

WayAhead - MENTAL HEALTH ASSOCIATION NSW LTD
ABN 11 326 005 224

AND

BEING : MENTAL HEALTH & WELLBEING CONSUMER ADVISORY GROUP
ABN 82 549 537 349

AND

MENTAL HEALTH CARERS ARAFMI NSW INC ABN 70 653 824 650

COLLECTIVE PURPOSE AGREEMENT

Teece Hodgson & Ward
Level 10, 1 Chifley Square
Sydney NSW 2000
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Email:
Ref: SR:CH:150685

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THIS AGREEMENT dated day of 2015

BETWEEN **Mental Health Association NSW Ltd ABN 11 326 005 224** of 501/80 William Street, Woolloomooloo, New South Wales ("**WayAhead**")

AND **New South Wales Consumer Advisory Group – Mental Health Inc ABN 82 549 537 349** of 501/80 William Street, Woolloomooloo, New South Wales ("**Being**")

AND **Mental Health Carers ARAFMI NSW ABN 70 653 824 650** of 501/80 William Street, Woolloomooloo, New South Wales ("**ARAFMI**")
Collectively "**the Participants**"

RECITALS

- A. WayAhead is the Lessee of premises known as Suites 501 and 505, Level 5, 80 William Street, East Sydney (**the Premises**).
- B. The Participants have historically been co-located at shared office premises in the same building since 2006, with the costs of the premises being shared between them and they have agreed to continue and to expand their co-location arrangements.
- C. WayAhead has entered into a Lease of the Premises for a term of 5 years commencing 1 February 2015 on the basis that WayAhead and its collaborators, Being and ARAFMI have agreed to contribute to the cost of the capital works at the Premises which have been funded by WayAhead and to contribute to the ongoing rent, outgoings and other expenses, as provided by this agreement.
- D. The Participants have come together for a collective purpose to create a separate venture (" Collective Purpose") comprising collaborative co-working space designed to support s-each of their not for profit activities and also those of individuals, teams and other not for profit organisations. This is to be through by-making parts of the Premises available as shared facilities for the use of the Participants and also for other users from time to time in connection with their not for profit organisational activities.
- E. The Participants intend for the Premises to be used as a Hub Office space comprising:
 - (i) shared office accommodation, IT infrastructure and support and workplace facilities for each of the Participants;
 - (ii) office accommodation IT infrastructure and support and workplace facilities and other support for other occupiers on a hire basis from time to time;
 - (iii) meeting and conference room facilities for use by the Participants and also for hire to other users from time to time;
 - (iv) shared IT infrastructure and facilities for use by the Participants and for hire to other parties from time to time.

Commented [MS1]: ? write "common purpose" here as I think it gets confusing when the name of the enterprise is Collective Purpose

Commented [MS2]: May also be used by for profit organisations

Commented [MS3]: Not sure what this refers to – partly repetitive of what has gone before

- (v) sharing of back office services such as human resources, finance and administration services for the Participants, with the possible extension of those facilities to other not for profit organisations from 1 July 2016.

("the Collective Purpose").

