

Meeting of the Board of Directors of South Bank University Enterprises Ltd

6.00pm on Thursday, 19 July 2012
held in 1B33, Technopark, London South Bank University

Agenda			
<i>No.</i>	<i>Item</i>	<i>Paper No.</i>	<i>Presenter</i>
1.	Welcome and Apologies <ul style="list-style-type: none"> • To note the resignation of Ed Tinley as director 		Chair
2.	Declarations of Interest		Chair
3.	Constitution		
3.1	To note that the shareholder had approved the following: <ul style="list-style-type: none"> • to allow directors to authorise situational conflicts of interest • to delete the provisions of the Memorandum of Association • to adopt new Articles of Association • the composition of the Board • the Schedule of Matters Reserved to the Board 		Chair
4.	Capitalisation of Debt		
4.1	To approve the proposal to recapitalise the Company	UE.18a(12)	Chair
4.2	To offer five ordinary shares to London South Bank University for a £5 plus a share premium of £700,000		Chair
4.3	<i>Adjournment of meeting for consideration of offer and acceptance by London South Bank University</i>	UE.18b(12)	Chair
4.4	To note acceptance of offer by London South Bank University		Chair

5. Allotment of additional shares

5.1 To approve an Ordinary Resolution giving directors the authority to allot up to twenty five ordinary shares for a period of five years UE.19(12) Chair

5.2 *Adjournment of meeting for consideration and signature by shareholder* Chair

5.3 To note approval of the ordinary resolution giving directors the authority to allot up to twenty five ordinary shares for a period of five years Chair

6. Issue of additional shares

6.1 To approve a resolution to issue five shares to London South Bank University UE.20(12) Chair

6.2 To approve form SH01 UE.21(12) Sec

7. Capital Reduction

7.1 To approve proposal to reduce share capital UE.22(12) Chair

7.2 To approve a Solvency Statement having considered the following documents: UE.23(12) Chair

- The draft Enterprise business plan UE.24(12)
- Management accounts to 30 June 2012 UE.25(12)
- A summary of all current projects UE.26(12)
- Five year forecasts of income and expenditure for SBUEL for the period to 31 July 2017 UE.27(12)
- Cash flow forecast UE.28(12)

7.3 *Adjournment of meeting for signature of solvency statement by all directors of the company* Chair

7.4 To approve a Special resolution to reduce the capital of the company UE.29(12) Chair

7.5 *Adjournment of meeting for consideration of the resolution and solvency statement and signature of the resolution by shareholder* Chair

7.6 To note the approval of the Special Resolution to reduce Chair

the capital of the company

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|--------------------------------------|--|-----------|-------|
| 7.7 | To approve the Compliance Statement under section 644(5) of the Companies Act 2006 | UE.30(12) | Chair |
| 7.8 | <i>Adjournment of meeting for signature of compliance statement by all directors of the company</i> | | Chair |
| 7.9 | To approve form SH19 | UE.31(12) | Chair |
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| 8. Companies House Compliance | | | |
| 8.1 | To note that the following documents will be filed at Companies House: | | Sec |
| | <ul style="list-style-type: none"> • Special Resolution deleting the provisions of the Memorandum of Association • Special Resolution adopting the new Articles of Association • New articles of association • Written resolution of the company authorising the directors to allot shares • Completed return of allotments form – SH01 • Written resolution of the company to reduce share capital • Copy of the signed solvency statement • Statement of compliance under section 644(5) of the Companies Act 2006 • Statement of Capital – form SH19 | | |
| 8. | Any Other Business | | Chair |
| 9. | Date of Next Meeting – Friday 14 September 2012 at 2.30pm | | Sec |

Members:	Richard Flatman (Chair), Tim Gebbels, Bev Jullien
Representing the shareholder:	David Longbottom, Chairman of the Board of Governors on behalf of the shareholder
In attendance:	Company Secretary and Governance Officer.

	PAPER NO: N/A	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Pro forma minutes of meeting of 19 July 2012	
Author:	James Stevenson, Company Secretary	
Recommendation by the Executive:	That the Board notes the attached pro forma minutes for today's meeting	
Matter previously considered by:	N/A	N/A
Further approval required?	Minutes of today's meeting will be approved at the next SBUEL Board meeting	On: 14 September 2012
Communications – who should be made aware of the decision?	N/A	

Executive summary

The Board are asked to note the attached pro forma minutes for today's meeting.

Minutes of South Bank University Enterprises Ltd
Held at 6pm on Thursday 19 July 2012
in 1B33, Technopark, London Road

Present

Richard Flatman Chairman
Bev Jullien
Tim Gebbels

Representing the Shareholder

David Longbottom Chairman of the Board of Governors on behalf of the
Shareholder

In attendance

James Stevenson Company Secretary
Michael Broadway Governance Officer

Welcome and Apologies

1. Richard Flatman took the chair and declared that all the directors of the Company were present and that the meeting had been duly convened.
2. The Board noted that Ed Tinley had resigned as a director with effect from 4 July 2012.

Declarations of Interest

3. The directors declared that they had no interest, direct or indirect, in the transactions and proposals to be considered by the meeting for the purposes of section 177 of the Companies Act 2006 ("the Act") and the articles of association of the Company.

Constitution

4. The Board noted that London South Bank University ("the Parent") had approved amendments to the Articles of Association.
5. The Board noted that the Parent had agreed to the composition of the Board of Directors and the Schedule of Matters Reserved to the Board.

Recapitalisation

6. The Chairman reported that in order for the Company to continue making Gift Aid payments to the Parent, it would be necessary to recapitalise the balance sheet in order to create distributable reserves. It was proposed that the Company capitalise its debt to the Parent by the issue of new shares to the Parent at a share premium followed by a capital reduction (paper **UE.18a(12)**).

Capitalisation of debt owing by the company

7. It was noted that the Company was indebted to the Parent in the sum of £700,000 (“the Debt”), as part of the inter-company balance.
8. It was reported that the Company had agreed in principle with the Parent that:
 - a. the Debt be capitalised in the manner set out below (“the Capitalisation”); and
 - b. the Capitalisation be effected by the issue by the Company of 5 ordinary shares of £1 each in the capital of the Company at an aggregate premium of £700,000.
9. Accordingly, it was reported that it had been agreed in principle between the Company and the Parent that the Parent would accept the issue, credited as fully paid, of 5 ordinary shares of £1 each in the capital of the Company (issued at a premium) (“the Shares”) in full and final satisfaction of the Company’s obligations in respect of the Debt subject to the payment by the Parent of the sum of £5 in cash in respect of the par value of such shares.
10. In connection with the Capitalisation, there was produced to the meeting a final form subscription letter addressed to the Company from the Parent (“the Subscription Letter”) (paper **UE.18b(12)**).
11. The board carefully considered the Capitalisation and the terms of the Subscription Letter.
12. The board having done so and having considered the Capitalisation generally and the matters set out in section 172 of the Act declared it was to the benefit and in the best interests of the Company and would promote the success of the Company for the benefit of its members as a whole to effect the Capitalisation and based on the expectation that it will enable the Company to

enhance its profitability and therefore promote the success of the University by way of increased gift aid receipts and it was resolved that:

- a. the Capitalisation be approved; and
- b. the terms of the Subscription Letter be approved.

Issue of New Shares

13. The Chairman reported that under Article 3(a) and section 551 of the Act it was necessary for the parent to authorise the directors of the Company to allot new shares through an ordinary resolution (the "Ordinary Resolution") (paper **UE.19(12)**).
14. The draft ordinary resolution was produced to the meeting by which the parent, would:
 - a. pass the Ordinary Resolution to approve the allotment of twenty five additional ordinary shares;
15. Having considered the Ordinary Resolution it was resolved that:
 - a. the form of the Ordinary Resolution be approved;
 - b. the Ordinary Resolution be presented to the Parent of the Company; and
 - c. that the board meeting be adjourned to enable the same to be considered by the parent.
16. The meeting then briefly adjourned to allow the Ordinary Resolution to be signed.
17. Upon resumption of the meeting the directors noted that the Ordinary Resolution had been approved and duly signed for and on behalf of the parent.
18. Upon authorisation to allot additional shares the Board resolved to issue five ordinary shares of £1 each at an aggregate premium of £700,000 to the Parent (paper **UE.20(12)**).
19. A duly completed form SH01 (paper **UE.21(12)**) reflecting the capital of the Company as amended by the Special Resolution was produced to the meeting and it was resolved that such form be approved. The form was then signed by the Secretary.

Capital Reduction

20. The Chairman reported that it was proposed that the Company reduce its share capital in accordance with the provisions of Chapter 10 of Part 17 of the Act in order to create distributable reserves (paper **UE.22(12)**). Specifically, it was proposed that the Company reduce its share capital by the cancellation of £700,000 of the amount standing to the credit of the share premium account of the Company (“the Capital Reduction”).
21. The Chairman reported that:
 - a. immediately prior to the Capital Reduction the share capital of the Company was £10 divided into ten ordinary shares of £1 each all of which were fully paid up and with a share premium account of £700,000; and
 - b. immediately following the Capital Reduction the share capital of the Company would be £10 divided into ten ordinary shares of £1 each all of which were fully paid up.
22. The Chairman further reported that pursuant to section 641 of the Act, the Capital Reduction could be effected by way of a special resolution supported by a solvency statement in accordance with the procedures set out in sections 642 to 644 of the Act.
23. The directors noted that, pursuant to section 3(2) of The Companies (Reduction of Share Capital) Order 2008:
 - a. the prohibition in section 654(1) of the Act which provides that a reserve arising from a reduction in capital is not distributable, did not apply to a reduction of capital effected by way of a special resolution supported by a solvency statement in accordance with the procedures set out in sections 642 to 644 of the Act; and
 - b. that a reserve arising from a reduction of capital carried out in such a way was to be treated for the purposes of Part 23 of the Act as a realised profit.

24. Accordingly, the directors considered it appropriate to consider the procedures set out in sections 642 to 644 of the Act and the following points were noted in respect of those procedures:
- a. that the Capital Reduction must be approved by a special resolution of the Company (“the Special Resolution”);
 - b. that the Special Resolution must be supported by a statement of solvency which all the directors of the Company were required to make in accordance with section 643 of the Act, a form of which (which had been prepared in accordance with The Companies (reduction of Share Capital) Order 2008) was produced to the meeting (“the Solvency Statement”) (paper **UE.23(12)**) and the directors noted that the form and text of the Solvency Statement would involve each of them making statements that they had formed the opinion:
 - i. as regards the Company’s situation at the date of the statement, that there was no ground on which the Company could then be found to be unable to pay (or otherwise discharge) its debts; and
 - ii. that (on the basis that it is not intended to commence winding up of the Company within 12 months) the Company will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following that date;
 - c. that in forming the opinions set out in the Solvency Statement the directors were required to take into account all of the Company’s liabilities (including any contingent or prospective liabilities);
 - d. the provisions of section 643(4) of the Act which provide that where a director makes such a statement, without having reasonable grounds for the opinions expressed in it, and the statement is delivered to the Registrar of Companies (“the Registrar”), an offence is committed by that director for which on conviction he or she would be liable to a term of imprisonment not exceeding 2 years or a fine or both;
 - e. that the Company must not be prohibited from effecting the Capital Reduction by its articles of association and it was noted that there was no such prohibition in the Company’s articles of association;
 - f. as the Special Resolution was proposed as a written resolution, a copy of the Solvency Statement must be sent or submitted to every eligible member at or before the time at which the proposed resolution is sent or submitted to him;

- g. that within 15 days after the Special Resolution is passed the Company must deliver to the Registrar:
- i. a print of the Special Resolution;
 - ii. a copy of the duly signed Solvency Statement;
 - iii. a statement of capital in the form of prescribed form SH19;
 - iv. a statement prepared in accordance with section 644(5) of the Act, duly signed by all the directors of the Company, confirming that the Solvency Statement was made not more than 15 days before the date on which the Special Resolution was passed; and was provided to all the members in accordance with section 642 of the Act, a form of which was produced to the meeting (“the Compliance Statement”);

and that the Capital Reduction would take effect upon registration by the Registrar of the above documents.

25. Having carefully considered the above matters the directors unanimously resolved:
- a. that the Capital Reduction was in the best interests of the Company and that it would promote the success of the Company for the benefit of its members as a whole having regard to the matters set out in section 172 of the Companies Act 2006; and
 - b. that the necessary steps be taken by the Company to effect the Capital Reduction.

Solvency Statement

26. The directors considered the following documents, each of which was produced to the meeting:
- 27.
- a. The draft University Enterprise business plan (paper **UE.24(12)**);
 - b. Management accounts for the period to 30 June 2012 (paper **UE.25(12)**);
 - c. A summary of all current projects (paper **UE.26(12)**);

- d. Five year forecasts of income and expenditure for the Company for the period to 31 July 2017 (paper **UE.27(12)**); and
 - e. A cash flow forecast to 31 July 2013 (paper **UE.28(12)**).
28. The directors noted that the Management Accounts showed that the Company had made a net profit of £ £500,264 to 30 June 2012 and the directors confirmed that from their knowledge of events since the Management Accounts Date, there had been no material adverse change in the financial position of the Company since that date.
 29. The directors also noted that they had no intention to commence winding up the Company within 12 months of the date of the Solvency Statement.
 30. Having reviewed and discussed the documents listed in paragraph 26 above, the directors confirmed that in their opinion the Company would have sufficient working capital to enable it to pay its debts immediately following the date of the Solvency Statement and, having regard to the intentions of the directors in the management of the Company's business and to the amount and character of the financial resources which will be available, the Company will, following the date of the Solvency Statement, be able to continue in business as a going concern and thus be able to pay its debts as they fall due. The directors also confirmed that they had taken account of all contingent and prospective liabilities (for example contingent liabilities that are required to be disclosed in the notes to annual financial statements and commitments under hire purchase agreements or supply contracts) that a court would take into account when considering whether it could pay its debts under Sections 122 and 123 of the Insolvency Act 1986.
 31. In light of the above, each of the directors formed the opinion that, as regards the Company's situation at the date of the Solvency Statement, that there was no ground on which the Company could then be found to be unable to pay (or otherwise discharge) its debts; and that the Company will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following date of the Solvency Statement.
 32. It was therefore resolved that the form of the Solvency Statement was approved. Each of the directors then signed the Solvency Statement and the Solvency Statement was dated with the date of the meeting.

Special Resolution

33. A draft written resolution (“the Special Resolution”) (paper **UE.29(12)**) was produced to the meeting by which the Parent would:
 - a. pass the Special Resolution to approve the Capital Reduction.
34. Having considered the Special Resolution it was resolved that:
 - a. the form of the Special Resolution be approved;
 - b. the Special Resolution be presented to the Parent; and
 - c. that the meeting be adjourned to enable the same to be considered by the Parent.
35. The meeting then briefly adjourned to allow the Special Resolution to be signed.
36. Upon resumption of the meeting the directors noted that the Special Resolution had been approved and duly signed by the Parent and that prior to signing the Chairman of the Parent had inspected the original signed Solvency Statement.

Compliance Statement and Form SH19

37. The directors considered the form of the Compliance Statement (paper **UE.30(12)**) and noted that it required them to confirm, in accordance with section 644(5) of the Act, that:
 - a. the Solvency Statement was made not more than 15 days before the Written Resolution was passed; and
 - b. a copy of the Solvency Statement had been provided to the members of the Company in accordance with section 642(2) of the Act.
38. It was resolved that the form of the Compliance Statement be approved. Each of the directors then signed the Compliance Statement and the Compliance Statement was dated with the date of the meeting.
39. A duly completed form SH19 (paper **UE.31(12)**) reflecting the capital of the Company as reduced pursuant to the Special Resolution was produced to the meeting and it was resolved that such form be approved. The form was then signed by the Secretary.

Returns to the Registrar of Companies

40. The secretary was instructed to deliver all to the Registrar within 15 days of the date of the meeting:
- a. a print of the Special Resolution;
 - b. a copy of the duly signed Solvency Statement;
 - c. the Compliance Statement; and
 - d. the form SH19.
41. The secretary was instructed to notify the Company upon receipt by them of confirmation that the above documents had been registered by the Registrar and as such the Capital Reduction had been effected.

