LSE Enterprise

Annual Report 2010/11

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WELCOME

LSE ENTERPRISE – THE SOCIAL SCIENCES IN ACTION

This report marks another profitable year in the activities of LSE Enterprise Ltd, the wholly owned, commercial arm of the School. The company was formed to develop and apply the expertise in the social sciences of LSE in commercial applications in order to help address the growing challenges and requirements of society, governments and the private sector.

The company continues with its mission, conducting over 150 projects in this financial year. They range broadly across the School's research fields. This annual report aims to give an overview of the company's varied activities. It describes a representative sample of projects undertaken during the year. They show how the company is itself a case study of the social sciences in action.

The company's activities have spread across the globe, involving almost 500 academics this year in a spectrum of activities including policy analysis, commercial research, private briefings and events, and training for government officials and business executives.

The company continues to show real value in the delivery of LSE academics' research insights, not only in their practical value to clients but also in receipts to LSE and the academics engaged in the work. Over its lifetime, the company has returned £10.6 million in gift aid to LSE. In the last six years it has transferred more than £15.4 million to the academic community as fees for consulting, commercial research and teaching. Involvement in this wide range of projects creates many new contacts and experiences for the academics who participate in them.

The company delivers its activities through its two trading operations, LSE Executive Education and LSE Consulting, as well as through its branch office in Madrid, which concentrates on the Spanish market. The company additionally has a longstanding commercial relationship with Duke Corporate Education (CE) in the field of customised corporate executive education; this was renegotiated during the year, fulfilling our joint ambition to extend our working relationship to cover Duke CE's activities throughout the world.

Turnover in LSE Enterprise was £5.6 million, down 28 per cent on the prior year figure of £7.8 million. The company transferred £2.2 million to the School and its researchers through commercial research, consulting and gift aid payments. After paying academics some £1.8 million for their work, net profit of £445,654 will be given to the School by way of gift aid. This figure was materially affected by the need to

provide fully against the final payment due to the company under its contract with the Libyan Economic Development Board, described in last year's report. However, despite this setback, the company continued to operate profitably at a time when the business environment became increasingly challenging. Public sector spending cuts reduced UK-based activity in consultancy, commercial research and training programmes. Overseas training programmes, including some of our well-established activities in Spain, were also affected. However, new clients were won: notable among these were the delivery of our first executive education programmes for the government of Vietnam, funded by UNDP, and for managers from a leading German multinational corporation. South-east Asia and Germany are attractive markets for the company's services and we hope to replicate there the success we have enjoyed in Spain.

Against a background of difficult market conditions our staff, and the academics with whom we work, have continued to serve the company and our clients with diligence and creativity. I would like to thank all the staff of LSE Enterprise and our academic collaborators, as well as all of our many business colleagues, who work with the company to deliver research and teaching of the highest quality.

***Roger Mountford**,*
Chairman, LSE Enterprise

ABOUT US

APPLYING THE EXPERTISE AND RESEARCH EXCELLENCE OF LSE

LSE Enterprise is the commercial arm of the London School of Economics and Political Science. We specialise in applying the expertise and research excellence of LSE within businesses, institutions and government organisations across the world.

This role of being a commercial subsidiary of a globally recognised higher education institution brings with it considerable responsibilities and the need for a clear sense of purpose. To assist the company in ensuring that the right balance is struck between commercial initiative and innovation, and the principal purposes of our parent institution, we continually check, review and implement the requirements set out in a series of governing guidelines.

LSE Enterprise Ltd, as a separate subsidiary entity, has its own Board of Directors comprising a balance of senior academics, governors from the business world and senior School officials. It operates under a Memorandum of Understanding (MOU) with LSE, which is reviewed by its Board and by LSE's Council each year. The MOU sets out the company's mission, values and guiding principles.

Our mission

Our mission is to bring benefit to LSE through commercial activities, drawing upon the intellectual resources of the School, which make a direct **contribution of profits to the School**, enhance the total **remuneration of the School's academics**, and extend and **enhance the reputation of LSE** and its academics with business, government and other external organisations.

Our values

Quality: all services we provide will be of the highest quality, consistent with the reputation of the School.

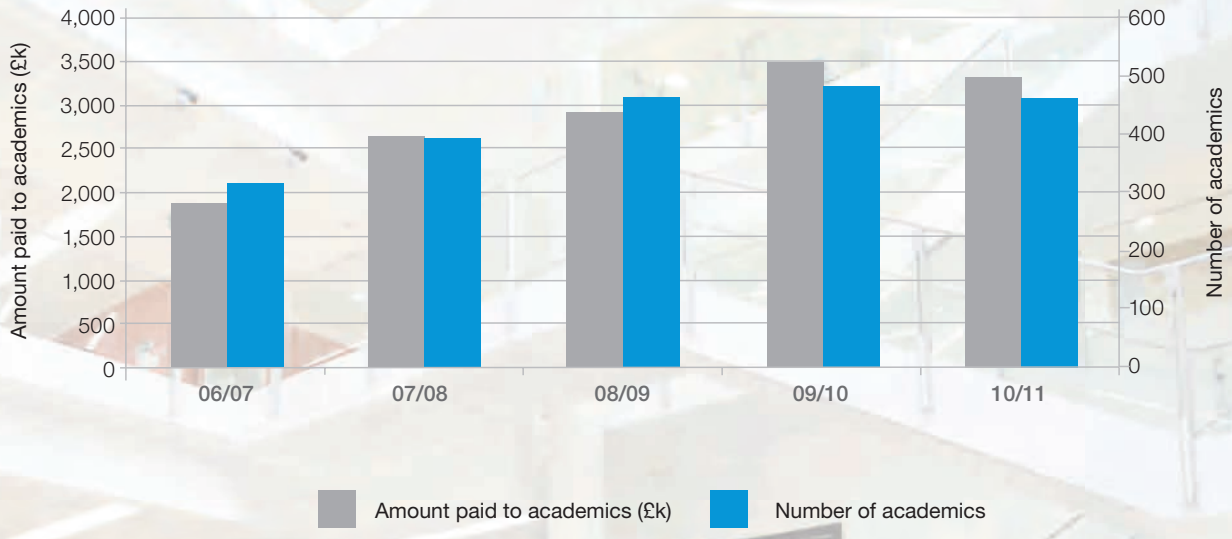
Partnership: we work in partnership with the School, its academics, clients and business partners. To sustain our contribution to the School these relationships must benefit all parties.