Commented [MS4]: Move to beginning of section

- F. WayAhead has met the cost of the capital works to upgrade the Premises, amounting to approximately \$600,000.00 (plus GST), plus the cost of the information and computer technology upgrade of approximately \$240,000 (plus GST).
- G. WayAhead advanced these funds to enable the Collective Purpose to start in the newly leased premises on the basis that portions of the funding for these works will be repaid over time from a number of sources, including a lease incentive received from the landlord and a Community Builders Grant.
- H. The Participants have agreed that part of the funds provided by WayAhead for the capital upgrades and information and technology upgrades in the amount of [\$480,000.00] are to be treated by the Participants as a loan to the Participants for the Collective Purpose.
- I. In addition, Being has also agreed to lend the Participants \$100,000.00 for the Collective Purpose. The loan will be paid to WayAhead as a reimbursement of part of the capital works payments made by WayAhead.
- J. Both these loans will be:
- (i) for a term of 5 10 years commencing on [date];
 - (ii) with interest accruing at the rate of 5% per annum; and
 - (iii) with each loan to be repaid by quarterly instalments of capital plus interest in ~~an~~ amounts necessary to ensure that the loans and interest are repaid by the end of that 5 10 year term.
- K. Each of the Participants agrees that they are responsible for their Respective Proportion of the repayments of principal and interest. The Participants acknowledge that, while it is their intention that the hire of the use of the Collective Purpose premises ~~for the Collective Purpose~~ will generate income to cover the repayment of these loans plus interest, the income generated may not cover the repayments and each Participant will need to pay its share of any shortfall in income to meet the total repayments as they fall due.
- L. The Participants have agreed to work together collaboratively for the Collective Purpose venture and to co-operate in the implementation of this agreement. The Participants acknowledge that they are not partners and, except to the extent expressly provided for in this agreement, a Participant will not be liable for any of the debts or liabilities of any other Participant.
- M. Except as expressly provided in this agreement, no Participant has the right or authority to incur expenses or liabilities on behalf of the other Participants and no Participant is the agent of the other Participants.

Commented [MS5]: Should the amounts of these be specified here?

Commented [MS6]: Caveats here?

Commented [MS7]: What about right or authority to incur expenses or liabilities on behalf of Collective Purpose?

OPERATIVE PART

1. Interpretation

This agreement is governed by the laws of New South Wales and the parties submit to the non-exclusive jurisdiction of the courts of that state.

In the interpretation of this agreement:

- (a) References to legislation or provisions of legislation include changes or re-enactments of the legislation and statutory instruments and regulations issued under the legislation;
- (b) Words denoting the singular include the plural and vice versa, words denoting individuals or persons include bodies corporate and vice versa, references to documents or agreements also mean those documents or agreements as changed, novated or replaced, and words denoting one gender include all genders;
- (c) Grammatical forms of defined words or phrases have corresponding meanings;
- (d) Parties must perform their obligations on the dates and times fixed by reference to the capital city of New South Wales;
- (e) Reference to an amount of money is a reference to the amount in the lawful currency of the Commonwealth of Australia;
- (f) If the day on or by which anything is to be done is a Saturday, a Sunday or a public holiday in the place in which it is to be done, then it must be done on the next business day;
- (g) References to a party are intended to bind their executors, administrators and permitted transferees;
- (h) Obligations under this agreement affecting more than one party bind them jointly and each of them severally;
- (i) The company means the company incorporated to carry on the joint venture described in this agreement, in which each of the joint venturers holds a parcel of shares; and
- (j) Confidential information means information, plans, specifications, and data concerning the planning, financing, cost, operations and marketing of the joint venture project; designs registered or not, patents, customer lists, supplier lists, source and destination codes which become available to a joint venture, the managing director, the finance manager or the employees of any of them as a result of the joint venture.
- (k) The following words and phrases have the following meanings in this agreement

Collective Purpose Projects?

Commented [MS8]: First mention of joint venture – should that terminology be used in the recitals?

Back Office Services means human resources, finance and administration staff and services, excluding Hub Services shared by the Participants.

Commented [MS9]: I think it would be good to keep consistent terminology – CP Shared Services rather than introduce Back Office Services

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Hub means a support staff and operational staff hub initially comprising a receptionist hub coordinator and operations manager/marketing manager, to support the Participants and Hub Users.

Commented [MS10]: Is this not the Premises also

Hub Users means short term licensees of parts of the Premises pursuant to Hub User Licenses.

Commented [MS11]: This seems to exclude the room hirers – or are they licensees? Do they have to sign an agreement?

Hub User Licence means a licence agreement in a form agreed by the Participants, to be entered into by each Hub User in respect of their use of Hub Premises and facilities Shared Services.

Lease definition

Loans means the loan of \$480,000.00 from WayAhead and the loan of \$100,000.00 from Being.