Date of next meeting

42. The board noted that the date of the next meeting was Friday 14 September 2012 at 2.30pm.

Conclusion

There being no further business, the meeting then ended.

Approved as a correct record.

.....
Chairman

	PAPER NO: UE.18a(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Proposal to recapitalise the Company	
Author:	James Stevenson, Company Secretary and Rebecca Warren, Accountant	
Recommendation:	That the Board approves the proposal to recapitalise the Company	
Matter previously considered by:	SBUEL Board	On: 26 June 2012
Further approval required?	LSBU	On: 19 July 2012
Communications – who should be made aware of the decision?	N/A	

Executive summary

In order for the Company to continue making Gift Aid payments to London South Bank University, it is necessary to recapitalise the balance sheet in order to create distributable reserves. It is proposed that the Company capitalise its debt to LSBU by the issue of new shares to LSBU at a share premium followed by a capital reduction.

The Board is asked to approve the attached proposal to recapitalise the Company.

Recapitalisation of SBUEL

Effect on statutory accounts, and next steps

This document sets out the effects of a change to the capital structure of South Bank University Enterprises Ltd (SBUEL): a capital injection, in the form of an issue of new shares with a large share premium account, followed by a Companies Act reduction to eliminate the negative reserves.

Double entries

The double entries in the accounts of the University and SBUEL will be as follows. As at the end of July 2011, the negative reserves in SBUEL were £588,776. To allow for a likely discrepancy between taxable profit and accounting profit in 2012 and subsequent years, a capital injection of **£700,000** is suggested, plus the nominal value of the shares (£5). Then the double entries will be:

In SBUEL:

Debit intercompany creditor £700,005
 Credit share capital £5
 Credit share premium account £700,000

In University:

Debit Investments £700,005
 Credit intercompany debtor £700,005 (this balances the intercompany account in SBUEL).

And then, when the capital reduction takes place, the double entries will be:

In SBUEL:

Debit share premium account £700,000
 Credit reserves £700,000

In the University:

Debit income and expenditure £700,000
 Credit investments £700,000 (leaving the nominal value of the shares, £5, as the debit against this account).

Although the entries above show a charge to the income and expenditure account in the University, this is eliminated on consolidation of the accounts; therefore no overall charge is shown in the consolidated income and expenditure account.

The balance sheet of SBUEL after the capital reduction, based on the position at the end of May, will appear as in the third column below. This balance sheet has been prepared on the assumption that the entire accounting profit of SBUEL will be shed as Gift Aid, and should therefore be shown as a creditor in the balance sheet rather than as profit.

The final column below shows the position if the available cash balance of SBUEL is used to pay off the remainder of the intercompany creditor, including the long-term loan of £215,000. (This exact position cannot be realised, because the Gift Aid payment cannot be made until after the year-end, but it is indicative of what the future balance sheet is likely to look like).

Note additionally that SBUEL owes very little to external creditors; this is relevant for the solvency statement which the directors of SBUEL will need to sign and which the Board will need to have considered prior to their agreement to the capital reduction.

31 May 2012	Before recapitalisation	After capital injection	After capital reduction	After cash settlement of intercompany creditors
	£	£	£	£
Fixed assets -- investments	69	69	69	69
Current assets				
Debtors (primarily trade debtors)	220,559	220,559	220,559	220,559
Cash at bank & in hand	1,640,026	1,640,026	1,640,026	511,264
	<u>1,860,585</u>	<u>1,860,585</u>	<u>1,860,585</u>	<u>731,823</u>
Creditors: Amounts falling due within one year				
Intercompany account (including VAT)	1,125,267	425,262	425,262	-
Intercompany Gift Aid creditor	488,500	488,500	488,500	-
Deferred income	603,041	603,041	603,041	603,041
Other	17,617	17,617	17,617	17,617
	<u>2,234,425</u>	<u>1,534,420</u>	<u>1,534,420</u>	<u>620,658</u>
Total Assets less Current Liabilities	(373,771)	326,234	326,234	111,234
Creditors: Amounts falling due after more than one year	(215,000)	(215,000)	(215,000)	-
Net Liabilities	<u>(588,771)</u>	<u>111,234</u>	<u>111,234</u>	<u>111,234</u>
Called up share capital	5	10	10	10
Profit and loss account	(588,776)	(588,776)	111,224	111,224
Share premium account	-	700,000	-	-
Total equity shareholders' surplus/deficit	<u>(588,771)</u>	<u>111,234</u>	<u>111,234</u>	<u>111,234</u>

	PAPER NO: UE.18b(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Acceptance from London South Bank University for five ordinary shares in the Company	
Author:	James Stevenson, Company Secretary	
Recommendation:	That the Board notes the acceptance of offer for fives ordinary shares	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

Executive summary

Subject to a decision made in the University Board of Governors meeting, London South Bank University will accept the offer of five ordinary shares in South Bank University Enterprises Ltd for £700,005. The draft letter is attached and, subject to the above approval, will be signed by the shareholder in today's meeting.

**London South Bank
University**

London South Bank University,
103 Borough Road,
London SE1 0AA

South Bank University Enterprises Ltd,
103 Borough Road,
London,
SE1 0AA

19 July 2012

To the Directors of South Bank University Enterprises Ltd (the "Company"),

The Company is indebted to us in the sum of £700,000 (the "Debt"), as part of the inter-company balance.

We apply to the Company for the allotment and issue to us of 5 ordinary shares of £1 ("Subscription Shares") at an aggregate subscription price of £700,005 ("Subscription Price") in full and final settlement of the Debt subject to the payment by us to the Company of the sum of £5 in cash in respect of the par value of such shares. The Subscription Shares shall be allotted and issued to us free from any encumbrances.

The Subscription Shares shall rank pari passu in all respects with the existing ordinary shares of £1 each in the capital of the Company and shall carry the right to receive in full all dividends and other distributions declared, made or paid after the date of this Agreement.

We agree to take the five shares subject to the Articles of Association of the company and we authorise you to enter our name in the register of members as the holder of the five shares.

Nothing in this letter shall in any way affect any debt owing to us by the Company not forming part of the Debt which shall remain owing by the Company to us in accordance with its terms.

Yours sincerely,

Signature

Dated

D. A. Longbottom, Chairman of the Board

For and on behalf of London South Bank University

	PAPER NO: UE.19(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Resolution to give the directors authority to allot shares	
Author:	James Stevenson, Company Secretary	
Recommendation:	That the Board approves the resolution for consideration and approval by the shareholder	
Matter previously considered by:	SBUEL Board	26 June 2012
Further approval required?	By shareholder – in meeting	On: 19 July 2012
Communications – who should be made aware of the decision?	Filed at Companies House	

Executive summary

In order to recapitalise the company the shareholder needs to give the directors express permission to allot shares (under section 551 Companies Act 2006). Authority to allot shares can be given for a maximum of five years. Five years is proposed in case the company needs to undertake further recapitalisation in the near future.

The Board are requested to approve the resolution and recommend to the shareholder for approval and signature.

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

SOUTH BANK UNIVERSITY ENTERPRISES LIMITED

(a company registered in England no. 02307211)
("the Company")

**WRITTEN RESOLUTION
OF
THE SOLE MEMBER**

Circulation Date: 12 July 2012

Date Passed:

Under Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolution below is passed as an ordinary resolution ("**the Resolution**"). The Resolution is being proposed in connection with a proposed allotment of additional shares of the Company.

ORDINARY RESOLUTION

- 1. THAT** in accordance with section 551 of the Act, the directors be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £25 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date 5 years following the date on which this Resolution is passed. This authority is in substitution for all previous authorities conferred on the directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Act.

AGREEMENT TO WRITTEN RESOLUTION

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, on behalf of the sole member entitled to vote on the Resolution on the circulation date set out above, hereby irrevocably agree to the passing of the Resolution.

.....
Chairman of the Board of Governors

.....
Date of Signature

Signed for and on behalf of
London South Bank University

NOTES:

1. If you wish to agree to the resolution, please indicate your agreement by signing and dating this document where indicated and returning it to the company at the company's registered office.
2. If you do not agree to the resolution you need not do anything. You will not be deemed to agree if you fail to respond.
3. Once you have indicated your agreement to the resolution you may not revoke your agreement.
4. Unless by the end of the period of 28 days beginning with the circulation date set out above sufficient agreement has been received for the resolution to be passed they will lapse.

	PAPER NO: UE.20(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Resolution to issue five ordinary shares to London South Bank University	
Author:	James Stevenson, Company Secretary	
Recommendation:	That the Board approves the issue of five ordinary shares to London South Bank University	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

Executive summary

Following the acceptance of five ordinary shares from London South Bank University, the Board will be asked to allot and issue five new ordinary shares of £1 each to London South Bank University. A draft Board resolution accepting the University's offer is attached for approval and signature in the meeting.

SBUEL Board resolution for the allotment of shares

A form of application applying for five shares of £1 each was produced and the waiver by London South Bank University of £700,005 of inter-company debt owing to London South Bank University being payment in full plus a share premium of £700,000 was reported.

Resolved:

THAT five shares of £1 each, fully paid is allotted to London South Bank University

THAT the issue of a share certificate for five shares of £1 each is authorised

THAT London South Bank University is entered into the register of members as the holder of five new shares

Accordingly the Board noted that the total share capital following the allotment is £700,010.

Signed

Dated

Richard Flatman

Chairman of South Bank University Enterprises Ltd

	PAPER NO: UE.21(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Form SH01	
Author:	James Stevenson, Company Secretary	
Recommendation:	That the Board notes filing of form SH01	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	Filed at Companies House	

Executive summary

The Board are asked to note that following the issue of five new shares the Secretary will file form SH01 at Companies House.

	PAPER NO: UE.22(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Proposal to reduce share capital	
Author:	James Stevenson, Company Secretary	
Recommendation:	That the Board approves the proposal to reduce share capital in the company.	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

Executive summary

In order to complete the recapitalisation and to create distributable reserves the Board will need to approve a capital reduction. The steps to achieve this are set out in the attached paper.

Capital Reduction

It is proposed that the Company reduce its share capital in accordance with the provisions of Chapter 10 of Part 17 of the Act in order to create distributable reserves. Specifically, it is proposed that the Company reduce its share capital by the cancellation of £700,000 of the amount standing to the credit of the share premium account of the Company (“the Capital Reduction”):

The Board are asked to note that:

- immediately prior to the Capital Reduction the share capital of the Company is currently £700,010 divided into ten ordinary shares of £1 each all of which were fully paid up and with a share premium of £700,000; and
- immediately following the Capital Reduction the share capital of the Company would be £10 divided into ten ordinary shares of £1 each all of which were fully paid up.

The Board are asked to note that pursuant to section 641 of the Act, a Capital Reduction can be effected by way of a special resolution supported by a solvency statement in accordance with the procedures set out in sections 642 to 644 of the Companies Act 2006 (the Act).

The Board are asked to note that, pursuant to section 3(2) of The Companies (Reduction of Share Capital) Order 2008:

- the prohibition in section 654(1) of the Act which provides that a reserve arising from a reduction in capital is not distributable, does not apply to a reduction of capital effected by way of a special resolution supported by a solvency statement in accordance with the procedures set out in sections 642 to 644 of the Act; and
- that a reserve arising from a reduction of capital carried out in such a way was to be treated for the purposes of Part 23 of the Act as a realised profit.

Accordingly, it is recommended that it is considered appropriate to consider the procedures set out in sections 642 to 644 of the Act and to note the following points in respect of those procedures:

- that the Capital Reduction must be approved by a special resolution of the Company (“the Special Resolution”);
- that the Special Resolution must be supported by a statement of solvency which all the directors of the Company are required to make in accordance with section 643 of the Act, a form of which (which had been prepared in accordance with The Companies (reduction of Share Capital) Order 2008) is

to produced to the meeting (“the Solvency Statement”) (paper UE.23(12)) and to note that each director would have to form an opinion:

- as regards the Company’s situation at the date of the statement, that there was no ground on which the Company could then be found to be unable to pay (or otherwise discharge) its debts; and
- that (on the basis that it is not intended to commence winding up of the Company within 12 months) the Company will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following that date;
- that in forming the opinions set out in the Solvency Statement the directors were required to take into account all of the Company’s liabilities (including any contingent or prospective liabilities);
- the provisions of section 643(4) of the Act which provide that where a director makes such a statement, without having reasonable grounds for the opinions expressed in it, and the statement is delivered to the Registrar of Companies (“the Registrar”), an offence is committed by that director for which on conviction he or she would be liable to a term of imprisonment not exceeding 2 years or a fine or both;
- that the Company is not be prohibited from effecting the Capital Reduction by its articles of association;
- as the Special Resolution was proposed as a written resolution, a copy of the Solvency Statement was sent to every eligible member before the time at which the proposed resolution is sent to him;
- that within 15 days after the Special Resolution is passed the Company must deliver to the Registrar:
 - a print of the Special Resolution;
 - a copy of the duly signed Solvency Statement;
 - a statement of capital in the form of prescribed form SH19;
 - a statement prepared in accordance with section 644(5) of the Act, duly signed by all the directors of the Company, confirming that the Solvency Statement was made not more than 15 days before the date on which the Special Resolution was passed; and was provided to all the members in accordance with section 642 of the Act, a form of which was produced to the meeting (“the Compliance Statement”);
 - and that the Capital Reduction would take effect upon registration by the Registrar of the above documents.

Having carefully considered the above matters the directors **are requested to approve:**

- that the Capital Reduction was in the best interests of the Company and that it would promote the success of the Company for the benefit of its members as a whole having regard to the matters set out in section 172 of the Companies Act 2006; and
- that the necessary steps be taken by the Company to effect the Capital Reduction.

Solvency Statement

Prior to signing the solvency statement the directors are requested to consider:

- The draft Enterprise business plan
- Management accounts to 30 June 2012
- A summary of all current projects
- Five year forecasts of income and expenditure for SBUEL for the period to 31 July 2017
- Cash flow forecast

The directors are requested to note that the company has made a profit of £500,264 as at 30 June 2012.

	PAPER NO: UE.23(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Solvency Statement	
Author:	James Stevenson, Company Secretary	
Recommendation:	That the Board approves the Solvency Statement.	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	Filed at Companies House	

Executive summary

The Board are asked to note that they will be required to sign a Solvency Statement under section 642 Companies Act 2006, in which each director would have to form an opinion:

- as regards the Company's situation at the date of the statement, that there was no ground on which the Company could then be found to be unable to pay (or otherwise discharge) its debts; and
- that (on the basis that it is not intended to commence winding up of the Company within 12 months) the Company will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following that date.

Directors should also note that under the provisions of section 643(4) of the Companies Act 2006 where a director makes such a statement, without having reasonable grounds for the opinions expressed in it, and the statement is delivered to the Registrar of Companies, an offence is committed by that director for which on conviction he or she would be liable to a term of imprisonment not exceeding 2 years or a fine or both.

Before signing the statement the Board are asked to consider the following documents:

- The draft Enterprise business plan – paper UE.24(12)
- Management accounts to 30 June 2012 – paper UE.25(12)
- A summary of all current projects – paper UE.26(12)
- Five year forecasts of income and expenditure for SBUEL for the period to 31 July 2017 – paper UE.27(12)
- Cash flow forecast – paper UE.28(12)

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

SOUTH BANK UNIVERSITY ENTERPRISES LIMITED

(a company registered in England no. 02307211)

("the Company")

SOLVENCY STATEMENT

UNDER SECTION 643 OF THE COMPANIES ACT 2006

This statement is a solvency statement for the purposes of section 642 of the Companies Act 2006.

This solvency statement is made on 19 July 2012.

We, the directors named below (being all the directors of the Company as at the date of this statement):

1. having taken into account all of the company's liabilities (including any contingent or prospective liabilities), have formed the opinion, as regards the company's situation as at the date of this statement, that there is no ground on which the company could then be found to be unable to pay (or otherwise discharge) its debts; and
2. having taken into account all of the company's liabilities (including any contingent or prospective liabilities), have formed the opinion, that the company will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the date of this statement.

Signed by:

Signed by:

.....

.....

Richard Flatman

Beverley Jullien

Date:

Date:

Signed by:

.....

