

KEY COMPONENTS - Financial projections

Table B7.1 - Financial projections

Block A Historic cost profit and loss

1	Total Income	£m
Full line title	Total Income	
Definition	Total authority revenue	
Processing rules	Input field	
Reference	AR F1.1 (same as Table F10, line F10.54)	

2	Surplus (before interest)	£m
Full line title	Surplus (before interest)	
Definition	Historical cost surplus before interest.	
Processing rules	Input field	
Reference	AR F1.15 (= sum of F1.1-F1.14)	

3	Interest received	£m
Full line title	Interest received	
Definition	Interest received includes interest on cash and other deposits.	
Processing rules	Input field (positive number)	
Reference	AR F1.16	

4	Interest paid	£m
Full line title	Interest paid	
Definition	Interest paid includes all interest on loans, leases, debentures, overdrafts and all other borrowings e.g. commercial paper or bills of exchange.	
Processing rules	Input field (negative number)	
Reference	AR F1.17	

5	Interest in finance lease rentals	£m
Full line title	Interest in finance lease rentals	
Definition	The interest element of the rental costs of finance leases.	
Processing rules	Input field (negative number)	
Reference	AR F1.18	

6	Surplus (deficit) on ordinary activities before taxation	£m
Full line title	Surplus (deficit) on ordinary activities before taxation	
Definition	Historical cost surplus (deficit) on ordinary activities before taxation.	
Processing rules	Calculated as sum of Lines 2, 3, 4, 5	
Reference	AR F1.19	

7	Exceptional items	£m
Full line title	Exceptional items	
Definition	Total exceptional items charged or credited in the year after taxation. Exceptional items are defined in accordance with paragraph 6 of <i>FRS3 Reporting Financial Performance</i> .	
Processing rules	Input field (positive or negative)	
Reference	AR F1.22	

8	Surplus (deficit) for the year	£m
Full line title	Surplus (deficit) for the year	
Definition	Historical Cost Surplus (deficit) for the year	
Processing rules	Calculated as sum of lines 6 & 7	
Reference	AR F1.23	

Block B Current cost profit and loss

10	Total Income	£m
Full line title	Total Income	
Definition	Total authority revenue	
Processing rules	Input field	
Reference	AR F1.1 (same as Table F10, line F10.54)	

11	Operating costs	£m
Full line title	Total operating costs	
Definition	Total core operating expenditure	
Processing rules	Input field (negative number)	
Reference	AR E1.26	

12	Current cost depreciation	£m
Full line title	Current cost depreciation	
Definition	Asset depreciation, including amortisation of assets sold to PFI consortia	
Processing rules	Input field (negative number)	
Reference	AR F1.12	

13	Infrastructure renewals charge	£m
Full line title	Infrastructure renewals charge (IRC)	
Definition	Normalised annual accounting charge to recover the volume of expenditure on maintenance of infrastructure assets over a defined period. The annual provision for expenditure on the renewal of infrastructure assets charged to the profit and loss account.	
Processing rules	Input field (negative number). Company to state methodology used to calculate IRC. Minimum period of assessment 15 years.	
Reference	New	

14	Current cost operating surplus (deficit)	£m
Full line title	Current cost operating surplus (deficit)	
Definition	Current cost operating profit before interest and extraordinary items	
Processing rules	Sum of Lines 10, 11, 12, 13	
Reference	New	

15	Interest received	£m
Full line title	Interest received	
Definition	Interest received includes interest on cash and other deposits.	
Processing rules	Input field (positive number)	
Reference	AR F1.16	

16	Interest paid	£m
Full line title	Interest paid	
Definition	Interest paid includes all interest on loans, leases, debentures, overdrafts and all other borrowings e.g. commercial paper or bills of exchange.	
Processing rules	Input field (negative number)	
Reference	AR F1.17	

17	Interest in finance lease rentals	£m
Full line title	Interest in finance lease rentals	
Definition	The interest element of the rental costs of finance leases.	
Processing rules	Input field (negative number)	
Reference	AR F1.18	