Operational Costs means and includes each of the following:

- (i) the direct costs and overheads associated with the Premises including the Premises rent, outgoings, maintenance, repair and cleaning costs and expenses;
- (ii) the direct costs of the Collective Purpose, including:
 - a. staff costs for Hub Services Staff;
 - b. staff costs for the Collective Purpose Back Office Services including the HR Manager and their Administrative Assistant; Finance Manager and Financial Assistant.
 - c. staff costs for any other staff allocated specifically to the Collective Purpose from time to time by agreement between the Participants;
 - d. the costs and expenses of utilities (other than those provided exclusively to a Participant), shared equipment and shared information and computer technology expenses, as identified in the annual budget from time to time or as otherwise expressly agreed between the Participants;
 - e. all insurances for the premises, public risk, workers compensation in respect of staff mentioned above, consumables and other administrative or operational expenses relating to the Collective Purpose either as provided for in the annual budgets from time to time for the Collective Purpose or as otherwise agreed between the Participants from time to time to be Collective Purpose expenses.

Commented [MS12]: Was WC insurance to be shared across CP – or paid individually

Shared-Hub Services means the services to be provided to Hub Users set out in schedule 2.

Respective Proportions means, for each Participant, the number which is the proportion of full time equivalent staff employed in the Premises by or working exclusively for the Participant as a percentage of the total number of full time equivalent staff employed in the Premises by all of the Participants (excluding employees employed solely for the purposes of the **Shared Services**), unless the Participants otherwise expressly agree to a different proportion in this agreement or from time to time in writing. The Respective Proportions as at the date of this agreement are set out in Schedule 1.

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2. **Collective Purpose**

The Participants each agree to act in good faith and to use their best endeavours to pursue the Collective Purpose venture and, with that in mind agree to:

- (a) Contribute in their Respective Proportions to the Operational Costs and such business costs and expenses of the Collective Purpose as the Participants agree from time to time;
- (b) Operate the Collective Purpose as contemplated by this agreement for their mutual benefit and in accordance with the annual budget set out in Schedule 3, as varied or updated from time to time by the Participants;
- (c) Each contribute to the income of the Collective Purpose by paying their respective licence fees for the use of those areas of the Premises occupied by them from time to time (such areas and licence fees as at the date of this agreement being set out in Schedule 5);
- (d) Contribute in their Respective Proportions to the repayment of the Loans (plus interest) by quarterly payments, due at the end of each quarter in reduction of principal plus interest;
- (e) Contribute in their Respective Proportions ? –to meet any shortfall between the income generated by the Collective Purpose (including licence fees paid by each Participant) and the expenses incurred in the operation of the Collective Purpose (including rent, outgoings and Operational Costs);
- (f) Commit 10% of the income generated by the Collective Purpose to be placed in a discrete account maintained by WayAhead as a sinking fund for future capital expenditure; and
- (g) WayAhead acting as the agent of the Participants:
 - (i) as lessee of the Premises, including attending to payment of rent and outgoings and other monies payable pursuant to the Lease;

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- (ii) by entering into licence or occupation agreements with third parties, issuing invoices and receiving payments for those licenses and agreements as part of the Collective Purpose;
 - (iii) by employing staff for Collective Purpose, paying their wages and entitlements including superannuation;
 - (iv) by contracting with third parties for the provision of goods and services in connection with the Collective Purpose (subject to those goods and services being budgeted or approved Collective Purpose expenses);
 - (v) such other activities and arrangements as the Participants may agree to delegate to WayAhead from time to time; and
 - (vi) each Participant being entitled to use the Hub Services and Shared Services on the basis that they will each contribute their share of the costs and charges for those services in the estimated amounts set out in Schedule 3 (subject to those costs and charges being updated to reflect their usage and the actual amounts incurred for the costs and expenses which underpin the calculations).