Tim Gebbels

Date:

	PAPER NO: UE.24(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Draft University Enterprise Business Plan	
Author:	Tim Gebbels, Director of Enterprise	
Recommendation:	That the Board considers the draft business plan before signing the Solvency Statement	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

Executive summary

The Board are requested to consider the draft enterprise business plan prior to signing the Solvency Statement. This is the same version of the plan which was considered in detail by the Board at its meeting of 26 June 2012.

SBUEL Board of Directors

Title: University Enterprise – Summary Business Plan for 2012-13

Date: 26th June 2012

Author: Tim Gebbels, Director of Enterprise

Executive member responsible: Bev Jullien, Pro Vice-Chancellor (External)

Purpose of the Paper: To present the summary Business Plan setting out the context for University Enterprise, summarising the plans for growing commercial revenue and articulating the resources necessary to deliver the plan. If approved the plan will be presented to the University's P&R committee and thence to the Board of Governors.

Outcome of Paper:

Information

Discussion

Decision **(Please check as appropriate)**

Paper Recommendation: That the Board approves the summary business plan.

Paper Equality Impact Assessment – N/A

Paper Communication – who should be made aware of the decision and how it would be communicated?

Paper Background (brief summary and key points – up to 2 A4 pages)

University Enterprise is embarking on an ambitious programme of change and growth to meet the aims of the University as set out in its Corporate Plan. To achieve our ambitions will require a step change in our approach to income generation and to profitability and a university wide change in culture.

This paper summarises the changes that are necessary and also highlights the early opportunities that have already been identified to increase revenue and profit. We provide an initial quantification of the financial opportunity available in the short to medium term.

This paper is to be read alongside the paper (also on this agenda) recommending changes necessary to the governance of South Bank University Enterprises Ltd.

1. University Ambition

In its Corporate Plan 2011-14, *Student Success*, the University has set out its ambition to become London's Enterprising University as a fundamental element of delivering the University's mission to create professional opportunity for all who can benefit. This is not a modest incremental change but a transformation of the whole University, creating an entrepreneurial culture throughout the organisation, its staff and its students, and in its external relationships.

Such a transformation cannot effectively be brought about through an uncoordinated series of ad-hoc initiatives but, instead, needs a coherent and concerted University-wide approach. Such an approach is already underway, led through the Corporate Plan and delivered through the re-invigoration of the University Enterprise team and a series of new staff initiatives and incentives that are being established, including the recent Enterprising Staff awards and the appointment of a prominent entrepreneur as the University's new Chancellor.

The focus of this paper is on the short-term opportunities defined and organisational changes needed to deliver them. During 2012/13, a more detailed plan with opportunities identified across sectors for the next 5 years will be prepared.

2. University Enterprise

Enterprise is fundamental to the delivery of Student Success. By establishing a virtuous circle of interaction between teaching, enterprise and research we can create benefit across the University and at all stages of student engagement. Lecturers engaged in commercial enterprise are better equipped to illustrate their teaching with up-to-date, real-world examples. Researchers who undertake commercial research as well as grant funded research are better placed to deliver lasting impact from their work and to find research opportunities for graduate students. Students will find their courses more relevant to their career aspirations and they will have the opportunity to learn first-hand the enterprise skills they need and want to succeed. A key role of University Enterprise, therefore, is to create this virtuous circle by creating strong links between business, academics and students.

The other key purpose of University Enterprise activity is revenue generation. The Corporate Plan sets an objective to double enterprise income over five years, with a specific target for income of £12m by 2014/15, and has established University Enterprise to drive this growth. Our role must be pro-active, identifying new markets and new opportunities and building portfolios of new products and services to serve them. University Enterprise will become the primary channel engagement with commercial clients for the whole University. But we must also continue to work in partnership with others in the University, particularly the academic staff through whom our work will be delivered.

University Enterprise has three areas of activity: Commercial Enterprise, Student Enterprise and IP and Spin-Out activity. These elements are complementary and mutually supporting and each contributes a vital element to the University's enterprising proposition. In this paper the focus is on commercial enterprise..

Subsequent papers will set out our proposals for student enterprise and for IP and spin-out companies.

3. Commercial Enterprise in the Past

The University has a long history of commercial enterprise. Activity in the past was led principally by academic staff who focused on opportunities they could identify within their field of expertise. The Enterprise team provided reactive and mainly administrative support. In consequence, enterprise was largely based around small silos of expertise, often with the engagement of a single academic. There was no systematic approach to markets or to the development of the University's commercial offer. The general approach was that of a "cottage industry".

Projects were typically low in value and, with no systematic approach to profitability, operating profit varied hugely between projects. Of nearly 250 projects undertaken between 2005 and 2011, over 75% had gross income less than £20,000 and, for more than half, it was less than £8,600. Operating profit was, on average, **-£238**, resulting in a total loss of over **£59,000** over the same period, excluding the costs of enterprise support – which was largely funded through HEIF.

Until 2011, the University had a substantial team in place to support commercial enterprise activity. Over 20 FTE staff, some of whom were distributed among the faculties, made up the team, and they were funded from £1.6m income from HEIF. However, the University's HEIF funding was cut by 50% in 2011 and, in consequence, the enterprise team has also been reduced substantially.

The University has undertaken some competitor benchmarking, based on returns of commercial revenue. In 2009/10 the University generated some £8m revenues and was a mid-range performer for modern universities nationally. The best (but with very specific circumstances) posted £22m (London Metropolitan, driven by CPD) and £53m (Hertfordshire, including revenues from a bus company acquisition). Upper quartile performers generally achieved revenues of some £12-20m, which is the basis for the University's revenue growth ambition – although the profitability of University enterprise activities across the sector is very unclear.

Achieving our ambitious growth targets will require a step change in the University's approach to enterprise – both revenue generation and profitability. We need a much more pro-active, focussed and systematic approach developing high value markets, products and solutions. And we need a new culture of enterprise across the University based on a radically new business model for commercial enterprise.

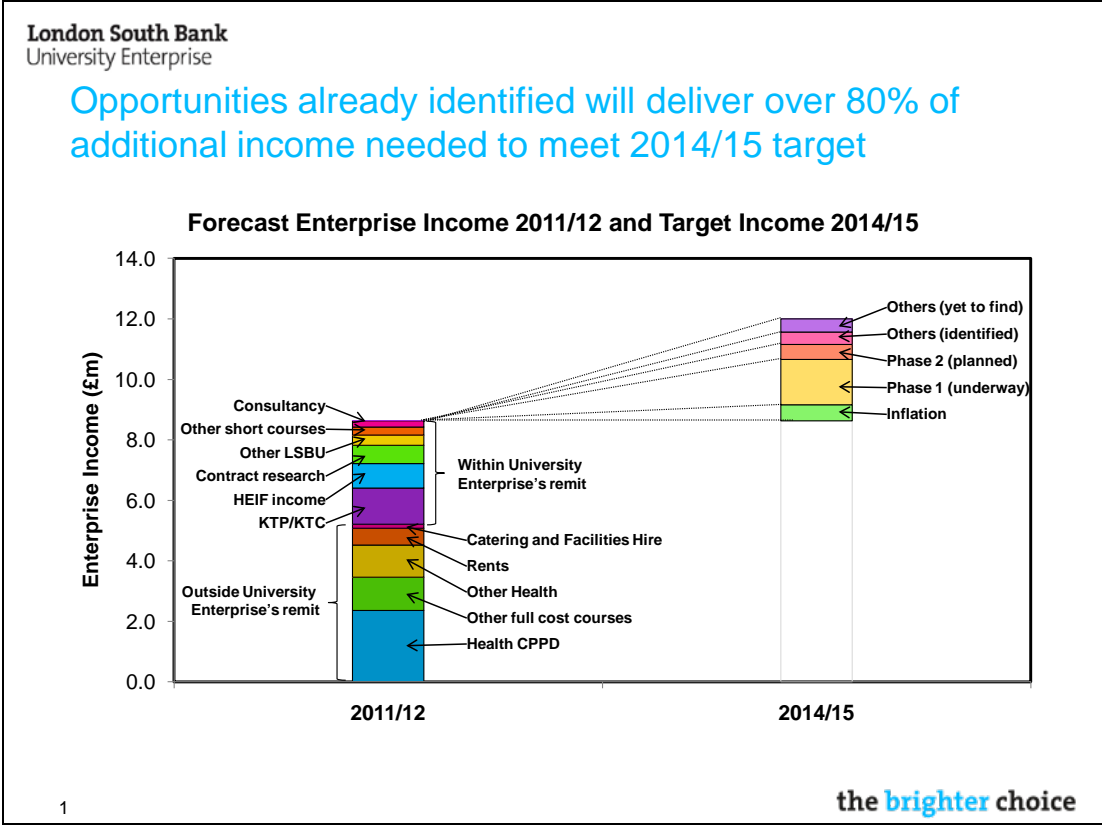
Within the smaller and refocused team we will use the remaining HEIF funding as seed-corn to leverage greater opportunities to secure commercial income than have been realised in the past, doing more with less. The role of University Enterprise will be to provide a "toolkit" of support and processes for academics to engage in smaller enterprise activities independently – and to focus the majority of our effort on major projects which can deliver step change. Indicatively, we will target individual projects or programmes with minimum annual income generation potential of £100k.

4. Future Growth Opportunities

This initial plan focuses on areas where we can deliver short-term income and operating profit. Collectively, the projects set out below have the potential to deliver extra sales of £750k in 2012/13 and £2.4m by 14/15. From our early evaluation, we are confident that significant further potential exists through these and other projects to meet the target for £12m in Enterprise income in 2014/15.

The opportunities identified are summarised in the following sections. Projects in Phase 1 are already underway, and will quickly allow us to make progress against this target. Projects in Phase 2 are planned into the forward programme for the coming year. Beyond these two phases we have also identified a number of other opportunities that we will pursue in the medium term. The contribution each of these areas is expected to make to achieving the 2014/15 target income levels is illustrated in Figure 1.

Figure 1:



Phase 1 – projects ready to market immediately

There are a number of areas where the University already has propositions that are market ready. These can quickly be brought to market, and will be the focus of our work in the short term. For each of these we have set out in the paragraphs below a short description of the project and preliminary estimates of potential income and operating profit.

ACCA Full Cost Courses

LSBU has run internally assessed ACCA¹ courses for 40 years and is amongst only four institutions in the world that can offer fully taught and internally assessed courses for individual ACCA qualifications. We plan to run these without University accreditation as full cost commercial courses from September.

Changes being introduced by the UK Borders Agency (April 2012) mean that many existing providers will lose their ability to sponsor international students for these qualifications, resulting in a substantial market of “stranded” students, creating a real opportunity for us.

To recruit forecast student numbers we will undertake a major marketing and promotion programme, beginning immediately. This represents a significant “at risk” investment but one that is necessary to generate the returns we have identified.

Based on preliminary modelling, these ACCA courses have the potential to generate an operating profit of over £100,000 from a gross income of over £900k by 2014/15.

In addition, we have the potential to become an examination centre for ACCA itself. Although we administer our own examinations for ACCA courses, the other institutions offering ACCA training cannot do this. Their students must sit ACCA exams at one of a number of ACCA examination centres. By becoming one of these centres we can secure further upside profit from this activity as well as strengthening our already strong relationship with the ACCA.

E-Learning through ILSI

The Institute for Leadership and Service Improvement (ILSI), a unit within the Faculty of Health and Social Care, is developing a range of e-learning and blended learning products in partnership with Brickwall Ltd targeting the healthcare sector.

The first of the products, The Commissioning Place, provides training to GP consortia and other potential service commissioners on the new approach to health service commissioning. The Health Faculty have developed the product and proven the concept – University Enterprise will provide the upfront investment and commercial resources needed to bring it to market. We will launch the Commissioning Place in late June 2012 at the national NHS conference on commissioning. A full business case to support the marketing investment and product launch and follow up is in development.

Preliminary assessment of the market for the Commissioning Place suggests that it has the potential to generate an operating profit of £150,000 on gross income of £200,000 in year 1. The very substantial profit margin is entirely because the development costs, which were, in any case, largely borne by grants received from external funders, are sunk costs and, for e-learning products, the marginal cost of production is close to zero. We have not yet developed estimates of possible income for the other products being developed.

It is expected that, if successful, this product range can be further extended to deliver a much wider range of e- and blended learning. We will develop business

¹ ACCA is the largest international body for professional accountants and its qualifications are recognised around the world. They have approximately 140,000 members and 404,000 students in over 170 countries.

plan jointly with the Health Faculty during 2012-13 setting out future plans and options, including options for covering the development costs through continued co-funding arrangements.

Management and Leadership Training in Health

LSBU has successfully delivered bespoke Management and Leadership training for the North East London Foundation Trust (NELFT) and we have sold another bespoke course to Croydon University Hospital (CUH) for delivery in 2012. Both programmes were built from a common core of material that could readily be packaged for delivery to other health trusts and hospitals in the region and nationally.

Preliminary assessment of the market potential of this offer suggests that income might reach £200,000 by year 3, based on income secured from CUH for one cohort. This could potentially generate an operating profit of up to £60,000 per year.

KTP/KTC

KTP (Knowledge Transfer Partnerships) is a Government funded scheme promoting transfer of University knowledge into businesses. The University has, in the past, been one of the most successful Universities at securing KTP projects. However, recent changes to the programme, now administered by the Technology Strategy Board, have both reduced the overall KTP budget and focussed it more towards research intensive universities. In consequence, although we expect to continue to secure KTP projects in future these are unlikely to be at the same level as in the past.

In part to fill the gap left by KTP, we have developed a new programme, Knowledge Transfer Collaboration (KTC) which is more flexible and eliminates the need for Government funding. The scheme is new, with the first projects going live in 2012, and we expect the number of projects and their associated income to rise quickly over the next three years. By year 3, we aim for a combined gross income from both KTP and KTC to be up to £1.6m, earning net income of £250,000.

Both KTPs and KTCs provide an effective route for the University to engage with and build relationships with SMEs. In the medium term we expect to develop ongoing commercial relationships with, and revenue streams from, many of these companies, following on from successful KTP/KTC projects. In addition, the KTC model provides a very direct student engagement with business – the KTC associate delivering the project to the company is also enrolled on an MSc by learning contract with the University.

Phase 2 – Near term opportunities needing further development

Building Information Modelling Centre

Building Information Modelling (BIM) is a relatively new discipline in the construction industry that uses 3-D computer models of buildings to improve collaboration among all firms and professionals working on major construction projects, streamlining operations and reducing overall costs. LSBU has established expertise in BIM with good connections both to the principal suppliers of the 3-D modelling software and

to businesses across the construction sector. Specifically, we can offer training in BIM on behalf of software vendors, CPD short courses on BIM, what it is and does, and its implications both for individual companies and for the sector as a whole, consultancy to support the adoption of BIM and to undertake specific BIM projects and specific Knowledge Transfer projects.

We need to undertake further market research to better understand the extent and value of the opportunities presented through BIM. However, early estimates suggest that we may be able to generate up to £200,000 in gross income after two or three years in the market, returning a profit of over £50,000. We would expect to be able to launch our commercial BIM offer, supported by a robust business plan shortly after the start of the year.

Professional Development in Local Authorities

The model of professional management and leadership training adopted in the health sector is also applicable to Local Authorities and more widely in the public and third sectors. However, for Local Authorities there is a wider range of other CPD that we have the expertise and capability to deliver, too, spanning several, if not all, University faculties. This includes HR, organisational change, finance, law, marketing and communications, health and wellbeing, social work, adult and children's social care, planning, housing, environmental technologies and, possibly, many others.

Provision of this kind of training would likely be commissioned through a large-scale contract for CPD provision rather than piecemeal as a series of ad-hoc individual course offerings. The returns could be significant once we are able to establish a presence in this market. Further work is necessary to establish the breadth and value of the University offer and the size of the market.

Commercial Research to the Nuclear Industry

We have a long record of success consulting to the nuclear industry through one major client, Sellafield. We now have the opportunity, encouraged by Sellafield themselves, to extend our offer to the wider family of former BNFL companies in the UK. We have a range of expertise, knowledge and experience that both we and Sellafield believe are of wider value in the industry and our senior level contacts at Sellafield have indicated that they are willing to introduce us to their peers across the UK industry. We have not yet determined the potential offered by this market but, because of the personal introductions we have been offered by our current client, costs of entry should be low.

