

Innovation Centre Net New Costs Draft Budget Model (excludes existing staff costs)

Base Budget Assumptions:

assumption of 4 months cost to the end of the lease April 30th 2023.

- Rent \$15.40 psqft for 9,945 Gross Square feet (Actual 8,453 with 15% gross building amenities included) free rent for first 12 months
- Additional Rent \$12.90 psqft with free additional rent for 12 months exclusive of Janitorial and Utilities of \$3.62. Annual increase of 3% assumed on additional rent
- Free furniture from suites 903 and 905 has been included in the furniture budget to reduce capital expenditure for furniture
- 220K Net incremental BEDC Expenditure does not include Depreciation which is accounted for under capital expenditure

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
	2017	2018	2019	2020	2021	2022	(4 Months) 2,023	
Operating Costs								
Net Rent	-	102,102	153,153	153,153	153,153	153,153	51,051	
Additional Rent	24,001	100,093	136,103	140,186	144,392	148,724	49,575	
Internet & Phones	9,888	14,832	14,832	14,832	14,832	14,832	4,944	
Admin Costs (security, printing, software, kitchen/bathroom supplies)	15,333	23,000	23,000	23,000	23,000	23,000	7,667	
Marketing	30,000	5,000	5,000	5,000	5,000	5,000	1,667	
Contingency	15,000	25,000	25,000	20,000	20,000	20,000	6,667	
Annual Operating Costs	94,222	270,027	357,088	356,171	360,377	364,709	121,570	
Annual Depreciation	7,550	15,100	15,100	15,100	15,100	15,100	7,550	
Total Annual Expenses	101,772	285,127	372,188	371,271	375,477	379,809	129,120	
Revenue								
Sponsorships & Partnerships	17,500	65,000	65,000	65,000	65,000	65,000	30,000	
Scale Up Rent (6 offices @ \$500 per month)	18,000	36,000	36,000	36,000	36,000	36,000	12,000	
Total Revenue	35,500	101,000	101,000	101,000	101,000	101,000	42,000	
								Average Contribution per year
Net Incremental BEDC Expenditure	58,722	169,027	256,088	255,171	259,377	263,709	79,570	223,611 excludes de
								Total Term Contribution
Annual Accrual	220,000	220,000	220,000	220,000	220,000	220,000	-	1,320,000
								Gross Term Contribution
Net Annual Contribution	(161,278)	(50,973)	36,088	35,171	39,377	43,709	79,570	21,664
Furniture & Refurbishment (Funding from reserve and depreciated back to project over 10 years)								
Design Fees	17,500							
Engineering	12,970							
Signage (Insuite & Building)	17,500							
Furniture (includes Reception & Events)	76,750							
Furniture Move (Existing Furniture)	2,330							
IT Equipment	20,000							
Contingency	3,950							
Total	151,000							
Initial Set Up Costs (Funding from 2017 Project Budget for set up)								
IT & Security Setup	25,000							
Communications setup (75 Line drops)	18,750							
Signage	-							
Contingency	6,250							
Total	50,000							

apreciation