3. **Income and Expense Payments**

- (a) The Participants agree that all income generated from the Collective Purpose, including licence fees paid by each of the Participants and by Hub Users will be paid into a bank account maintained by WayAhead for the purposes of the Collective Purpose and will be applied:
 - (i) firstly, to pay all Operational Costs;
 - (ii) secondly, to pay any other expenditure expressly provided for in the agreed annual budgets;
 - (iii) thirdly, to the repayments in respect of the Loans; and
 - (iv) fourthly, to the sinking fund referred to in clause 2(f) above.
- (b) In the event that there is any surplus income after payment of all expenses and amounts, the Participants agree that the surplus will be maintained in the sinking fund bank account for future investment in the Collective Purpose or expansion of the services and enhancement of facilities, in such manner as may be agreed by the Participants from time to time.
- (c) For the purposes of the Loan repayments, the Participants agree that, if there are insufficient funds to pay the whole of both Loan repayments in any quarter the amount that is available for repayments available:
 - (i) shall be applied toward payment of each of the Loans proportionately, by reference to each Loan's proportion of the total Loan principal then outstanding; and

(ii) shall be applied firstly in reduction of accrued interest and, as to any remaining amount, in reduction of the principal sum.

(d) The Participants acknowledge that to date, a Government ~~Community Builders~~ Grant of approximately \$342,000 has been received by WayAhead each year to cover part of the rent payable for the Premises. Subject to that grant being received the Participants agree that it will continue to be applied toward the rent of the Premises and will be credited to each Participant's share of the Hub Services and Shared Services fees they are liable for as set out in Schedule 3.

4. **Shortfall**

In the event that the income raised from the Collective Purpose is not sufficient to pay all Operational Costs and other expenses expressly provided for in the agreed annual budgets, from time to time and to pay the repayments due on the Loans from time to time, each Participant agrees to contribute their Respective Proportion of that shortfall, such shortfall to be calculated and payable at the end of each quarter.

5. **Governance and Management**

(a) The Participants agree to establish a Steering Committee comprising the CEO's of each Participant for the purpose of providing operational, strategic and quality assurance oversight of the Collective Purpose and approval of an annual business plan and annual budgets for the Collective Purpose, the initial annual business plan being set out in Schedule 4.

(b) The parties agree that the Collective Purpose will otherwise be managed by a Governance Committee comprising two (2) representatives nominated by each Participant board of directors and the Honorary Treasurer of WayAhead;

(c) Each Participant must appoint in writing its two (2) representatives to participate in the Governance Committee to manage the affairs of the Collective Purpose and agrees that its representatives have authority to bind the Participant on all matters relating to the Collective Purpose, provided that any additional expenditure exceeding any line item in the agreed annual budget in place from time to time must first be approved by the Steering Committee.

(d) The Participants agree to appoint an Operations and Promotions Manager to be responsible for the day to day management and promotion of the Collective Purpose Hub. That manager's responsibilities will include:

(i) general oversight and management of the short term licensing of Shared Services to Hub Users;

(ii) responsibility for ensuring a high quality of ~~Shared Hub~~ Services provided to those users;

(iii) ensuring the resources are effectively managed and that charges for those services are effectively recouped to the extent possible.

Commented [MS13]: FM role is detailed here but not the other CP hub roles –Ops Mgr etc.

Commented [MS14]: ?? managed - ? oversight?

Commented [MS15]: I didn't think the GC reps had authority?