Other Commercial Opportunities

There is a wide range of other potential commercial opportunities across the University and, subject to appropriate prioritisation, we will take these forward, too, as early as possible. Examples include:

- London Institute for Real Estate
- Health, fitness and nutrition
- London Institute for Petroleum Engineering

- Consulting to major regeneration schemes (e.g. Elephant and Castle) – and partnering developers for their employee CPD requirement
- Urban sustainability

5. Creating a Culture of Enterprise

To achieve its purpose, enterprise activity must be recognised as a fundamental and essential part University life. Whereas, previously, enterprise was a subsidiary activity for most staff and the Enterprise team was a support organisation, in the future enterprise activity must become recognised as one of the principal, core activities for all University staff, and the University Enterprise team must become a pro-active partner for academic and other staff to foster the creation of the virtuous cycle described above.

A key element of the culture change that is necessary is the professionalization of our service delivery in commercial enterprise. We need to focus much more on the needs of our clients and customers. In practice, this means that there can be no distinction between term time and out-of-term time when it comes to undertaking commercial activity. It means being flexible on modes and times of delivery, especially of CPD activity, where evening and weekend delivery, often in intense blocks (e.g. 8 hours teaching in a day), will be important to clients. It means meeting client specification for deliverables both in quality and timeliness. And it means being accessible and responsive to clients at all times. These behaviours are part of what it is to be successful in the commercial world but they are not part of the current University culture.

To support this culture change, University Enterprise will implement better support for academics undertaking commercial work, providing “full service” support from lead generation and bid writing, through project management and client relationship management, to delivery to the client, billing and seeking client feedback. Our intention is to relieve the academics undertaking the work from as much administrative burden as possible. But we will also be ensuring the timeliness and quality of delivery is maintained and this may entail applying firm project discipline to academics, too.

We will further incentivise culture change by putting in place a range of bonus and profit sharing schemes during 2012/13. These will firstly be used to reward success to help create a truly commercial culture within the University Enterprise team. It will also be used to reward enterprising academics, teams and departments, giving them personally and at departmental level a genuine stake in successful commercial outcomes and profitability.

To underpin these changes, University Enterprise will deploy a new business model that will allow, for the first time, a true P&L picture of commercial activity to be established. This will involve University Enterprise contracting with the client for delivery of a product or service and then sub-contracting with a faculty or department for delivery.

6. Resources

University Enterprise Income and Expenditure

The University has established a subsidiary company, South Bank University Enterprises Ltd (SBUEL), as a vehicle for administering its commercial activity. In part this is for tax purposes, but it also clearly distances commercial activity from the charitable status of the University. Much enterprise activity is formally accounted through SBUEL, but there are some significant elements that do not for a number of tax or historical reasons. For this reason, University Enterprise activity falls across both SBUEL and LSBU accounts.

Table 1 summarises the budgeted income and expenditure for University Enterprise activity (excluding Student Enterprise) for 2012/13. Figures are shown separately for the LSBU and SBUEL, covering the full extent of University Business.

There are three principal elements of income. The first of these is £807k from the final year of the HEIF 5 funding award for 2010-13. Secondly, SBUEL generates income from property rental and the letting of facilities (such as the Keyworth Conference Centre). There is a small direct cost associated with this activity that is the cost of the team administering the facilities hire service. Finally, the largest element of income is project income generated both through LSBU and SBUEL. This is the core function of the Commercial Enterprise activity of University Enterprise. Further details of project income and expenditure are provided below.

The largest element of expenditure is the costs associated with project delivery. Projects are budgeted on the basis of a full cost model, and most of the direct and indirect costs arise from elsewhere in the University. The second largest element of expenditure is staff costs. These are expected to increase by 12% next year, reflecting the appointment of staff into key posts that were vacant for at least part of this year (e.g. Director). Further details on staffing are provided below.

Professional fees are largely composed of the legal and other costs (such as patent costs) associated with maintaining and commercialising our IP assets. In the coming year costs will be slightly higher than 2011/12 as we rationalise our historic portfolio and accelerate the most promising developments.

Operating expenditure includes all costs associated with the work of the University Enterprise team that are not directly attributable to projects. Broadly, the budget is in line with forecast expenditure this year, but has been increased to reflect the increased activity likely as a result of filling the vacant posts in the team this year.

The final cost element is a range of estimated internal recharges that will be charged by central University departments for our use of their services. These reflect a University wide policy of recharging for central services. These costs represent part of our “full cost” of operations.

Project income and expenditure

Table 2 sets out the expected project income and expenditure levels for University Enterprise, again split between LSBU and SBUEL.

The largest element of project income is, and is forecast to remain, the KTP/KTC programme. We anticipate renewed growth in these programmes, particularly in the proprietary KTC programme which was only launched in 2012 for the first time. The cost structure for both these schemes is well established and, in the case of KTP, determined by the TSB as part of the programme definition.

We plan to launch a major new programme in September to sell on a commercial basis professional training for ACCA (accountancy) qualifications. In order to meet the recruitment targets we have set for September and for the subsequent February intake, we need to begin marketing the programme this year. In consequence, there is £101k of project expenditure in 2011/12. Once underway, the project quickly breaks even and in future years is expected to generate substantial profits.

We have budgeted for a further £215k of income to be generated from among the other new commercial projects identified above. This is an estimate and, until we have developed robust business plans for the individual projects, it is not possible to provide greater precision or a more detailed breakdown.

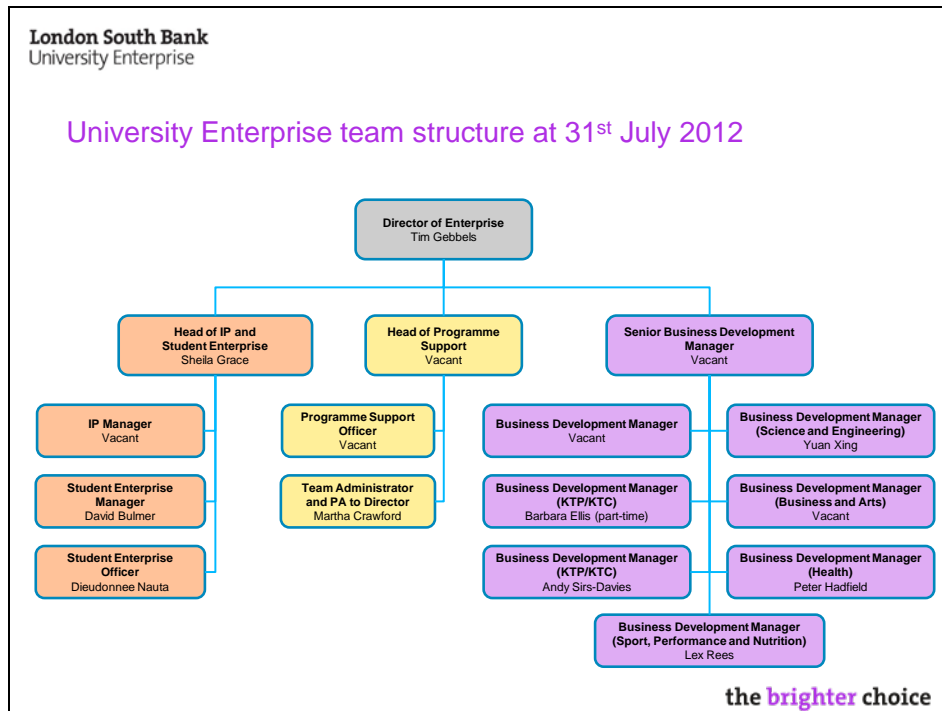
Finally, there is a substantial portfolio of existing enterprise projects that will generate a forecast £950k this year and £860k next year in gross revenue. As already highlighted, these projects collectively make a loss for SBUEL. We will support the management of these projects to closure and will aim to increase the profitability of new projects we bring forward.

Staffing

As set out above, following a 50% reduction in HEIF funding, the University has reduced the number of staff engaged in University Enterprise activity substantially. After a period of significant internal change, the new team size and structure will be established by the start of 2012/13 and fully populated shortly thereafter. The cost of this team is still fully borne by HEIF income (which is dependent on the Enterprise activity – there is no opportunity cost associated with this use of HEIF), so does not represent a cost to the University. However, the new focus on larger scale programmes will ensure a better commercial return from the work of the team, achieving more from less.

The team structure is illustrated in Figure 1. Overall there are 15.6 FTE posts in the organisation. Of these, 2.5 FTE are allocated to Student Enterprise, 1.5 to IP and Spin-out companies and 9.6 FTE to Commercial Enterprise. The balance (2 FTE) provides overall management (Director) and administrative support to the team.

Figure 1



At 31st July there are expected to be 6 vacancies in the team, two of which are due to maternity leave. Recruitment to fill 3 posts should be completed and posts filled early in the new financial year. Further recruitment will be undertaken as necessary to meet the objectives of the team.

A separate paper on this Board agenda sets out proposals to transfer existing University Enterprise staff from University Employment to become SBUEL employees. This transfer will promote within the team the commercial culture of enterprise that we wish to promote across the University.

7. Governance Changes

There are a number of important issues that need to be resolved before University Enterprise can begin to operate fully in the ways proposed. Many of these relate to governance and to the relationship between the University and SBUEL.

The intention is that the SBUEL Board will become a properly established and independent Board governing SBUEL as a separate legal entity. However, before that can be achieved, the nature of the relationship between that Board and the University's Board of Governors needs to be more clearly defined. This requires changes both to the SBUEL memorandum and articles of association and to the key documents setting out the overarching governance of the University, including financial regulations, levels of delegated authority, appointments procedure for boards of subsidiary companies and others.

A separate paper on this agenda sets out the changes necessary and seeks approval for them by the Board of Governors.

8. Implementation

Operationally, there are some key issues still to be resolved as we take forward the plans for the commercial projects outlined above. Three key elements are how we contract with faculties to deliver commercial projects, how we compensate faculties for delivery and how we distribute any profits.

As we develop new business we need from the outset to be confident that we will be able to resource delivery. SBUEL can take on permanent or temporary staff where necessary but, for the bulk of work in the short to medium term, delivery will be by faculty staff or through HPLs sourced through the faculty. SBUEL will need to contract this work and will need to establish a framework within which such contracts can be established.

Early work suggests that the kind of relationship necessary between SBUEL and the faculties will differ radically depending on the type and nature of the project. For example, delivery of the ACCA professional programme will require a very different contract than commercialisation of the Commissioning Place with ILSI. At present, it seems likely that bespoke arrangements will initially be needed on a per project basis. However, we hope quickly to be able to establish a straightforward typology around which to establish some more or less standard framework contracts.

Similar issues arise with the question of compensating Faculties for their work on projects. In principle we have already established the intention to pay faculties the full economic cost of delivery. However, we are already in discussion with BUS on other models of transfer pricing for the ACCA professional programme. In the case of the Commissioning Place, too, the issue is not straight forward. Much of the funding for the development of this product came from a third party (KSS Deanery) while the Faculty has contributed substantial (unrecorded) time and effort into the product. Initially, therefore, it is likely that we will need to develop bespoke models for each project. However, here, too, we would expect to standardise on a set of prototype examples covering different types of project.

We also wish to begin to distribute a proportion of profits back to individuals and departments as part of an incentive programme to encourage engagement in Enterprise activity. For well established programmes such as KTP, an incentive programme has been applied before and is well established and we will re-introduce this. For other projects we will again need to consider a range of models and determine which applies best to different types of project.

We will develop these models as quickly as possible, building on the experience of the early projects we bring forward. We will aim to bring a paper for discussion early in the new financial year.

Table 1

University Enterprise Income and Expenditure					
(Excluding Student Enterprise)					
Income	Description	2011/12 Forecast		2012/13 Budget	
		LSBU	SBUEL	LSBU	SBUEL
	HEIF 5	£ 807,516	£ 0	£ 807,516	£ 0
	Rental Income	£ 0	£ 716,400	£ 0	£ 730,728
	Inter-company transfer (contract for delivery)	£ 0	£ 0	-£ 536,590	£ 536,590
	Gross Project Income	£ 0	£ 948,500	£ 1,050,939	£ 1,075,000
Total Income		£ 807,516	£ 1,664,900	£ 1,321,865	£ 2,342,318
Expenditure	Description				
	Staff Salaries	£ 559,972	£ 118,384	£ 215,966	£ 618,236
	Recruitment	£ 5,650	£ 406	£ 1,313	£ 22,874
	Travel, Accommodation & Subsistence	£ 10,600	£ 1,625	£ 5,253	£ 10,404
	Training	£ 10,600	£ 1,625	£ 5,253	£ 10,404
	Temp Staffing	£ 0	£ 0	£ 0	£ 45,144
Total Staff		£ 586,822	£ 122,040	£ 227,785	£ 707,061
	Consultancy (non-project)	£ 0	£ 8,000	£ 0	£ 23,060
	Legal fees	£ 0	£ 17,000	£ 0	£ 17,340
	Intellectual Property	£ 0	£ 60,000	£ 0	£ 80,000
	Audit and Bank charges	£ 0	£ 2,000	£ 0	£ 2,040
Total Professional Fees		£ 0	£ 87,000	£ 0	£ 122,440
	Telephones	£ 6,000	£ 0	£ 3,094	£ 5,106
	Mobiles	£ 1,700	£ 0	£ 1,031	£ 1,447
	Consumables & Stationery	£ 8,000	£ 0	£ 4,297	£ 6,808
	IT and office equipment	£ 4,800	£ 0	£ 2,922	£ 4,085
	Postage and Couriers	£ 5,700	£ 0	£ 2,750	£ 4,851
	Photocopying	£ 6,700	£ 0	£ 3,609	£ 5,702
	Subscriptions	£ 27,000	£ 0	£ 12,332	£ 22,978
	Marketing and advertising	£ 10,000	£ 0	£ 5,715	£ 8,510
	Publications	£ 18,000	£ 0	£ 10,313	£ 15,319
	Events	£ 1,700	£ 0	£ 3,738	£ 1,447
	Catering and Room Hire	£ 5,000	£ 0	£ 2,879	£ 4,255
	Website maintenance	£ 4,200	£ 0	£ 2,535	£ 3,574
	Licence fees	£ 1,400	£ 0	£ 902	£ 1,191
Total Operational		£ 100,200	£ 0	£ 56,118	£ 85,275
	Marketing SLA	£ 0	£ 0	£ 30,825	£ 21,922
	HR SLA	£ 0	£ 0	£ 8,328	£ 16,493
	ICT SLA	£ 0	£ 0	£ 4,918	£ 9,741
	Finance SLA	£ 0	£ 0	£ 97,789	£ 80,099
	Executive and Secretariat SLA	£ 0	£ 0	£ 20,550	£ 14,615
	Space Charges	£ 99,528	£ 0	£ 34,060	£ 67,459
Total Internal Recharges		£ 99,528	£ 0	£ 196,470	£ 210,328
	Loan Interest	£ 0	£ 1,290	£ 0	£ 1,290
	Depreciation	£ 0	£ 0	£ 0	£ 0
Total Other Costs		£ 0	£ 1,290	£ 0	£ 1,290
	Gross Project Expenditure	£ 105,550	£ 967,800	£ 966,733	£ 1,063,699
	Rental Expenditure	£ 0	£ 123,662	£ 0	£ 126,135
Total Expenditure		£ 892,100	£ 1,301,792	£ 1,447,107	£ 2,316,228
Operating Profit		-£ 84,584	£ 363,108	-£ 125,242	£ 26,090
Overall Operating Profit		£ 278,524		-£ 99,152	

Table 2

University Enterprise Project Income and Expenditure					
Project Income	Description	2011/12 Forecast		2012/13 Budget	
		LSBU	SBUEL	LSBU	SBUEL
	ACCA	£ 0	£ 0	£ 551,357	£ 0
	New Commercial Enterprise	£ 0	£ 0	£ 0	£ 215,000
	Other Existing Projects	£ 0	£ 948,500	£ 0	£ 860,000
	KTP/KTC	£ 0	£ 0	£ 499,582	£ 0
Total Project Income		£ 0	£ 948,500	£ 1,050,939	£ 1,075,000
Project Expenditure	Description				
	ACCA	£ 101,500	£ 0	£ 400,294	£ 0
	New Commercial Enterprise	£ 0	£ 0	£ 0	£ 129,000
	Other Existing Projects	£ 0	£ 697,000	£ 0	£ 631,966
	KTP/KTC	£ 0	£ 0	£ 243,546	£ 0
	Total Direct Costs	£ 101,500	£ 697,000	£ 643,840	£ 760,966
	Staff Bonus	£ 0	£ 0	£ 8,000	£ 8,600
	Faculty/Department Profit Share	£ 0	£ 0	£ 20,000	£ 8,600
	Total Profit Share	£ 0	£ 0	£ 28,000	£ 17,200
	Total Contribution		27%	39%	29%
	Description				
	Existing Projects Overhead	£ 0	£ 270,800	£ 0	£ 245,533
	ACCA Overhead	£ 4,050	£ 0	£ 151,063	£ 0
	New Commercial Enterprise	£ 0	£ 0	£ 0	£ 40,000
	KTP/KTC	£ 0	£ 0	£ 143,830	£ 0
	Total Other Costs	£ 4,050	£ 270,800	£ 294,893	£ 285,533
Total Project Expenditure		£ 105,550	£ 967,800	£ 966,733	£ 1,063,699
Projects Gross Profit		-£ 105,550	-£ 19,300	£ 84,206	£ 11,301

	PAPER NO: UE.25(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Management Accounts to 30 June 2012	
Author:	Rebecca Warren, Accountant	
Recommendation:	That the Board considers the management accounts before signing the Solvency Statement	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

Executive summary

The Board are requested to consider the management accounts to 30 June 2012 prior to signing the Solvency Statement. These have been updated to the end of June 2012 from the version which was considered in detail by the Board at its meeting of 26 June 2012.