Block C Historical cost financial indicators

20	HC interest cover	Ratio (3dp)
Full line title	Historical cost P & L interest cover	
Definition	Historical cost surplus on ordinary activities before interest plus interest receivable divided by gross interest payable (including the charge to the P&L for the indexation to the principle of Indexed Linked Loans). This calculation assumes that operating surplus and surplus on ordinary activities before interest are equal. Where this is not the case (eg where there is other income) details of the nature, amount and timing of the difference should be shown in the commentary.	
Processing rules	Input field	
Reference	New	

Block D Current cost financial indicators

25	Current cost interest cover	Ratio (3dp)
Full line title	Current cost P & L interest cover	
Definition	Current cost surplus on ordinary activities before interest plus interest receivable divided by gross interest payable (including the charge to the P&L for the indexation to the principle of Indexed Linked Loans). This calculation assumes that operating surplus and surplus on ordinary activities before interest are equal. Where this is not the case (eg where there is other income) details of the nature, amount and timing of the difference should be shown in the commentary.	
Processing rules	Input field	
Reference	New	

26	Return on regulatory capital value	%
Full line title	Current cost return on regulatory capital value	
Definition	Current cost operating surplus divided by average regulatory capital value.	
Processing rules	Line 14 divided by line 28 times 100	
Reference	New	

27	Regulatory capital value - year end	£m
Full line title	Regulatory capital value at the financial year end	
Definition	Regulatory capital value at the financial year end.	
Processing rules	Input field (positive amount)	
Reference	New	

28	Regulatory capital value - year average	£m
Full line title	Average regulatory capital value – year average	
Definition	Average regulatory capital value for the year	
Processing rules	Input field (positive amount)	
Reference	New	

Block E Cash financial indicators

30	Cash interest cover	Ratio (3dp)
Full line title	Cash interest cover – (FFO cover)	
Definition	Net cash flow from operating activities plus gross interest received divided by gross interest payable.	
Processing rules	Calculated field: (Table B7.2 line 1 plus table B7.2 line 6) divided by (table B7.3 line 7 plus table B7.2 line 8) multiplied by -1	
Reference	New	

31	Adjusted cash interest cover I (post maintenance charges)	Ratio (3dp)
Full line title	Adjusted cash interest cover I – (FFO post capital maintenance charges)	
Definition	Net cash flow from operating activities and maintenance charges plus gross interest receivable divided by gross interest payable.	
Processing rules	Calculated field: (Table B7.2 line 1 plus table B7.1 line 12 plus table B7.1 line 13 plus table B7.2 line 6) divided by (table B7.3 line 7 plus table B7.2 line 8) multiplied by -1.	
Reference	New	

32	Adjusted cash interest cover II (post maintenance expenditure)	Ratio (3dp)
Full line title	Adjusted cash interest cover II (post capital maintenance expenditure)	
Definition	Net cash flow from operating activities after tax paid and maintenance expenditure plus gross interest received divided by gross interest paid.	
Processing rules	Calculated field: (Table B7.2 line 1 minus table B3.5W line 22 minus table B3.6W line 22 minus table B3.7S line 22 minus table B3.8S line 22 plus table B7.2 line 6) divided by (table B7.2 line 7 plus table B7.2 line 8) multiplied by -1.	
Reference	New	

Block F Net Debt and Gearing

35	Net debt	£m
Full line title	Net Debt	
Definition	Net debt at financial year end. Cash and investments less total borrowings. Cash and investments include cash in hand, short term deposits, and other loans. A breakdown of the type and principle amount of each investment should be provided. Total borrowings include bank overdrafts, bank loans, finance leases, debenture, EIB loans, finance leases, debentures, EIB loans and other loans (including commercial bills and paper)	
Processing rules	Input field. Negative number if net debt position, positive if net cash position.	
Reference	New	

36	Gearing (D/D+E)	%
Full line title	Historical cost gearing	
Definition	Net debt as a percentage of total capital employed. Capital employed consists of reserves and net debt.	
Processing rules	Input Field	
Reference	New	

37	Net debt / RCV ratio	%
Full line title	Net debt to RCV ratio	
Definition	Net debt as a percentage of the total regulatory capital value at the financial year end	
Processing rules	Calculated field	
Reference	New	

38	Debt payback	%
Full line title	Debt payback (FFO/Net debt)	
Definition	Net cash flow from operating activities after tax paid and net interest paid, divided by net debt, expressed as a percentage.	
Processing rules	Calculated field	
Reference	New	