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- (e) Except for those decisions which have been expressly delegated to the Steering Committee or Governance Committee, all decisions of the Collective Purpose must be made by unanimous resolution of the Participants.
- (f) The Participants will appoint a Finance Manager to keep accurate records and books of account in which all dealings concerning the business and affairs of the Collective Purpose, using Australian accounting standards applicable to not for profit organisations. If the Finance Manager is an employee of one of the Participants then, subject to any agreement between the Participants to the contrary, a proportionate amount of their salary and entitlements as determined from time to time by the Steering Committee, shall be allocated as a Collective Purpose expense, being an agreed amount proportionate to their estimated time spent fulfilling the role of the Finance Manager for the Collective Purpose.
- (a) The Finance Manager's duties will include:
- (i) Overseeing and monitoring expenditure of the Collective Purpose, with the view to operating within the agreed annual budgets and in accordance with the decisions of the Steering Committee and the Governance Committee;
 - (ii) Preparing and presenting monthly profit and loss accounts both on a cash and on an accruals basis to report to the Governance Committee;
 - (iii) Reporting to the Governance-Steering Committee weekly?? on expenditure incurred (including comparison with budget) and on variations and projected changes operational costs and income;
 - (iv) Reporting to the Steering Committee on changes in timing, costs and other factors affecting the business plan;
 - (ii) Reporting to the Steering Committee on changes in timing, costs and other factors affecting the business plan;
 - (iv) Reporting to the Steering Committee on changes in timing, costs and other factors affecting the business plan;
 - (vii) Checking all invoices for correctness against quotes and work orders; and
 - (viii) Ensuring that payments are only made for goods actually delivered and services satisfactorily completed.

6. Participants Obligations

- (a) The Participants must ensure that the Collective Purpose is operated in a way which:
- (i) Keeps the Premises and assets used in connection with the Collective Purpose in good repair, working order and condition, reasonable fair wear and tear excepted, and ensures that proper maintenance repairs, renewals and replacements occur in a timely manner;

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- (ii) Complies with the relevant obligations under the Shared Hub Services agreements, the licence arrangements with the Participants, the Lease and any other approved arrangements or agreements relating to the Premises and the plant and equipment used for the Shared Hub Services.

(b) If, with the consent of the Participants, a Participant leases any plant or equipment for use in the Premises for the Collective Purpose, the Participants agree that the lease payments form part of the overheads of the Collective Purpose and each party accepts that they will be responsible to contribute their Respective Proportion of those lease expenses.

(c) ? Who

- (i) Keeps the tangible insurable assets in the Premises insured by a reputable insurer against loss or damage by fire, explosion and other risks customarily insured against by companies conducting businesses similar to the Collective Purpose in amounts not less than the full insurable value of those assets;
- (ii) Maintains all other insurance required to be maintained pursuant to the lease of the Premises with a reputable insurer, including coverage for any other hazards and risks and liability to persons and property of a nature and in the amounts required by the Lease; and
- (iii) Complies with all applicable laws relating to the business and its assets.

(d) All Participants may at any time inspect the books and records Collective Purpose and discuss the Collective Purpose with the finance manager and any other staff engaged to manage the Collective Purpose from time to time, with the intent that all information is openly and readily available to all Participants.

7. **Term of this agreement**

This agreement starts on the date of this agreement and continues to operate while all the Participants continue to be parties to the agreement, subject to the following:

- (a) If the Lease is terminated or comes to an end (without being renewed or extended for a further term) the term ends upon termination or cessation of the Lease but otherwise continues during that extension or further term; or
- (b) If a party Participant ceases to occupy the Premises, the rights of that party Participant (but not any accrued obligations) cease at that time;
- (c) If a party Participant is wound up, placed in administration or any other form of insolvency event occurs to the party, that party Participant shall, upon the happening of such an event, cease to

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have any continuing rights to participate in the Collective Purpose agreement (including any right of occupancy) but its accrued obligations shall remain due and owing;

- (d) The Participants may otherwise agree in writing to terminate this agreement.

8. Budget and Business Plan

- (a) The parties agree that the budget in Schedule 3 shall apply to the first year of operation of the Collective Purpose from 31 July 2015 to 30 June 2016. At least ~~13~~ months before the end of each budget year, the parties will commence preparation of the following year's budget, and business plan for the ongoing development and operation of the Collective Purpose.
- (b) The parties must promptly prepare and agree on ??.