2010/11 OUTTURN				PROFIT & LOSS ACCOUNT SOUTH BANK UNIVERSITY ENTERPRISES LTD FULL YEAR	2011/12 FORECAST				2011/12 TOTAL BUDGET				2011/12 TOTAL FORECAST VARIANCE			
TOTAL £	CONSULT- ANCY £	CONTRACT RESEARCH £	OTHER £		TOTAL £	CONSULT- ANCY £	CONTRACT RESEARCH £	OTHER £	TOTAL £	CONSULT- ANCY £	CONTRACT RESEARCH £	OTHER £	TOTAL £	CONSULT- ANCY £	CONTRACT RESEARCH £	OTHER £
2,168,102	588,499	801,794	777,809	TOTAL INCOME	1,773,907	237,309	688,317	848,280	1,351,780	55,500	587,500	708,780	422,127	181,809	100,817	139,500
688,880	210,149	417,736	60,995	DIRECT EXPENSES (EXTERNAL)	630,301	111,171	453,837	65,294	432,040	3,000	418,093	10,947	(198,261)	(108,171)	(35,744)	(54,347)
42,703	10,245	32,458	-	Salaries	29,702	29,353	349	-	-	-	-	-	(29,702)	(29,353)	(349)	-
251,743	29,124	98,290	124,330	Consultancy	111,981	30,884	50,464	30,633	134,225	7,500	67,500	59,225	22,244	(23,384)	17,036	28,592
58,965			58,965	Other expenses	58,353			58,353	80,000			80,000	21,647			21,647
				Intellectual Property												
1,042,292	249,518	548,484	244,290	TOTAL DIRECT EXPENDITURE	830,338	171,408	504,650	154,280	646,265	10,500	485,593	150,172	(184,073)	(160,908)	(19,057)	(4,108)
1,125,811	338,981	253,310	533,519	GROSS PROFIT	943,569	65,902	183,667	694,000	705,515	45,000	101,907	558,608	238,054	20,902	81,760	135,392
52%	58%	32%	69%	% of total income	53%	28%	27%	82%	52%	81%	17%	79%	56%	11%	81%	97%
472,659	181,940	286,897	3,822	LSBU RECHARGES **	277,519	45,903	230,342	1,274	168,350	78,175	90,175	-	(109,169)	32,272	(140,167)	(1,274)
-				University charge on invoices	-			-	-				-			-
1,290			1,290	Management charge	1,290			1,290	-				(1,290)			(1,290)
				Loan interest												
473,949	181,940	286,897	5,112	TOTAL LSBU RECHARGES	278,809	45,903	230,342	2,564	168,350	78,175	90,175	-	(110,459)	32,272	(140,167)	(2,564)
651,862	157,041	(33,587)	528,408	PROFIT/LOSS BEFORE ADMINISTRATIVE EXPENSES	664,760	19,999	(46,675)	691,436	537,165	(33,175)	11,732	558,608	127,595	53,174	(58,407)	132,828
30%	27%	-4%	68%	% of total income	37%	8%	-7%	82%	40%	-60%	2%	79%	30%	29%	-58%	95%
45,549				ADMINISTRATIVE EXPENSES (EXTERNAL)	-								-			
47,773				Bad debts (increase in provision)	122,623				24,540				(98,083)			
12,475				Salaries	7,247				6,000				(1,247)			
				Other operational expenses												
105,798				TOTAL ADMINISTRATIVE EXPENSES	129,870				30,540				(99,330)			
546,064				PROFIT/LOSS AFTER ADMINISTRATIVE EXPENSES	534,890				506,625				28,265			

* Profit before Gift Aid

** intercompany charges that will cancel out on consolidation

2010/11 YTD ACTUAL TO APRIL				PROFIT & LOSS ACCOUNT SOUTH BANK UNIVERSITY ENTERPRISES LTD YEAR TO DATE	2011/12 YTD ACTUAL				2011/12 YTD BUDGET				2011/12 VARIANCE TO BUDGET			
TOTAL £	CONSULT- ANCY £	CONTRACT RESEARCH £	OTHER £		TOTAL £	CONSULT- ANCY £	CONTRACT RESEARCH £	OTHER £	TOTAL £	CONSULT- ANCY £	CONTRACT RESEARCH £	OTHER £	TOTAL £	CONSULT- ANCY £	CONTRACT RESEARCH £	OTHER £
1,412,027	379,378	536,633	496,016	TOTAL INCOME	1,625,094	217,533	629,970	777,590	1,239,132	50,875	538,542	649,715	385,962	166,658	91,428	127,875
516,790	181,047	291,887	43,856	DIRECT EXPENSES (EXTERNAL)	576,310	101,906	415,596	58,807	396,037	2,750	383,252	10,035	(180,273)	(99,156)	(32,344)	(48,773)
26,293	1,735	24,558	-	Salaries	27,227	26,907	320	-	-	-	-	-	(27,227)	(26,907)	(320)	-
140,202	16,800	41,907	81,495	Consultancy	102,650	28,310	46,259	28,081	123,040	6,875	61,875	54,290	20,390	(21,435)	15,616	26,209
36,342			36,342	Other expenses	53,490			53,490	73,333			73,333	19,843	-	-	19,843
				Intellectual Property												
719,628	199,583	358,352	161,692	TOTAL DIRECT EXPENDITURE	759,676	157,124	462,175	140,378	592,410	9,625	445,127	137,658	(167,267)	(147,499)	(17,048)	(2,720)
692,399	179,795	178,281	334,324	GROSS PROFIT	865,417	60,410	167,795	637,212	646,722	41,250	93,415	512,057	218,695	19,160	74,381	125,155
49%	47%	33%	67%	% of total income	53%	28%	27%	82%	52%	81%	17%	79%	57%	11%	81%	98%
379,112	167,169	209,418	2,525	LSBU RECHARGES **	254,393	42,077	211,147	1,168	154,321	71,660	82,660	-	(100,072)	29,583	(128,487)	(1,168)
-				University charge on invoices	-				-				-			-
-				Management charge	-				-				-			-
				Loan interest												
379,112	167,169	209,418	2,525	TOTAL LSBU RECHARGES	254,393	42,077	211,147	1,168	154,321	71,660	82,660	-	(100,072)	29,583	(128,487)	(1,168)
313,288	12,626	(31,136)	331,798	PROFIT/LOSS BEFORE ADMINISTRATIVE EXPENSES	611,025	18,332	(43,352)	636,044	492,401	(30,410)	10,754	512,057	118,623	48,743	(54,106)	123,987
22%	3%	-6%	67%	% of total income	38%	8%	-7%	82%	40%	-60%	2%	79%	31%	29%	-59%	97%
-				ADMINISTRATIVE EXPENSES (EXTERNAL)	-				-				-			
35,384				Bad debts (increase in provision)	104,118				22,495				(81,623)			
5,724				Salaries	6,643				5,500				(1,143)			
				Other operational expenses												
41,108				TOTAL ADMINISTRATIVE EXPENSES	110,761				27,995				(82,766)			
272,179				PROFIT/LOSS AFTER ADMINISTRATIVE EXPENSES	500,264				464,406				35,858			

* Profit before Gift Aid

** intercompany charges that will cancel out on consolidation

**SOUTH BANK UNIVERSITY ENTERPRISES LTD
MANAGEMENT ACCOUNTS
YEAR ENDED 31 JULY 2012**

**BALANCE SHEET
11 MONTHS TO 30 JUNE 2012**

31 JULY 2011	SOUTH BANK UNIVERSITY ENTERPRISES LTD	30 JUNE 2012
£		£
	FIXED ASSETS	
	INVESTMENTS	
24	Investment In Biox Systems Ltd 24 shares of £1	24
45	Other Investments (Solion £30, Engineering Surfaces £15)	45
69		69
	Current assets	
92,854	Debtors (note 1)	128,077
1,374,630	Cash at bank & in hand	1,767,170
1,467,484		1,895,247
(1,841,325)	Creditors: Amounts falling due within one year (note 2)	(1,768,824)
(373,841)	Net Current Liabilities	126,422
(373,772)	Total Assets less Current Liabilities	126,491
(215,000)	Creditors: Amounts falling due after more than one year	(215,000)
(588,772)	Net Liabilities	(88,509)
5	Called up share capital	5
(588,777)	Reserves	
	Income and Expenditure	(88,514)
(588,772)		(88,509)

**SOUTH BANK UNIVERSITY ENTERPRISES LTD
MANAGEMENT ACCOUNTS
YEAR ENDED 31 JULY 2012**

**BALANCE SHEET
11 MONTHS TO 30 JUNE 2012**

31 JULY 2011	SOUTH BANK UNIVERSITY ENTERPRISES LTD	30 JUNE 2012
£	NOTE 1 : DEBTORS	£
128,287	Trade Debtors	162,889
(46,955)	Bad Debt Provision	(46,333)
4,597	Other debtors (net of provision)	4,597
4,462	Accrued Income	4,462
2,463	Prepayments	2,463
-	Interest Receivable	-
-	VAT Receivable	-
92,854	TOTAL DEBTORS	128,077

-

31 JULY 2011	SOUTH BANK UNIVERSITY ENTERPRISES LTD	30 JUNE 2012
£	NOTE 2 : CREDITORS	£
14,359	Trade Creditors	634
626,520	Deferred Income	614,319
1,184,453	Inter Company	1,086,136
-	VAT Payable	36,753
3,993	Sundry Creditors	5,483
12,000	Accruals	25,500
1,841,325	Amount due within one year	1,768,824
215,000	Amounts due after one year	215,000
2,056,325	TOTAL CREDITORS	1,983,824

	PAPER NO: UE.26(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Summary of current projects	
Author:	Rebecca Warren, Accountant	
Recommendation:	That the Board considers the summary of current projects before signing the Solvency Statement	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

Executive summary

The Board are requested to consider the summary of current projects prior to signing the Solvency Statement. This is the same version which was considered in detail by the Board at its meeting of 26 June 2012.

	PAPER NO: UE.27(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Five year forecasts of incomes and expenditure for the period to 31 July 2017	
Author:	Rebecca Warren, Accountant	
Recommendation:	That the Board considers the five year forecasts before signing the Solvency Statement	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

Executive summary

The Board are requested to consider the five year forecasts prior to signing the Solvency Statement. These have been updated following discussion by the Board at its meeting of 26 June 2012.

University Enterprise Income and Expenditure

Income	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	SBUEL Income	£ 1,664,900	£ 1,790,728	£ 1,815,343	£ 3,023,249	£ 4,569,354	£ 7,480,233
	LSBU Enterprise Income	£ 1,027,516	£ 2,823,953	£ 3,251,456	£ 3,679,983	£ 3,937,993	£ 4,020,000
Total Income		£ 2,692,416	£ 4,614,681	£ 5,066,799	£ 6,703,232	£ 8,507,347	£ 11,500,233
Expenditure	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Staff	£ 775,462	£ 1,003,515	£ 1,061,275	£ 1,110,486	£ 1,129,990	£ 1,152,589
	Professional Fees	£ 87,000	£ 122,440	£ 124,889	£ 127,387	£ 129,934	£ 132,533
	Student related costs	£ 123,000	£ 125,460	£ 127,969	£ 130,529	£ 133,139	£ 135,802
	Operational	£ 130,600	£ 167,264	£ 183,391	£ 192,728	£ 196,582	£ 200,514
	SLA Recharges	£ 99,528	£ 406,798	£ 430,615	£ 441,313	£ 447,473	£ 453,756
	Other	£ 1,290	£ -	£ -	£ -	£ -	£ -
	Gross Project Expenditure	£ 1,073,350	£ 2,486,069	£ 2,575,250	£ 3,958,309	£ 5,425,623	£ 8,042,821
	Rental Expenditure	£ 123,662	£ 126,135	£ 128,658	£ 131,231	£ 133,856	£ 136,533
Total Expenditure		£ 2,413,892	£ 4,437,681	£ 4,632,046	£ 6,091,981	£ 7,596,597	£ 10,254,547
Operating Profit/Loss		£ 278,524	£ 177,000	£ 434,752	£ 611,251	£ 910,751	£ 1,245,686

