburgh Community Wind Farm	
	£,000
Estimated Capital Cost	7,791
Bank Loan - 80%	6,233
GCR loan -16%	1,247
Equity - 4%	312

Total MW	4
Capacity Factor	32% throughout (no degradation)
Initial output	11213 MWh
Revenue	£95/MWh years 1-15, £75/MWh thereafter
Inflation	3% p.a.
Bank loan	15 year term, 6.5% payable monthly
GCR loan	10 year term, 10% payable annually
Depreciation	straight line, 20 years

Profit and Loss Account	Year 1 £,000	Year 2 £,000	Year 3 £,000	Year 4 £,000	Year 5 £,000	Year 6 £,000	Year 7 £,000	Year 8 £,000	Year 9 £,000	Year 10 £,000	Year 11 £,000	Year 12 £,000	Year 13 £,000	Year 14 £,000	Year 15 £,000	Year 16 £,000	Year 17 £,000	Year 18 £,000	Year 19 £,000	Year 20 £,000
Income	**1065**	**1097**	**1130**	**1164**	**1199**	**1235**	**1272**	**1310**	**1349**	**1390**	**1432**	**1475**	**1519**	**1564**	**1611**	**1310**	**1336**	**1363**	**1390**	**1418**
Operating expenses	72	141	145	149	154	234	241	248	256	264	272	280	288	297	306	315	324	334	344	354
DUoS grid charges	22	23	23	24	25	26	26	27	28	29	30	30	31	32	33	34	35	36	37	39
Admin	40	41	42	44	45	46	48	49	51	52	54	55	57	59	61	62	64	66	68	70
Land Rental (Luss Estates)	40	41	42	44	45	46	48	49	51	52	54	55	57	59	61	62	64	66	68	70
Depreciation	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390
Bank loan interest	397	381	362	343	323	300	277	252	225	197	166	134	99	62	22	0	0	0	0	0
GCR loan interest	125	117	108	99	88	77	65	50	35	18	0	0	0	0	0	0	0	0	0	0
Total Expenses	**1086**	**1134**	**1113**	**1092**	**1070**	**1119**	**1095**	**1066**	**1035**	**1002**	**965**	**945**	**923**	**899**	**872**	**864**	**878**	**892**	**907**	**923**
Net Profit/Loss	**-21**	**-37**	**17**	**72**	**129**	**116**	**177**	**244**	**314**	**388**	**467**	**529**	**596**	**665**	**739**	**446**	**459**	**471**	**483**	**495**
Memo: Cumulative net profit	-21	-58	-41	31	160	275	452	697	1011	1399	1866	2395	2991	3656	4395	4841	5300	5770	6253	6749
Contribution to HCDT	40	40	40	40	43	40	59	81	105	129	156	176	199	222	246	149	153	157	161	165
Cash Flow																				
Profit + depreciation	369	353	407	462	519	506	567	634	704	778	857	919	986	1055	1129	836	849	861	873	885
Less bank loan capital repayment	254	271	289	308	329	351	375	400	426	455	485	518	553	590	629	0	0	0	0	0
Less GCR loan capital repayment	78	86	95	104	115	126	139	152	168	184	0	0	0	0	0	0	0	0	0	0
Less Contribution to HCDT	40	40	40	40	43	40	59	81	105	129	156	176	199	222	246	149	153	157	161	165
Cash surplus(+)/deficit(-)	**-3**	**-44**	**-17**	**10**	**32**	**-11**	**-6**	**1**	**6**	**10**	**216**	**225**	**234**	**244**	**254**	**687**	**696**	**704**	**712**	**720**
Memo: Cumulative cash surplus	-3	-47	-64	-54	-22	-34	-40	-39	-33	-24	192	417	651	895	1149	1836	2532	3236	3948	4668

Table 3: HELENSBURGH COMMUNITY WIND FARM
FINANCIAL PROJECTION - PESSIMISTIC SCENARIO

Helensburgh Community Wind Farm			
	£,000	Total MW	4
		Capacity Factor	30%, degrading by 2% per annum
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GCR loan -16%	1,247	Inflation	3% p.a.
Equity - 4%	312	Bank loan	15 year term, 6.5% payable monthly
		GCR loan	10 year term, 10% payable annually
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Profit and Loss Account	Year 1 £,000	Year 2 £,000	Year 3 £,000	Year 4 £,000	Year 5 £,000	Year 6 £,000	Year 7 £,000	Year 8 £,000	Year 9 £,000	Year 10 £,000	Year 11 £,000	Year 12 £,000	Year 13 £,000	Year 14 £,000	Year 15 £,000	Year 16 £,000	Year 17 £,000	Year 18 £,000	Year 19 £,000	Year 20 £,000
Income	**946**	**956**	**965**	**975**	**984**	**994**	**1004**	**1014**	**1024**	**1035**	**1045**	**1056**	**1066**	**1077**	**1087**	**610**	**622**	**635**	**648**	**661**
Operating expenses	72	141	145	149	154	234	241	248	256	264	272	280	288	297	306	315	324	334	344	354
DUoS grid charges	22	23	23	24	25	26	26	27	28	29	30	30	31	32	33	34	35	36	37	39
Admin	40	41	42	44	45	46	48	49	51	52	54	55	57	59	61	62	64	66	68	70
Land Rental (Luss Estates)	40	41	42	44	45	46	48	49	51	52	54	55	57	59	61	62	64	66	68	70
Depreciation	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390	390
Bank loan interest	397	381	362	343	323	300	277	252	225	197	166	134	99	62	22	0	0	0	0	0
GCR loan interest	125	117	108	99	88	77	65	50	35	18	0	0	0	0	0	0	0	0	0	0
Total Expenses	**1086**	**1134**	**1113**	**1092**	**1070**	**1119**	**1095**	**1066**	**1035**	**1002**	**965**	**945**	**923**	**899**	**872**	**864**	**878**	**892**	**907**	**923**
Net Profit/Loss	**-140**	**-179**	**-148**	**-118**	**-85**	**-125**	**-91**	**-51**	**-10**	**33**	**80**	**110**	**143**	**178**	**215**	**-254**	**-255**	**-257**	**-260**	**-262**
Memo: Cumulative net profit	-140	-319	-467	-584	-670	-795	-885	-936	-947	-914	-834	-724	-581	-403	-188	-442	-697	-955	-1214	-1477
Contribution to HCDT	40	40	40	40	40	40	40	40	40	40	40	40	48	59	72	40	40	40	40	40
Cash Flow																				
Profit + depreciation	250	211	242	272	305	265	299	339	380	423	470	500	533	568	605	136	135	133	130	128
Less bank loan capital repayment	254	271	289	308	329	351	375	400	426	455	485	518	553	590	629	0	0	0	0	0
Less GCR loan capital repayment	78	86	95	104	115	126	139	152	168	184	0	0	0	0	0	0	0	0	0	0
Less Contribution to HCDT	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Cash surplus(+)/deficit(-)	**-122**	**-146**	**-142**	**-140**	**-139**	**-212**	**-215**	**-213**	**-214**	**-216**	**-15**	**-18**	**-20**	**-22**	**-24**	**136**	**135**	**133**	**130**	**128**
Memo: Cumulative cash surplus	-122	-268	-410	-549	-689	-901	-1115	-1328	-1543	-1759	-1774	-1792	-1812	-1834	-1858	-1722	-1587	-1455	-1324	-1197