9. General Obligations

- (a) The parties must follow the budget and business plan, and in doing so must:
- (i) Do everything possible to ensure that decisions are made promptly and full cooperation is given so that the Collective Purpose succeeds;
 - (ii) Not use or disclose confidential information of the Participants to ensure compliance by their employees with this obligation; and
 - (iii) At all times act in the best interests of the Collective Purpose and in good faith;
- (b) The rights and obligations of the parties-Participants under this agreement are individual and nothing in this agreement constitutes the parties-Participants as partners of one another nor do they have any other relationship except that of Participants in accordance with the terms of this agreement.
- (c) Each Participant owes the others a duty of trust, and must immediately inform the others of any conflict of interest, must not profit separately from the Collective Purpose and must account to the Participants for all benefits received as a result of a breach of this duty.
- (d) No party-Participant may incur debts or commit another Participant to liabilities. For the avoidance of doubt, this limitation does not in any way reduce the obligations of each Participant to contribute to debts or expenses where expressly referred to in this agreement.
- (e) Every undertaking of responsibility relating to the Collective Purpose must be made jointly with the other Participants for the Collective Purpose.

10. **Termination by Notice**

A Participant may terminate its involvement in the Collective Purpose and this agreement by notice in writing to the other Participants as follows:

- (a) Being or ARAFMI may terminate their involvement in the Collective by giving WayAhead at least 6 months prior notice in writing;
- (b) WayAhead may terminate Being's or ARAFMI's involvement in the Collective Purpose by giving at least 6 months prior notice in writing;
- (c) WayAhead may terminate the Collective Purpose if the Lessor advises that it will terminate the Lease of the Premises or will not or is renew or extend the Lease, by giving Being and ARAFMI notice in writing within a reasonable time after receiving notice from the Lessor;
- (d) Termination of this agreement by a Participant does not affect:
 - (i) the accrued liabilities of the Participants under this agreement or any licence agreement; or
 - (ii) the right of the remaining Participants to continue this agreement, provided WayAhead is one of the Participants who agrees to such continuation.

11. **Dispute resolution**

- (a) If a dispute arises between the Participants, then before any court proceeding may begin, the Participant raising the dispute (the complainant) must give 21 days' notice to the others setting out the dispute and seeking discussion and compromise with a view to resolving the dispute the Participants agree to ensure that each of their respective CEO's participate in these discussions.
- (b) If after 21 days the dispute is not resolved then it must be referred to mediation before commencing proceedings. The costs of mediation must be borne by the Participants in their Respective Proportions.

12. **Mediation**

- (a) The Participants expressly agree to endeavour to settle any dispute arising in relation to any matter under this agreement by mediation administered by the Australian Commercial Disputes Centre (ACDC) before having recourse to arbitration or litigation.
- (b) The mediation must be conducted in accordance with the ACDC guidelines for commercial mediation operating at the time the dispute is referred to ACDC.
- (c) The guidelines set out the procedures to be adopted, the process of selection of the mediator and the costs involved.

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- (d) The terms of the guidelines are deemed incorporated into this agreement.
 - (e) This clause survives termination of this agreement.

13. **Determination of the joint venture**

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- (b) If the Participants cannot resolve a dispute between them after following the dispute resolution procedures set out in the mediation clause, then any of them may by giving at least 60 days' notice in writing, terminate this agreement.
- (c) Termination of this agreement by one Participant does not affect:
 - (i) the accrued liabilities of that Participant under this agreement or any licence agreement; or
 - (ii) the right of the remaining Participants to continue this agreement, provided WayAhead is one of the Participants who agrees to such continuation.