LSBU Enterprise Income and Expenditure

Income	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	HEIF 5	£ 807,516	£ 807,516	£ 900,000	£ 900,000	£ 900,000	£ 900,000
	Student Enterprise	£ 220,000	£ 220,000	£ 220,000	£ 220,000	£ 220,000	£ 220,000
	UG Enterprise taught module						
	Proof of Concept/Market Entry fund						
	Gross Project Income	£ -	£ 1,796,437	£ 2,131,456	£ 2,559,983	£ 2,817,993	£ 2,900,000
Total Income		£ 1,027,516	£ 2,823,953	£ 3,251,456	£ 3,679,983	£ 3,937,993	£ 4,020,000
Internal Transfer							
	LSBU/SBUEL Contract for Delivery	£ -	£ 536,590	£ 681,818	£ 688,235	£ 688,235	£ 688,235
Expenditure							
	Description						
	Staff Salaries	£ 626,572	£ 284,634	£ 212,246	£ 216,491	£ 220,820	£ 225,237
	Recruitment	£ 5,650	£ 1,313	£ 1,040	£ 1,061	£ 1,082	£ 1,104
	Travel, Accommodation & Subsistence	£ 10,600	£ 5,253	£ 4,162	£ 4,245	£ 4,330	£ 4,416
	Training	£ 10,600	£ 5,253	£ 4,162	£ 4,245	£ 4,330	£ 4,416
	Temp Staffing	£ -	£ -	£ -	£ -	£ -	£ -
	Total Staff	£ 653,422	£ 296,453	£ 221,609	£ 226,042	£ 230,562	£ 235,174
	Consultancy (non-project)	£ -	£ -	£ -	£ -	£ -	£ -
	Legal fees	£ -	£ -	£ -	£ -	£ -	£ -
	Intellectual Property	£ -	£ -	£ -	£ -	£ -	£ -
	Audit and Bank charges	£ -	£ -	£ -	£ -	£ -	£ -
	Total Professional Fees	£ -	£ -	£ -	£ -	£ -	£ -
	Student Bursaries	£ 80,000	£ 81,600	£ 83,232	£ 84,897	£ 86,595	£ 88,326
	Student waivers and discounts	£ 12,000	£ 12,240	£ 12,485	£ 12,734	£ 12,989	£ 13,249
	Laboratory and Classroom Equipment	£ 12,000	£ 12,240	£ 12,485	£ 12,734	£ 12,989	£ 13,249
	Learning Materials	£ 1,000	£ 1,020	£ 1,040	£ 1,061	£ 1,082	£ 1,104
	EA Rent	£ 8,000	£ 8,160	£ 8,323	£ 8,490	£ 8,659	£ 8,833
	Proof of Concept/Market Entry fund	£ 10,000	£ 10,200	£ 10,404	£ 10,612	£ 10,824	£ 11,041
	Total Student-related Costs	£ 123,000	£ 125,460	£ 127,969	£ 130,529	£ 133,139	£ 135,802
	Telephones	£ 7,200	£ 3,094	£ 2,451	£ 2,500	£ 2,550	£ 2,601
	Mobiles	£ 2,400	£ 1,031	£ 817	£ 833	£ 850	£ 867
	Consumables & Stationery	£ 10,000	£ 4,297	£ 3,404	£ 3,472	£ 3,542	£ 3,613
	IT and office equipment	£ 6,800	£ 2,922	£ 2,315	£ 2,361	£ 2,408	£ 2,457
	Postage and Couriers	£ 6,400	£ 2,750	£ 2,179	£ 2,222	£ 2,267	£ 2,312
	Photocopying	£ 8,400	£ 3,609	£ 2,860	£ 2,917	£ 2,975	£ 3,035
	Subscriptions	£ 28,700	£ 12,332	£ 9,770	£ 9,965	£ 10,165	£ 10,368
	Marketing and advertising	£ 13,300	£ 5,715	£ 4,528	£ 4,618	£ 4,710	£ 4,805
	Publications	£ 24,000	£ 10,313	£ 8,170	£ 8,333	£ 8,500	£ 8,670
	Events	£ 8,700	£ 3,738	£ 2,962	£ 3,021	£ 3,081	£ 3,143
	Catering and Room Hire	£ 6,700	£ 2,879	£ 2,281	£ 2,326	£ 2,373	£ 2,420
	Website maintenance	£ 5,900	£ 2,535	£ 2,008	£ 2,049	£ 2,090	£ 2,131
	Licence fees	£ 2,100	£ 902	£ 715	£ 729	£ 744	£ 759
	Total Operational	£ 130,600	£ 56,118	£ 44,458	£ 45,348	£ 46,255	£ 47,180
	Marketing SLA	£ -	£ 30,825	£ 33,600	£ 33,600	£ 33,600	£ 33,600
	HR SLA	£ -	£ 8,328	£ 6,468	£ 6,468	£ 6,468	£ 6,468
	ICT SLA	£ -	£ 4,918	£ 3,820	£ 3,820	£ 3,820	£ 3,820
	Finance SLA	£ -	£ 107,405	£ 115,511	£ 105,076	£ 95,072	£ 80,950
	Executive and Secretariat SLA	£ -	£ 20,550	£ 22,400	£ 22,400	£ 22,400	£ 22,400
	E&F SLA	£ 99,528	£ 34,060	£ 26,983	£ 27,523	£ 28,074	£ 28,635
	Total SLA recharges	£ 99,528	£ 206,086	£ 208,782	£ 198,887	£ 189,434	£ 175,873
	Loan Interest	£ -	£ -	£ -	£ -	£ -	£ -
	Depreciation	£ -	£ -	£ -	£ -	£ -	£ -
	Total Other Costs	£ -	£ -	£ -	£ -	£ -	£ -
	Gross Project Expenditure	£ 105,550	£ 1,427,570	£ 1,557,300	£ 1,885,494	£ 1,979,744	£ 1,982,831
Total Expenditure		£ 1,112,100	£ 2,111,687	£ 2,160,119	£ 2,486,298	£ 2,579,134	£ 2,576,859
Operating Profit		-£ 84,584	£ 175,675	£ 409,519	£ 505,449	£ 670,624	£ 754,905

LSBU Enterprise Project Income and Expenditure

Income	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	ACCA	£ -	£ 551,357	£ 807,839	£ 945,445	£ 1,167,993	£ 1,300,000
	KTP/KTC	£ -	£ 1,245,080	£ 1,323,617	£ 1,614,538	£ 1,650,000	£ 1,600,000
	Total Project Income	£ -	£ 1,796,437	£ 2,131,456	£ 2,559,983	£ 2,817,993	£ 2,900,000
Direct Costs	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	ACCA	£ 101,500	£ 400,294	£ 505,128	£ 637,774	£ 697,099	£ 720,000
	KTP/KTC	£ -	£ 662,383	£ 645,263	£ 787,087	£ 804,375	£ 780,000
	Total Direct Costs	£ 101,500	£ 1,062,677	£ 1,150,391	£ 1,424,861	£ 1,501,474	£ 1,500,000
Profit Share							
	Staff Bonus	£ -	£ 20,000	£ 23,730	£ 28,501	£ 31,373	£ 32,286
	Staff Profit Share						
	Faculty/Department Profit Share	£ -	£ 50,000	£ 59,325	£ 71,252	£ 78,433	£ 80,715
	Total Profit Share	£ -	£ 70,000	£ 83,054	£ 99,752	£ 109,806	£ 113,001
	Total Contribution		37%	42%	40%	43%	44%
Other Project Costs	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	ACCA Overhead	£ 4,050	£ 151,063	£ 170,952	£ 174,371	£ 177,858	£ 185,000
	KTP/KTC Contribution (via faculties)	£ -	£ 143,830	£ 152,902	£ 186,509	£ 190,606	£ 184,830
	Other 1						
	Other 2						
	Other 3						
	Total Other Costs	£ 4,050	£ 294,893	£ 323,854	£ 360,880	£ 368,464	£ 369,830
	Total Project Expenditure	£ 105,550	£ 1,427,570	£ 1,557,300	£ 1,885,494	£ 1,979,744	£ 1,982,831

SBUEL Income and Expenditure

Income	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Proof of Concept/Market Entry fund	£ 716,400	£ 730,728	£ 745,343	£ 760,249	£ 775,454	£ 790,963
	Rental Income	£ 948,500	£ 1,060,000	£ 1,070,000	£ 2,263,000	£ 3,793,900	£ 6,689,270
Total Income	Gross Project Income	£ 1,664,900	£ 1,790,728	£ 1,815,343	£ 3,023,249	£ 4,569,354	£ 7,480,233
Internal Transfer	LSBU/SBUEL Contract for Delivery	£ -	£ 536,590	£ 681,818	£ 688,235	£ 688,235	£ 688,235
Expenditure	Description						
	Staff Salaries	£ 118,384	£ 618,236	£ 750,312	£ 799,930	£ 815,929	£ 832,247
	Recruitment	£ 406	£ 22,874	£ 15,216	£ 6,102	£ 3,518	£ 3,588
	Travel, Accommodation & Subsistence	£ 1,625	£ 10,404	£ 13,005	£ 13,796	£ 14,072	£ 14,353
	Training	£ 1,625	£ 10,404	£ 13,005	£ 13,796	£ 14,072	£ 14,353
	Temp Staffing	£ -	£ 45,144	£ 48,128	£ 50,821	£ 51,837	£ 52,874
	Total Staff	£ 122,040	£ 707,061	£ 839,665	£ 884,444	£ 899,427	£ 917,416
	Consultancy (non-project)	£ 8,000	£ 23,060	£ 23,521	£ 23,992	£ 24,471	£ 24,961
	Legal fees (non-IP)	£ 17,000	£ 17,340	£ 17,687	£ 18,041	£ 18,401	£ 18,769
	Intellectual Property	£ 60,000	£ 80,000	£ 81,600	£ 83,232	£ 84,897	£ 86,595
	Audit and Bank charges	£ 2,000	£ 2,040	£ 2,081	£ 2,122	£ 2,165	£ 2,208
	Total Professional Fees	£ 87,000	£ 122,440	£ 124,889	£ 127,387	£ 129,934	£ 132,533
	Student Bursaries	£ -	£ -	£ -	£ -	£ -	£ -
	Student waivers and discounts	£ -	£ -	£ -	£ -	£ -	£ -
	Laboratory and Classroom Equipment	£ -	£ -	£ -	£ -	£ -	£ -
	Learning Materials	£ -	£ -	£ -	£ -	£ -	£ -
	EA Rent	£ -	£ -	£ -	£ -	£ -	£ -
	Proof of Concept/Market Entry fund	£ -	£ -	£ -	£ -	£ -	£ -
	Total Student-related Costs	£ -	£ -	£ -	£ -	£ -	£ -
	Telephones	£ -	£ 6,128	£ 7,659	£ 8,125	£ 8,288	£ 8,453
	Mobiles	£ -	£ 2,043	£ 2,553	£ 2,708	£ 2,763	£ 2,818
	Consumables & Stationery	£ -	£ 8,510	£ 10,638	£ 11,285	£ 11,511	£ 11,741
	IT and office equipment	£ -	£ 5,787	£ 7,234	£ 7,674	£ 7,827	£ 7,984
	Postage and Couriers	£ -	£ 5,447	£ 6,808	£ 7,222	£ 7,367	£ 7,514
	Photocopying	£ -	£ 7,149	£ 8,936	£ 9,479	£ 9,669	£ 9,862
	Subscriptions	£ -	£ 24,425	£ 30,531	£ 32,387	£ 33,035	£ 33,696
	Marketing and advertising	£ -	£ 11,319	£ 14,149	£ 15,009	£ 15,309	£ 15,615
	Publications	£ -	£ 20,425	£ 25,531	£ 27,084	£ 27,625	£ 28,178
	Events	£ -	£ 7,404	£ 9,255	£ 9,818	£ 10,014	£ 10,214
	Catering and Room Hire	£ -	£ 5,702	£ 7,127	£ 7,561	£ 7,712	£ 7,866
	Website maintenance	£ -	£ 5,021	£ 6,276	£ 6,658	£ 6,791	£ 6,927
	Licence fees	£ -	£ 1,787	£ 2,234	£ 2,370	£ 2,417	£ 2,466
	Total Operational	£ -	£ 111,146	£ 138,933	£ 147,380	£ 150,327	£ 153,334
	Marketing SLA	£ -	£ 21,922	£ 22,360	£ 22,807	£ 23,264	£ 23,729
	HR SLA	£ -	£ 16,493	£ 20,213	£ 21,021	£ 21,021	£ 21,021
	ICT SLA	£ -	£ 9,741	£ 11,938	£ 12,415	£ 12,415	£ 12,415
	Finance SLA	£ -	£ 70,482	£ 68,092	£ 81,528	£ 94,591	£ 111,835
	Executive and Secretariat SLA	£ -	£ 14,615	£ 14,907	£ 15,205	£ 15,509	£ 15,819
	E&F SLA	£ -	£ 67,459	£ 84,323	£ 89,450	£ 91,239	£ 93,064
	Total SLA recharges	£ -	£ 200,712	£ 221,833	£ 242,426	£ 258,039	£ 277,883
	SBUEL Accountant	£ -	£ -	£ -	£ -	£ -	£ -
	Loan Interest	£ 1,290	£ -	£ -	£ -	£ -	£ -
	Depreciation	£ -	£ -	£ -	£ -	£ -	£ -
	Total Other Costs	£ 1,290	£ -	£ -	£ -	£ -	£ -
	Gross Project Expenditure	£ 967,800	£ 1,058,499	£ 1,017,950	£ 2,072,815	£ 3,445,879	£ 6,059,989
	Rental Expenditure	£ 123,662	£ 126,135	£ 128,658	£ 131,231	£ 133,856	£ 136,533
Total Expenditure		£ 1,301,792	£ 2,325,994	£ 2,471,927	£ 3,605,683	£ 5,017,463	£ 7,677,688
Operating Profit		£ 363,108	£ 1,325	£ 25,234	£ 105,802	£ 240,126	£ 490,781

SBUEL Project Income and Expenditure

Income	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	New Commercial Enterprise	£ -	£ 200,000	£ 640,000	£ 2,048,000	£ 3,686,400	£ 6,635,520
	Other New Projects	£ -	£ -	£ -	£ -	£ -	£ -
	Other New Projects	£ -	£ -	£ -	£ -	£ -	£ -
	Other New Projects	£ -	£ -	£ -	£ -	£ -	£ -
	Other Existing Projects	£ 948,500	£ 860,000	£ 430,000	£ 215,000	£ 107,500	£ 53,750
	Total Project Income	£ 948,500	£ 1,060,000	£ 1,070,000	£ 2,263,000	£ 3,793,900	£ 6,689,270

Direct Costs	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	New Commercial Enterprise	£ -	£ 120,000	£ 384,000	£ 1,228,800	£ 2,211,840	£ 3,981,312
	Other New Projects	£ -	£ -	£ -	£ -	£ -	£ -
	Other New Projects	£ -	£ -	£ -	£ -	£ -	£ -
	Other New Projects	£ -	£ -	£ -	£ -	£ -	£ -
	Other Existing Projects	£ 697,000	£ 631,966	£ 315,983	£ 157,992	£ 78,996	£ 39,498
	Total Direct Costs	£ 697,000	£ 751,966	£ 699,983	£ 1,386,792	£ 2,290,836	£ 4,020,810

Profit Share	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Staff Bonus		£ 8,000	£ 25,600	£ 81,920	£ 147,456	£ 265,421
	Staff Profit Share						
	Faculty/Department Profit Share		£ 8,000	£ 25,600	£ 81,920	£ 147,456	£ 265,421
	Total Profit Share	£ -	£ 16,000	£ 51,200	£ 163,840	£ 294,912	£ 530,842
	Total Contribution	27%	28%	30%	31%	32%	32%

Other Project Costs	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	Existing Projects Overhead	£ 270,800	£ 245,533	£ 122,766	£ 61,383	£ 30,692	£ 15,346
	New Overhead		£ 45,000	£ 144,000	£ 460,800	£ 829,440	£ 1,492,992
	Other 3						
	Total Other Costs	£ 270,800	£ 290,533	£ 266,766	£ 522,183	£ 860,132	£ 1,508,338
	Total Project Expenditure	£ 967,800	£ 1,058,499	£ 1,017,950	£ 2,072,815	£ 3,445,879	£ 6,059,989

SBUEL Rental Income

Income	Description	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	103 Bororugh Rd	£ 4,500	£ 4,590	£ 4,682	£ 4,775	£ 4,871	£ 4,968
	Keyworth Centre 8th Floor	£ 116,000	£ 118,320	£ 120,686	£ 123,100	£ 125,562	£ 128,073
	Perry Library	£ 31,000	£ 31,620	£ 32,252	£ 32,897	£ 33,555	£ 34,227
	St Georges Circus	£ 72,200	£ 73,644	£ 75,117	£ 76,619	£ 78,152	£ 79,715
	Technopark	£ 330,000	£ 336,600	£ 343,332	£ 350,199	£ 357,203	£ 364,347
	Cereb Room Hire	£ 500	£ 510	£ 520	£ 531	£ 541	£ 552
	Miscellaneous other	£ 1,200	£ 1,224	£ 1,248	£ 1,273	£ 1,299	£ 1,325
	Letting/Facilities Hire	£ 161,000	£ 164,220	£ 167,504	£ 170,854	£ 174,272	£ 177,757
	Property 9	£ -	£ -	£ -	£ -	£ -	£ -
	Total Rental Income	£ 716,400	£ 730,728	£ 745,343	£ 760,249	£ 775,454	£ 790,963
Expenditure							
	Expenditure related to Rental	£ 123,662	£ 126,135	£ 128,658	£ 131,231	£ 133,856	£ 136,533
	Total Rental Expenditure	£ 123,662	£ 126,135	£ 128,658	£ 131,231	£ 133,856	£ 136,533

