

**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
<b>Operating Costs</b>								
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
<b>Annual Operating Costs</b>	<b>94,222</b>	<b>270,027</b>	<b>357,088</b>	<b>356,171</b>	<b>360,377</b>	<b>364,709</b>		<b>121,570</b>
Annual Depreciation	7,550	15,100	15,100	15,100	15,100	15,100		7,550
<b>Total Annual Expenses</b>	<b>101,772</b>	<b>285,127</b>	<b>372,188</b>	<b>371,271</b>	<b>375,477</b>	<b>379,809</b>		<b>129,120</b>
<b>Revenue</b>								
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
<b>Total Revenue</b>	<b>35,500</b>	<b>101,000</b>	<b>101,000</b>	<b>101,000</b>	<b>101,000</b>	<b>101,000</b>		<b>42,000</b>
<b>Net Incremental BEDC Expenditure</b>	<b>58,722</b>	<b>169,027</b>	<b>256,088</b>	<b>255,171</b>	<b>259,377</b>	<b>263,709</b>	<b>79,570</b>	<b>223,611</b> excludes de
								<b>Average Contribution per year</b>
<b>Annual Accrual</b>	<b>220,000</b>	<b>220,000</b>	<b>220,000</b>	<b>220,000</b>	<b>220,000</b>	<b>220,000</b>	<b>-</b>	<b>1,320,000</b>
								<b>Total Term Contribution</b>
<b>Net Annual Contribution</b>	<b>(161,278)</b>	<b>(50,973)</b>	<b>36,088</b>	<b>35,171</b>	<b>39,377</b>	<b>43,709</b>	<b>79,570</b>	<b>21,664</b>
								<b>Gross Term Contribution</b>
<b>Furniture &amp; Refurbishment (Funding from reserve and depreciated back to project over 10 years)</b>								
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							
<b>Total</b>	<b>151,000</b>							
<b>Initial Set Up Costs (Funding from 2017 Project Budget for set up)</b>								
IT & Security Setup	25,000							
Communications setup (75 Line drops)	18,750							
Signage	-							
Contingency	6,250							
<b>Total</b>	<b>50,000</b>							

appreciation