

Meeting of the South Bank University Enterprises Ltd Board

2.00 pm on Tuesday, 12 November 2019
in Clarence Centre for Enterprise and Innovation

Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
6.	Budget 2019/20 (to approve)	3 - 8	LC

Date of next meeting
2.00 pm on Tuesday, 21 January 2020

Members: Michael Cutbill and Richard Flatman (Vice-Chair, in the Chair)

Apologies: Paul Ivey

In attendance: Michael Broadway, Sally Black, Linsey Cole and Rebecca Warren

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Agenda Item 6

	INTERNAL
Paper title:	SBUEL Budget 2019/2020
Board/Committee:	SBUEL Board
Date of meeting:	12 November 2019
Author(s):	Keith Would – Finance Business Partner
Sponsor(s):	Paul Ivey, Deputy Vice-Chancellor & Chief Business Officer
Purpose:	For Information
Recommendation:	That the Board notes the projected deficit position for SBUEL and supports corrective action.

Executive Summary

The October 2019 finance output (period 3) for SBUEL indicate a projected loss for the year of some £230K. This is due to a loss in repeat income because of reductions in rented space (pressures from the London Road decant etc.), and projection uncertainty given the sporadic nature of in year enterprise income.

The board is asked to note this position and also note that performance will be monitored throughout the year, corrective action (if possible) will be taken to bring the budget back to a surplus position.

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South Bank University Enterprise Ltd budget 2019

	Total	REI	ERDF Projects	Facilities hire	Brandmovers	APS	ACI	ENG	HSC	BEA	Recruitment Agency	Executive Office	International office	Marketing
Enterprise - Funding Grants	(623,736)	(623,736)												
Enterprise - Research Related Activities	(440,726)				(200,000)	(194,751)			(7,500)	(38,475)				
Enterprise - Other	(2,624,839)		(812,763)	(1,174,652)		(34,358)	(160,000)	(160,225)	(81,842)		(200,000)			(1,000)
Other - Operating Income														
Total Income	(3,689,301)	(623,736)	(812,763)	(1,174,652)	(200,000)	(229,109)	(160,000)	(160,225)	(89,342)	(38,475)	(200,000)			(1,000)
Academic - Permanent staff	326,032				207,854	47,056		60,841	10,280					
Academic - Temporary staff														
Support - Permanent staff	2,079,525	1,133,646	196,214	128,135		147,810		70,838	1,819		166,351	197,691	37,022	
Support - Temporary staff														
Third party staff	135,852								14,800		121,052			
Total Staff	2,541,409	1,133,646	196,214	128,135	207,854	194,866		131,679	26,899		287,403	197,691	37,022	
Staff Related	28,140				7,000	3,151		3,500	5,320		9,169			
Marketing and PR	126,311	15,000	68,850				40,000				2,461			
Student Related	2,200									2,200				
Equipment	2,500							2,500						
Computing	69,590	4,500	63,423						1,667					
Utilities	348,500	0		348,500										
Maintenance & Other Estate	24,000	24,000												
Cleaning & Security														
Financial	1,045										1,045			
Communications	15,500	15,000									500			
Legal & Professional	136,542		92,742						3,000		40,800			
Subscriptions and Membership Fees	4,000										4,000			
Photocopying and Stationery	2,000								500		1,500			
Other	599,704	312,380	143,628			13,500	57,000	23,600	13,236	35,860	500			
Internal charges	16,200	15,000							1,200					
Total Operating Expenses	1,376,232	385,880	368,643	348,500	7,000	16,651	97,000	29,600	24,923	38,060	59,975			
Contribution	228,340	895,790	(247,906)	(698,017)	14,854	(17,592)	(63,000)	1,055	(37,520)	(415)	147,378	197,691	37,022	(1,000)

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South Bank University Enterprises Ltd

Management Summary Report from August 2019 To The End Of October 2019

SMT Area: All

Cost Centre: All

Full Year Outturn Last Year (£)	Description	2019 Budget (£)
(567,033)	Enterprise - Funding Grants	(623,736)
(275,542)	Enterprise - Research Related Activities	(440,726)
(2,955,276)	Enterprise - Other	(2,624,839)
(3,246)	Other - Operating Income	
(1,051)	Endowment Income & Interest Receivable	
(3,802,148)	Total Income	(3,689,301)
321,442	Academic - Permanent staff	326,032
11,269	Academic - Temporary staff	
1,632,471	Support - Permanent staff	2,079,525
21,301	Support - Temporary staff	
224,901	Third party staff	135,852
2,211,383	Total Staff Costs	2,541,409
52,859	Staff Related	28,140
96,214	Marketing and PR	126,311
(24,476)	Bursaries and Scholarships	
5,361	Student Related	2,200
151,440	Equipment	2,500
64,213	Computing	69,590
432,337	Utilities	348,500
35,380	Maintenance & Other Estate	24,000
	Cleaning & Security	
44,603	Financial	1,045
10,152	Communications	15,500
501,449	Legal & Professional	136,542
17,178	Subscriptions and Membership Fees	4,000
5,903	Photocopying and Stationery	2,000
92,957	Other	599,704
(450)	Internal Recharges	16,200
1,485,120	Total Other Operating Expenses	1,376,232
(105,644)	Contribution	228,340
	Contribution %	
	Staff costs as % of income	

2019 SBUEL budget:

Income:

New income tends to be budgeted in LSBU. Hence if we are successful in winning business that goes through SBUEL, one would expect the full year to end up being higher than budget. Some of the rooms that were previously available for commercial lettings had to be sacrificed as a result of the Estates development, which has led to a decrease in income vs 2018 of £115k

Staff:

The staff cost increase is predominantly due to REI now having people in place for all roles, which was not the case for previous years.

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