Commercial Enterprise Cost Centre

Expenditure

Description	2011/12		2012/13		2013/14		2014/15		2015/16		2016/17	
	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL
Consultancy (non-project)	£ -	£ 5,000	£ -	£ 20,000	£ -	£ 20,400	£ -	£ 20,808	£ -	£ 21,224	£ -	£ 21,649
Legal fees	£ -	£ 7,000	£ -	£ 7,140	£ -	£ 7,283	£ -	£ 7,428	£ -	£ 7,577	£ -	£ 7,729
Intellectual Property	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Audit and Bank charges	£ -	£ 2,000	£ -	£ 2,040	£ -	£ 2,081	£ -	£ 2,122	£ -	£ 2,165	£ -	£ 2,208
Total Professional Fees	£ -	£ 14,000	£ -	£ 29,180	£ -	£ 29,764	£ -	£ 30,359	£ -	£ 30,966	£ -	£ 31,585
Student Bursaries	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Student waivers and discounts	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Laboratory and Classroom Equipment	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Learning Materials	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
EA Rent	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Proof of Concept/Market Entry fund	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Total Student-related Costs	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Telephones	£ 4,800	£ -	£ 2,063	£ 4,085	£ 1,634	£ 5,106	£ 1,667	£ 5,417	£ 1,700	£ 5,525	£ 1,734	£ 5,636
Mobiles	£ 1,000	£ -	£ 430	£ 851	£ 340	£ 1,064	£ 347	£ 1,128	£ 354	£ 1,151	£ 361	£ 1,174
Consumables & Stationery	£ 6,000	£ -	£ 2,578	£ 5,106	£ 2,043	£ 6,383	£ 2,083	£ 6,771	£ 2,125	£ 6,906	£ 2,168	£ 7,044
IT and office equipment	£ 3,300	£ -	£ 1,418	£ 2,808	£ 1,123	£ 3,511	£ 1,146	£ 3,724	£ 1,169	£ 3,798	£ 1,192	£ 3,874
Postage and Couriers	£ 1,500	£ -	£ 645	£ 1,277	£ 511	£ 1,596	£ 521	£ 1,693	£ 531	£ 1,727	£ 542	£ 1,761
Photocopying	£ 5,000	£ -	£ 2,148	£ 4,255	£ 1,702	£ 5,319	£ 1,736	£ 5,642	£ 1,771	£ 5,755	£ 1,806	£ 5,870
Subscriptions	£ 5,000	£ -	£ 2,148	£ 4,255	£ 1,702	£ 5,319	£ 1,736	£ 5,642	£ 1,771	£ 5,755	£ 1,806	£ 5,870
Marketing and advertising	£ 27,000	£ -	£ 11,602	£ 22,978	£ 9,191	£ 28,723	£ 9,375	£ 30,469	£ 9,563	£ 31,078	£ 9,754	£ 31,700
Publications	£ 10,000	£ -	£ 4,297	£ 8,510	£ 3,404	£ 10,638	£ 3,472	£ 11,285	£ 3,542	£ 11,511	£ 3,613	£ 11,741
Events	£ 18,000	£ -	£ 7,734	£ 15,319	£ 6,128	£ 19,148	£ 6,250	£ 20,313	£ 6,375	£ 20,719	£ 6,503	£ 21,133
Catering and Room Hire	£ 1,700	£ -	£ 730	£ 1,447	£ 579	£ 1,808	£ 590	£ 1,918	£ 602	£ 1,957	£ 614	£ 1,996
Website maintenance	£ 2,500	£ -	£ 1,074	£ 2,128	£ 851	£ 2,660	£ 868	£ 2,821	£ 885	£ 2,878	£ 903	£ 2,935
Licence fees	£ 700	£ -	£ 301	£ 596	£ 238	£ 745	£ 243	£ 790	£ 248	£ 806	£ 253	£ 822
Total Operational	£ 86,500	£ -	£ 37,168	£ 73,615	£ 29,446	£ 92,019	£ 30,035	£ 97,614	£ 30,636	£ 99,566	£ 31,248	£ 101,557

Student Enterprise Cost Centre

Expenditure

Description	2011/12		2012/13		2013/14		2014/15		2015/16		2016/17	
	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL
Consultancy (non-project)	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Legal fees	£ -	£ 5,000	£ -	£ 5,100	£ -	£ 5,202	£ -	£ 5,306	£ -	£ 5,412	£ -	£ 5,520
Intellectual Property	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Audit and Bank charges	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Total Professional Fees	£ -	£ 5,000	£ -	£ 5,100	£ -	£ 5,202	£ -	£ 5,306	£ -	£ 5,412	£ -	£ 5,520
Student Bursaries	£ 80,000	£ -	£ 81,600	£ -	£ 83,232	£ -	£ 84,897	£ -	£ 86,595	£ -	£ 88,326	£ -
Student waivers and discounts	£ 12,000	£ -	£ 12,240	£ -	£ 12,485	£ -	£ 12,734	£ -	£ 12,989	£ -	£ 13,249	£ -
Laboratory and Classroom Equipment	£ 12,000	£ -	£ 12,240	£ -	£ 12,485	£ -	£ 12,734	£ -	£ 12,989	£ -	£ 13,249	£ -
Learning Materials	£ 1,000	£ -	£ 1,020	£ -	£ 1,040	£ -	£ 1,061	£ -	£ 1,082	£ -	£ 1,104	£ -
EA Rent	£ 8,000	£ -	£ 8,160	£ -	£ 8,323	£ -	£ 8,490	£ -	£ 8,659	£ -	£ 8,833	£ -
Proof of Concept/Market Entry fund	£ 10,000	£ -	£ 10,200	£ -	£ 10,404	£ -	£ 10,612	£ -	£ 10,824	£ -	£ 11,041	£ -
Total Student-related Costs	£ 123,000	£ -	£ 125,460	£ -	£ 127,969	£ -	£ 130,529	£ -	£ 133,139	£ -	£ 135,802	£ -
Telephones	£ 1,200	£ -	£ 516	£ 1,021	£ 409	£ 1,277	£ 417	£ 1,354	£ 425	£ 1,381	£ 434	£ 1,409
Mobiles	£ 700	£ -	£ 301	£ 596	£ 238	£ 745	£ 243	£ 790	£ 248	£ 806	£ 253	£ 822
Consumables & Stationery	£ 2,000	£ -	£ 859	£ 1,702	£ 681	£ 2,128	£ 694	£ 2,257	£ 708	£ 2,302	£ 723	£ 2,348
IT and office equipment	£ 2,000	£ -	£ 859	£ 1,702	£ 681	£ 2,128	£ 694	£ 2,257	£ 708	£ 2,302	£ 723	£ 2,348
Postage and Couriers	£ 700	£ -	£ 301	£ 596	£ 238	£ 745	£ 243	£ 790	£ 248	£ 806	£ 253	£ 822
Photocopying	£ 1,700	£ -	£ 730	£ 1,447	£ 579	£ 1,808	£ 590	£ 1,918	£ 602	£ 1,957	£ 614	£ 1,996
Subscriptions	£ 1,700	£ -	£ 730	£ 1,447	£ 579	£ 1,808	£ 590	£ 1,918	£ 602	£ 1,957	£ 614	£ 1,996
Marketing and advertising	£ 3,300	£ -	£ 1,418	£ 2,808	£ 1,123	£ 3,511	£ 1,146	£ 3,724	£ 1,169	£ 3,798	£ 1,192	£ 3,874
Publications	£ 6,000	£ -	£ 2,578	£ 5,106	£ 2,043	£ 6,383	£ 2,083	£ 6,771	£ 2,125	£ 6,906	£ 2,168	£ 7,044
Events	£ 7,000	£ -	£ 3,008	£ 5,957	£ 2,383	£ 7,447	£ 2,431	£ 7,899	£ 2,479	£ 8,057	£ 2,529	£ 8,219
Catering and Room Hire	£ 1,700	£ -	£ 730	£ 1,447	£ 579	£ 1,808	£ 590	£ 1,918	£ 602	£ 1,957	£ 614	£ 1,996
Website maintenance	£ 1,700	£ -	£ 730	£ 1,447	£ 579	£ 1,808	£ 590	£ 1,918	£ 602	£ 1,957	£ 614	£ 1,996
Licence fees	£ 700	£ -	£ 301	£ 596	£ 238	£ 745	£ 243	£ 790	£ 248	£ 806	£ 253	£ 822
Total Operational	£ 30,400	£ -	£ 13,063	£ 25,872	£ 10,349	£ 32,340	£ 10,556	£ 34,306	£ 10,767	£ 34,992	£ 10,982	£ 35,692

IP and Spin-Out Cost Centre

Expenditure

Description	2011/12		2012/13		2013/14		2014/15		2015/16		2016/17	
	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL	LSBU	SBUEL
Consultancy (non-project)	£ -	£ 3,000	£ -	£ 3,060	£ -	£ 3,121	£ -	£ 3,184	£ -	£ 3,247	£ -	£ 3,312
Legal fees	£ -	£ 5,000	£ -	£ 5,100	£ -	£ 5,202	£ -	£ 5,306	£ -	£ 5,412	£ -	£ 5,520
Intellectual Property	£ -	£ 60,000	£ -	£ 80,000	£ -	£ 81,600	£ -	£ 83,232	£ -	£ 84,897	£ -	£ 86,595
Audit and Bank charges	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Total Professional Fees	£ -	£ 68,000	£ -	£ 88,160	£ -	£ 89,923	£ -	£ 91,722	£ -	£ 93,556	£ -	£ 95,427
Student Bursaries	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Student waivers and discounts	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Laboratory and Classroom Equipment	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Learning Materials	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
EA Rent	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Proof of Concept/Market Entry fund	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Total Student-related Costs	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Telephones	£ 1,200	£ -	£ 516	£ 1,021	£ 409	£ 1,277	£ 417	£ 1,354	£ 425	£ 1,381	£ 434	£ 1,409
Mobiles	£ 700	£ -	£ 301	£ 596	£ 238	£ 745	£ 243	£ 790	£ 248	£ 806	£ 253	£ 822
Consumables & Stationery	£ 2,000	£ -	£ 859	£ 1,702	£ 681	£ 2,128	£ 694	£ 2,257	£ 708	£ 2,302	£ 723	£ 2,348
IT and office equipment	£ 3,300	£ -	£ 1,418	£ 2,808	£ 1,123	£ 3,511	£ 1,146	£ 3,724	£ 1,169	£ 3,798	£ 1,192	£ 3,874
Postage and Couriers	£ 700	£ -	£ 301	£ 596	£ 238	£ 745	£ 243	£ 790	£ 248	£ 806	£ 253	£ 822
Photocopying	£ 1,700	£ -	£ 730	£ 1,447	£ 579	£ 1,808	£ 590	£ 1,918	£ 602	£ 1,957	£ 614	£ 1,996
Subscriptions	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Marketing and advertising	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Publications	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Events	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -
Catering and Room Hire	£ 1,700	£ -	£ 730	£ 1,447	£ 579	£ 1,808	£ 590	£ 1,918	£ 602	£ 1,957	£ 614	£ 1,996
Website maintenance	£ 1,700	£ -	£ 730	£ 1,447	£ 579	£ 1,808	£ 590	£ 1,918	£ 602	£ 1,957	£ 614	£ 1,996
Licence fees	£ 700	£ -	£ 301	£ 596	£ 238	£ 745	£ 243	£ 790	£ 248	£ 806	£ 253	£ 822
Total Operational	£ 13,700	£ -	£ 5,887	£ 11,659	£ 4,664	£ 14,574	£ 4,757	£ 15,460	£ 4,852	£ 15,769	£ 4,949	£ 16,085

University Enterprise Staffing Costs

Assumptions	Pension	NI	London Allowa	Bonus	Salary inflation	Recruitment & Travel	Training	Staff turn	Temp Staffing	
	LSBU	23%	12.80%	4150	0%	2%	£5,000	£1,000	5%	0%
	SBUEL	5%	12.80%	0	3%	2%	£5,000	£1,000	5%	5%

Job Title	Salary	Bonus	Oncost	Total Cost
Director	£ 100,000	£ -	£ 38,850	£ 138,850
Head of Business Development	£ 60,000	£ -	£ 25,630	£ 85,630
Senior BDM	£ 54,000	£ -	£ 23,482	£ 77,482
BDM	£ 45,000	£ -	£ 20,260	£ 65,260
Head of IP and Student Enterprise	£ 52,000	£ -	£ 22,766	£ 74,766
IP manager	£ 32,000	£ -	£ 15,606	£ 47,606
Student Enterprise Manager	£ 32,000	£ -	£ 15,606	£ 47,606
Student Enterprise Officer	£ 22,000	£ -	£ 12,026	£ 34,026
Programme Support Manager	£ 45,000	£ -	£ 20,260	£ 65,260
Programme Support Officer	£ 30,000	£ -	£ 14,890	£ 44,890
Team Administrator/PA	£ 26,000	£ -	£ 13,458	£ 39,458
KTP Associate	£ 20,000	£ -	£ 11,310	£ 31,310

Director	£ 100,000	£ 3,000	£ 17,800	£ 120,800
Head of Business Development	£ 60,000	£ 1,800	£ 10,680	£ 72,480
Senior BDM	£ 54,000	£ 1,620	£ 9,612	£ 65,232
BDM	£ 45,000	£ 1,350	£ 8,010	£ 54,360
Head of IP and Student Enterprise	£ 52,000	£ 1,560	£ 9,256	£ 62,816
IP manager	£ 32,000	£ 960	£ 5,696	£ 38,656
Student Enterprise Manager	£ 32,000	£ 960	£ 5,696	£ 38,656
Student Enterprise Officer	£ 22,000	£ 660	£ 3,916	£ 26,576
Programme Support Manager	£ 45,000	£ 1,350	£ 8,010	£ 54,360
Programme Support Officer	£ 30,000	£ 900	£ 5,340	£ 36,240
Team Administrator/PA	£ 26,000	£ 780	£ 4,828	£ 31,408
KTP Associate	£ 20,000	£ 600	£ 3,560	£ 24,160

Planned FTE

Job Title	2011/12				2012/13				2013/14			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Director	0	0	0	0	0	0	0	0	0	0	0	0
Head of Business Development	0	0	0	0	0	0	0	0	0	0	0	0
Senior BDM	1	1	1	1	0	0	0	0	0	0	0	0
BDM	4.6	4.6	4.6	4.6	4.6	0	0	0	0	0	0	0
Head of IP and Student Enterprise	1	1	1	1	1	1	1	1	1	1	1	1
IP manager	1	1	1	1	1	1	1	1	1	1	1	1
Student Enterprise Manager	1	1	1	1	1	1	1	1	1	1	1	1
Student Enterprise Officer	1	1	1	1	1	1	1	1	1	1	1	1
Programme Support Manager	0	0	0	0	0	0	0	0	0	0	0	0
Programme Support Officer	1	1	1	1	0	0	0	0	0	0	0	0
Team Administrator/PA	0	0	0	0	0	0	0	0	0	0	0	0
KTP Associate	0	0	0	0	0	0	0	0	0	0	0	0

Job Title	2011/12				2012/13				2013/14			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Director	0	0.5	1	1	0	1	1	1	1	1	1	1
Head of Business Development	0	0	0	0	0	1	1	1	1	1	1	1
Senior BDM	0	0	0	0	0	1	1	1	1	1	1	2
BDM	0	0	1	1	1	5.6	5.6	5.6	5	5	5	5
Head of IP and Student Enterprise	0	0	0	0	0	0	0	0	0	0	0	0
IP manager	0	0	0	0	0	0	0	0	0	0	0	0
Student Enterprise Manager	0	0	0	0	0	0	0	0	0	0	0	0
Student Enterprise Officer	0	0	0	0	0	0	0	0	0	0	0	0
Programme Support Manager	0	0	0	0	1	1	1	1	1	1	1	1
Programme Support Officer	0	0	0	0	0	0	0	0	1	2	2	2
Team Administrator/PA	0	0	1	1	1	1	1	1	1	1	1	1
KTP Associate	0	0	0	0	0	0	0	0	0	0	0	0

FTE Years

Job Title	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Director	0	0	0	0	0	0
Head of Business Development	0	0	0	0	0	0
Senior BDM	1	0	0	0	0	0
BDM	4.6	1.15	0	0	0	0
Head of IP and Student Enterprise	1	1	1	1	1	1
IP manager	1	1	1	1	1	1
Student Enterprise Manager	1	1	1	1	1	1
Student Enterprise Officer	1	1	1	1	1	1
Programme Support Manager	0	0	0	0	0	0
Programme Support Officer	0	1	0	0	0	0
Team Administrator/PA	0	0	0	0	0	0
KTP Associate	0	0	0	0	0	0
LSBU Total FTE	10	10.6	5.15	4	4	4