14. **Default**

- (a) A Participant is deemed to be in default under this agreement if:
 - (i) It purports to transfer any of its interest in the Collective Purpose without the consent of the other Participants; or
 - (ii) It does not make a payment due in respect of the Collective Purpose, within 30 days of the due date for payment; or
 - (iii) It continues to breach any obligation under this agreement after receiving 14 days notice to remedy the breach; or
 - (iv) It commits an act of bankruptcy, or an order is made appointing a receiver, provisional or general liquidator, for its winding up or it assigns its estate for the benefit of creditors; or
 - (v) It ceases to carry on business so that it can no longer contribute capital to the Collective Purpose; or
 - (vi) It breaches any of its fiduciary duties to the other Participants.
- (b) If a default of the kind mentioned above occurs, the other Participants may within 60 days after such default give written notice of the default to the defaulting party by which they terminate the defaulting Participants' continued participation in the Collective Purpose.

15. **Costs**

The costs (if any) of preparation and completion of this agreement must be shared by the parties in the same proportions as their interest in the joint venture.

16. **Notices**

A communication required by this agreement, by a ~~party~~ Participant to another, must be in writing and may be given to them by being:

- (a) Delivered personally; or
- (b) Posted to their address specified in this agreement, or as later notified by them, in which case it will be treated as having been received on the second business day after posting; or
- (c) Faxed to the facsimile number of the ~~party~~ Participant with acknowledgment of receipt received electronically by the sender, when it will be treated as received on the day of sending; or
- (d) Sent by email to their email address, when it will be treated as received when it enters the recipient's information system.

17. **Counterparts**

If this agreement is executed in a number of counterparts, when executed and taken together they constitute this agreement and the date of the agreement will be the date on which it is executed by the last ~~party~~ Participant.

Execution page

SIGNED AS AN AGREEMENT

**EXECUTED BY MENTAL HEALTH
ASSOCIATION NSW LTD ACN 602
666 437**

.....
Director

Name:

.....
Director/Secretary

Name:

**EXECUTED BY NEW SOUTH WALES
CONSUMER ADVISORY GROUP –
MENTAL HEALTH INC ABN 82 549
537 349**

.....
Director

Name:

.....
Director/Secretary

Name:

**EXECUTED BY MENTAL HEALTH
CARERS ARAFMI NSW INC ABN 70
653 824 650**

.....
Director

Name:

.....
Director/Secretary

Name:

Schedule 1

Respective Proportions*

Participant	FTE Staff	Respective Proportions	Estimated Current Year Contributions*
WayAhead	11	44%	\$160,160
Being	8	32%	\$116,480
ARAFMI	6	24%	\$87,360
Total	25	100%	\$364,000

Notes:

- For the purposes of calculating the Respective Proportions, employees engaged solely or primarily to provide Hub Services and volunteers are not included in the calculation.
- Estimated current year contributions is based on draft 2015/16 Budget income from Participants of \$364,000 and is subject to variation in final budget