Director	0.625	1	1	1	1	1
Head of Business Development	0	1	1	1	1	1
Senior BDM	0	0.75	1.5	2	2	2
BDM	0.5	4.45	5	5	5	5
Head of IP and Student Enterprise	0	0	0	0	0	0
IP manager	0	0	0	0	0	0
Student Enterprise Manager	0	0	0	0	0	0
Student Enterprise Officer	0	0	0	0	0	0
Programme Support Manager	0	1	1	1	1	1
Programme Support Officer	0	1	2	2	2	2
Team Administrator/PA	0.5	1	1	1	1	1
KTP Associate	0	0	0	0	0	0
SBUEL Total FTE	10	16.25	10.2	12.5	13	13

Total FTE	20	12.225	15.35	16.5	17	17
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Total staff cost

Job Title	2012	2013	2014	2015	2016	2017
Director	£ -	£ -	£ -	£ -	£ -	£ -
Head of Business Development	£ -	£ -	£ -	£ -	£ -	£ -
Senior BDM	£ 77,482	£ -	£ -	£ -	£ -	£ -
BDM	£ 300,196	£ 76,550	£ -	£ -	£ -	£ -
Head of IP and Student Enterprise	£ 74,766	£ 76,261	£ 77,787	£ 79,342	£ 80,929	£ 82,548
IP manager	£ 47,606	£ 48,558	£ 49,529	£ 50,520	£ 51,530	£ 52,561
Student Enterprise Manager	£ 47,606	£ 48,558	£ 49,529	£ 50,520	£ 51,530	£ 52,561
Student Enterprise Officer	£ 34,026	£ 34,707	£ 35,401	£ 36,109	£ 36,831	£ 37,567
Programme Support Manager	£ -	£ -	£ -	£ -	£ -	£ -
Programme Support Officer	£ 44,890	£ -	£ -	£ -	£ -	£ -
Team Administrator/PA	£ -	£ -	£ -	£ -	£ -	£ -
KTP Associate	£ -	£ -	£ -	£ -	£ -	£ -

Director	£ 75,500	£ 123,216	£ 125,680	£ 128,194	£ 130,758	£ 133,373
Head of Business Development	£ -	£ 73,930	£ 75,408	£ 76,916	£ 78,455	£ 80,024
Senior BDM	£ -	£ 49,902	£ 101,801	£ 138,449	£ 141,218	£ 144,043
BDM	£ 27,180	£ 246,740	£ 282,781	£ 288,436	£ 294,205	£ 300,089
Head of IP and Student Enterprise	£ -	£ -	£ -	£ -	£ -	£ -
IP manager	£ -	£ -	£ -	£ -	£ -	£ -
Student Enterprise Manager	£ -	£ -	£ -	£ -	£ -	£ -
Student Enterprise Officer	£ -	£ -	£ -	£ -	£ -	£ -
Programme Support Manager	£ -	£ -	£ -	£ -	£ -	£ -
Programme Support Officer	£ -	£ 55,447	£ 56,556	£ 57,687	£ 58,841	£ 60,018
Team Administrator/PA	£ -	£ 36,965	£ 75,408	£ 76,916	£ 78,455	£ 80,024
KTP Associate	£ 15,704	£ 32,036	£ 32,677	£ 33,330	£ 33,997	£ 34,677

Total Staff Costs	£ 626,572	£ 294,634	£ 212,246	£ 216,491	£ 220,820	£ 225,237
LSBU	£ 118,384	£ 616,236	£ 750,312	£ 790,930	£ 815,929	£ 832,247
SBUEL	£ 744,956	£ 902,870	£ 962,557	£ 1,016,421	£ 1,036,749	£ 1,057,484

Associated Costs

Description	2012	2013	2014	2015	2016	2017
Recruitment	£ 5,650	£ 1,313	£ 1,040	£ 1,061	£ 1,082	£ 1,104
Travel	£ 10,600	£ 5,253	£ 4,162	£ 4,245	£ 4,330	£ 4,416
Training	£ 10,600	£ 5,253	£ 4,162	£ 4,245	£ 4,330	£ 4,416
Temp Staffing	£ -	£ -	£ -	£ -	£ -	£ -

Recruitment	£ 406	£ 22,874	£ 15,216	£ 6,102	£ 3,518	£ 3,588
Travel	£ 1,625	£ 10,404	£ 13,005	£ 13,796	£ 14,072	£ 14,353
Training	£ 1,625	£ 10,404	£ 13,005	£ 13,796	£ 14,072	£ 14,353
Temp Staffing	£ -	£ 45,144	£ 48,128	£ 50,821	£ 51,837	£ 52,874

Inflation	2%
Salary Inflation (LSBU)	2%
Salary Inflation (SBUEL)	2%

SLA Service Charges

Marketing SLA	3% of income	
HR SLA	£1,617 per FTE	
ICT SLA	£955 per FTE	
Finance SLA	3% of income, plus	£ 125,140
Executive and Secretariat SLA	2% of income	

University Enterprise Income and Expenditure

(Excluding Student Enterprise)

Income	Description	2011/12 Forecast		2012/13 Budget	
		LSBU	SBU EL	LSBU	SBU EL
	HEIF 5	£ 807,516	£ 0	£ 807,516	£ 0
	Rental Income	£ 0	£ 716,400	£ 0	£ 730,728
	Inter-company transfer (contract for delivery)	£ 0	£ 0	-£ 536,590	£ 536,590
	Gross Project Income	£ 0	£ 948,500	£ 1,796,437	£ 1,060,000
Total Income		£ 807,516	£ 1,664,900	£ 2,067,363	£ 2,327,318
Expenditure	Description				
	Staff Salaries	£ 559,972	£ 118,384	£ 215,966	£ 618,236
	Recruitment	£ 5,650	£ 406	£ 1,313	£ 22,874
	Travel, Accommodation & Subsistence	£ 10,600	£ 1,625	£ 5,253	£ 10,404
	Training	£ 10,600	£ 1,625	£ 5,253	£ 10,404
	Temp Staffing	£ 0	£ 0	£ 0	£ 45,144
Total Staff		£ 586,822	£ 122,040	£ 227,785	£ 707,061
	Consultancy (non-project)	£ 0	£ 8,000	£ 0	£ 23,060
	Legal fees	£ 0	£ 17,000	£ 0	£ 17,340
	Intellectual Property	£ 0	£ 60,000	£ 0	£ 80,000
	Audit and Bank charges	£ 0	£ 2,000	£ 0	£ 2,040
Total Professional Fees		£ 0	£ 87,000	£ 0	£ 122,440
	Telephones	£ 6,000	£ 0	£ 3,094	£ 5,106
	Mobiles	£ 1,700	£ 0	£ 1,031	£ 1,447
	Consumables & Stationery	£ 8,000	£ 0	£ 4,297	£ 6,808
	IT and office equipment	£ 4,800	£ 0	£ 2,922	£ 4,085
	Postage and Couriers	£ 5,700	£ 0	£ 2,750	£ 4,851
	Photocopying	£ 6,700	£ 0	£ 3,609	£ 5,702
	Subscriptions	£ 27,000	£ 0	£ 12,332	£ 22,978
	Marketing and advertising	£ 10,000	£ 0	£ 5,715	£ 8,510
	Publications	£ 18,000	£ 0	£ 10,313	£ 15,319
	Events	£ 1,700	£ 0	£ 3,738	£ 1,447
	Catering and Room Hire	£ 5,000	£ 0	£ 2,879	£ 4,255
	Website maintenance	£ 4,200	£ 0	£ 2,535	£ 3,574
	Licence fees	£ 1,400	£ 0	£ 902	£ 1,191
Total Operational		£ 100,200	£ 0	£ 56,118	£ 85,275
	Marketing SLA	£ 0	£ 0	£ 30,825	£ 21,922
	HR SLA	£ 0	£ 0	£ 8,328	£ 16,493
	ICT SLA	£ 0	£ 0	£ 4,918	£ 9,741
	Finance SLA	£ 0	£ 0	£ 107,405	£ 70,482
	Executive and Secretariat SLA	£ 0	£ 0	£ 20,550	£ 14,615
	Space Charges	£ 99,528	£ 0	£ 34,060	£ 67,459
Total Internal Recharges		£ 99,528	£ 0	£ 206,086	£ 200,712
	Loan Interest	£ 0	£ 1,290	£ 0	£ 0
	Depreciation	£ 0	£ 0	£ 0	£ 0
Total Other Costs		£ 0	£ 1,290	£ 0	£ 0
	Gross Project Expenditure	£ 105,550	£ 967,800	£ 1,427,570	£ 1,058,499
	Rental Expenditure	£ 0	£ 123,662	£ 0	£ 126,135
Total Expenditure		£ 892,100	£ 1,301,792	£ 1,917,559	£ 2,300,122
Operating Profit		-£ 84,584	£ 363,108	£ 149,804	£ 27,196
Overall Operating Profit		£ 278,524		£ 177,000	

University Enterprise Project Income and Expenditure					
Project Income	Description	2011/12 Forecast		2012/13 Budget	
		LSBU	SBUEL	LSBU	SBUEL
	ACCA	£ 0	£ 0	£ 551,357	£ 0
	New Commercial Enterprise	£ 0	£ 0	£ 0	£ 200,000
	Other Existing Projects	£ 0	£ 948,500	£ 0	£ 860,000
	KTP/KTC	£ 0	£ 0	£ 1,245,080	£ 0
Total Project Income		£ 0	£ 948,500	£ 1,796,437	£ 1,060,000
Project Expenditure	Description				
	ACCA	£ 101,500	£ 0	£ 400,294	£ 0
	New Commercial Enterprise	£ 0	£ 0	£ 0	£ 120,000
	Other Existing Projects	£ 0	£ 697,000	£ 0	£ 631,966
	KTP/KTC	£ 0	£ 0	£ 662,383	£ 0
Total Direct Costs		£ 101,500	£ 697,000	£ 1,062,677	£ 751,966
	Staff Bonus	£ 0	£ 0	£ 20,000	£ 8,000
	Faculty/Department Profit Share	£ 0	£ 0	£ 50,000	£ 8,000
Total Profit Share		£ 0	£ 0	£ 70,000	£ 16,000
Total Contribution			27%	41%	29%
	Description				
	Existing Projects Overhead	£ 0	£ 270,800	£ 0	£ 245,533
	ACCA Overhead	£ 4,050	£ 0	£ 151,063	£ 0
	New Commercial Enterprise	£ 0	£ 0	£ 0	£ 45,000
	KTP/KTC	£ 0	£ 0	£ 143,830	
Total Other Costs		£ 4,050	£ 270,800	£ 294,893	£ 290,533
Total Project Expenditure		£ 105,550	£ 967,800	£ 1,427,570	£ 1,058,499
Projects Gross Profit		-£ 105,550	-£ 19,300	£ 368,867	£ 1,501

	PAPER NO: UE.28(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Cash flow forecast for year ended 31 July 2013	
Author:	Rebecca Warren, Accountant	
Recommendation:	That the Board considers the cash flow forecast before signing the Solvency Statement	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	N/A	

Executive summary

The Board are requested to consider the cash flow forecast prior to signing the Solvency Statement. This document was requested by the Board at its meeting of 26 June 2012.

Cash flow forecast for year ended 31 July 2013

Profit for year		1,325
Payment of Gift Aid	-	566,845
Net cash outflow from operations	-	<u>565,520</u>
Decrease in cash	-	565,520
Opening balance		1,078,109
Closing balance		<u><u>512,589</u></u>

	PAPER NO: UE.29(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Resolution to reduce capital	
Author:	James Stevenson, Company Secretary	
Recommendation:	That the Board approves the resolution to reduce capital	
Matter previously considered by:	N/A	N/A
Further approval required?	Shareholder – in meeting	19 July 2012
Communications – who should be made aware of the decision?	Filed at Companies House	

Executive summary

The Board are requested to approve the resolution of the member to reduce capital and recommend to the shareholder for approval and signature.

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

SOUTH BANK UNIVERSITY ENTERPRISES LIMITED

(a company registered in England no. 02307211)
("the Company")

**WRITTEN RESOLUTION
OF
THE SOLE MEMBER**

Circulation Date:

Date Passed:

Under Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolution below is passed as a special resolution ("**the Resolution**"). The Resolution is being proposed in connection with a proposed reduction of the Company's share capital and a solvency statement made by the directors of the Company on 19 July 2012 relating to that proposed reduction of capital is attached to this document.

SPECIAL RESOLUTION

1. That under Chapter 10 of part 17 of the Companies Act 2006 and subject to the approval of the Registrar of Companies the share capital of the Company is reduced by the cancellation of £700,000 of the amount standing to the credit of the share premium account of the Company such that following the passing of this resolution the capital of the Company will be £10 divided into ten ordinary shares of £1 each.

AGREEMENT TO WRITTEN RESOLUTION

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, on behalf of the sole member entitled to vote on the Resolution on the circulation date set out above, hereby irrevocably agree to the passing of the Resolution.

.....
Chairman of the Board of Governors

.....
Date of Signature

Signed for and on behalf of
London South Bank University

NOTES:

1. If you wish to agree to the resolution, please indicate your agreement by signing and dating this document where indicated and returning it to the company at the company's registered office.
2. If you do not agree to the resolution you need not do anything. You will not be deemed to agree if you fail to respond.
3. Once you have indicated your agreement to the resolution you may not revoke your agreement.
4. Unless by the end of the period of 15 days beginning with the circulation date set out above sufficient agreement has been received for the resolution to be passed they will lapse.

	PAPER NO: UE.30(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Compliance Statement	
Author:	James Stevenson, Company Secretary	
Recommendation:	That the Board approves and signs the Compliance Statement	
Matter previously considered by:	N/A	N/A
Further approval required?	Shareholder – in meeting	19 July 2012
Communications – who should be made aware of the decision?	Filed at Companies House	

Executive summary

The Board are requested to approve and sign the Compliance Statement under section 644(5) of Companies Act 2006 confirming that the Solvency Statement was:

- (a) made not more than 15 days before the date on which the Special Resolution was passed; and
- (b) provided to the members of the Company in accordance with section 642(2).

Section 642(2) states: “a copy of the solvency statement must be sent or submitted to every eligible member at or before the time at which the proposed resolution is sent or submitted to him”. A copy of the draft solvency statement was sent to each member of the University’s Board of Governors on 12 July 2012 along with the resolution. The signed statement will be considered by David Longbottom, on behalf of the member prior to the signature of the resolution.

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

SOUTH BANK UNIVERSITY ENTERPRISES LIMITED

(a company registered in England no. 02307211)
("the Company")

STATEMENT UNDER SECTION 644(5) OF THE COMPANIES ACT 2006

Dated: 19 July 2012

This statement has been prepared for the purpose of Section 644(5) of the Companies Act 2006 in relation to a special resolution passed on 19 July 2012 by which it is proposed that the share capital of the Company be reduced under Chapter 10 of Part 17 of the Companies Act 2006 (the "**Special Resolution**") and a solvency statement dated 19 July 2012 and made by all the directors of the Company under sections 642 and 643 of the Companies Act 2006 (the "**Solvency Statement**").

We, the directors named below (being all the directors of the Company as at the date of this statement) hereby confirm that the Solvency Statement was:

- (a) made not more than 15 days before the date on which the Special Resolution was passed; and
- (b) provided to the members of the Company in accordance with section 642(2).

Signed by:

.....

Richard Flatman

Date:

Signed by:

.....

Beverley Jullien

Date:

Signed by:

.....

Tim Gebbels

Date:

	PAPER NO: UE.31(12)	
Board:	Board of Directors	
Date:	19 July 2012	
Paper title:	Form SH19 – statement of capital	
Author:	James Stevenson, Company Secretary	
Recommendation:	That the Board notes the filing of form SH19	
Matter previously considered by:	N/A	N/A
Further approval required?	N/A	N/A
Communications – who should be made aware of the decision?	Filed at Companies House	

Executive summary

The Board are requested to note that following the capital reduction the Secretary will file form SH19 at Companies House.