DRAFT

Schedule 2

Hub User **Shared** Services

DRAFT

Schedule 3

Budget

Collective Purpose Budget 2015/16

Description	Full Recovery	Worst Case	Target?
INCOME			
Co-Location Grant - Recurrent	\$342,235.20	\$342,235.20	\$342,235.20
Residual "profit" from CP SS	\$51,697.56	\$51,697.56	\$51,697.56
Non-partner Tenant Income	\$292,500.00	\$0.00	\$81,250.00
Separate Office Tenant	\$7,800.00	\$7,800.00	\$7,800.00
IT Only Income	\$6,500.00	\$0.00	\$6,500.00
Conference/Training Room Hire	\$25,000.00	\$5,000.00	\$15,000.00
Catering Income including Admin Surcharge	\$3,520.00	\$660.00	\$2,200.00
Interest Income	\$5,133.53	\$1,711.18	\$3,422.35
Total Income	\$734,386.29	\$409,103.93	\$510,105.11
EXPENSES			
Rent	\$323,180.00	\$323,180.00	\$323,180.00
Cleaning	\$14,040.00	\$14,040.00	\$14,040.00
Catering	\$3,000.00	\$3,000.00	\$3,000.00
Audit Fees	\$0.00	\$0.00	\$0.00
Bank charges	\$0.00	\$0.00	\$0.00
Governance Committee expenses	\$450.00	\$450.00	\$450.00
Busi Planning Reporting & Eval	\$1,000.00	\$1,000.00	\$1,000.00
CP Share Services expenses for Hub Staff	\$23,504.00	\$23,504.00	\$23,504.00
Loan Repayments	\$79,800.00	\$79,800.00	\$79,800.00
Computer Expenses	\$2,000.00	\$2,000.00	\$2,000.00
IT Support	\$35,000.00	\$35,000.00	\$35,000.00
Depreciation expense	\$66,666.00	\$66,666.00	\$66,666.00
Health & Safety	\$1,000.00	\$1,000.00	\$1,000.00
PL and Contents (Equip & Fixtures) Insurance	\$3,500.00	\$3,500.00	\$3,500.00
SC and joint Staff Meeting Expenses	\$500.00	\$500.00	\$500.00
Building Outgoings	\$4,874.00	\$4,874.00	\$4,874.00
Postage, Freight and Courier	\$1,000.00	\$1,000.00	\$1,000.00
Printer/copier hiring cost	\$15,312.00	\$15,312.00	\$15,312.00
Stationary Supplies	\$2,500.00	\$2,500.00	\$2,500.00
IT -Repairs & Maintenance	\$1,500.00	\$1,500.00	\$1,500.00
Furniture fixture purchase and repairs	\$1,500.00	\$1,500.00	\$1,500.00
Marketing and Promotion	\$5,000.00	\$5,000.00	\$5,000.00
Assets Purchase <\$500 (Office Equip Non Capital)	\$1,500.00	\$1,500.00	\$1,500.00
Sinking Fund	\$0.00	\$0.00	\$0.00
S&W - Wages and on_costs	\$121,648.55	\$121,648.55	\$121,648.55
S&W - Recruitment Expenses	\$500.00	\$500.00	\$500.00

S&W - Workers Compensation (insurance)	\$200.00	\$200.00	\$200.00
Volunteer Costs	\$500.00	\$500.00	\$500.00
Staff Amenities	\$3,000.00	\$3,000.00	\$3,000.00
Electricity	\$10,902.38	\$10,902.38	\$10,902.38
Telephone and Wi Fi Rental	\$12,000.00	\$12,000.00	\$12,000.00
Hub staff Telephone calls	\$600.00	\$600.00	\$600.00
Hub Website Hosting	\$387.00	\$387.00	\$387.00
Training & Development Staff	\$3,041.21	\$3,041.21	\$3,041.21
Consultancy Fees	\$15,000.00	\$15,000.00	\$15,000.00
Taxi or other fares	\$200.00	\$200.00	\$200.00
TOTAL EXPENSES	\$754,805.14	\$754,805.14	\$754,805.14
Income - Expenditure (P&L hit)	-\$20,418.85	-\$345,701.20	-\$244,700.03
Net Cash Flow i.e exclude Depr and Loan repay	\$126,047.15	-\$199,235.20	-\$98,234.03

Estimated 2014/15 Cost per Participant for Hub Services and Shared Services

PIC Partners' Cost of CP Hub (before rebate)								
Total Desks	Unit cost per desk	MHA p/a	Being p/a	ARAFMI p/a	CP Hub p/a	CP SS p/a		
Total Desk Rental	31	\$280.00	\$160,160.00	\$116,480.00	\$87,360.00	\$29,120.00	\$58,240.00	\$451,360.00

Estimated Rebate to Participants*

Total Rebate	MHA Rebate	Being Rebate	Arafmi Rebate	Hub Rebate	SS Rebate
\$342,235.00	\$121,438.23	\$88,318.71	\$66,239.03	\$22,079.68	\$44,159.35

*Rebate is an estimate only and will change depending on total Hub Services budget and income received

Schedule 4

Business Plan

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**Schedule 5
Areas and Licence Fees**

Participant	Areas Occupied	Licence Fees
WayAhead	11 Workstations	
Being	4 Workstations	
ARAFMI	5 Workstations	

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