Value for money: we will always endeavour to provide services in a cost-effective way so as both to maximise the achievement of objectives for the School and to ensure that clients remain satisfied with the value of the services provided.

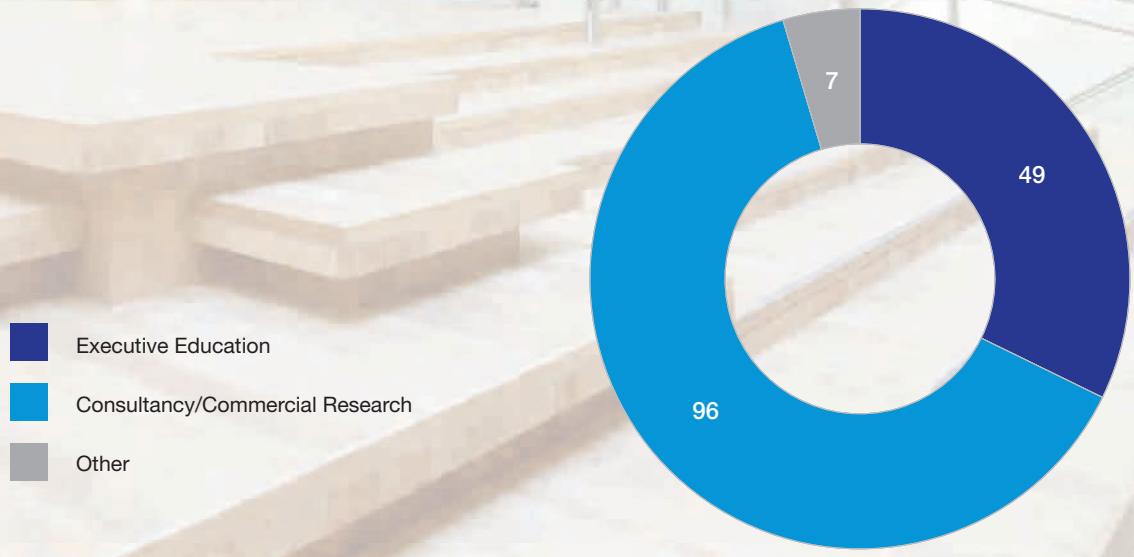
Guiding principles

- We will work in close co-operation with all parts of the School, contributing to its cohesiveness;
- We will endeavour to spread the benefit of opportunities across the academic community;
- We will make use of academics' available time so that the work they do through us will not detract from their principal academic duties;
- We will endeavour to ensure that LSE academics always have a visible leading role in projects, even where we need to engage others so as to add appropriate skills or to scale up the activity to protect market share and grow profits for the School's benefit;
- We will have regard not only to the financial risk to LSE Enterprise of any new initiative, but also to any risks to the reputations of the School and its academics, or to its relationships with others;
- We accept that, as circumstances change, initiatives developed by us may make their contribution most effectively by being recognised as mainstream activities of the School;
- Where possible, we will work with other parts of the School to convert our consultancy and executive education clients into strategic partners of LSE;
- We will not engage in and undertake work that is unethical or socially irresponsible;
- We will ensure, where pertinent, through our contracting and management of any contract, that the academic's position of independence and objectivity is inviolable.

Five year overview – academic numbers and payment



Projects undertaken in 2010/11



Yury Bikbaev
Project Director for Executive Education

LSE Executive Education programmes enable public, private and multilateral organisations around the world to develop an education experience around their specific needs. We specialise in customised training across the range of LSE subjects, creating interdisciplinary and applied programmes ranging from one-off topical workshops to long-term programmes with hundreds of participants, extending over many months.

Guided by experienced academics and experts, participants consider the immediate, long-term and global issues facing their sectors, as well as the management and practical skills they need to drive greater innovation and efficiency in their respective organisations.

LSE EXECUTIVE EDUCATION

CUSTOMISED PROGRAMMES FOR ORGANISATIONS

Capacity building for the Vietnamese Government

The Government of Vietnam looked to LSE to increase its capacity to conduct economic diplomacy, giving 27 officials an initial Vietnam-based refresher in basic economics. They then participated in the first six-day customised programme at LSE, financed by the UNDP.

Twelve experts from across LSE, including LSE's Director, and guest speakers from external organisations trained delegates in the planning, organisation, and implementation of government-business policy dialogues, helping them build knowledge networks in support of policy research and analysis. Participants also gained a sophisticated understanding of the opportunities and challenges of globalisation and economic integration.

The programme was covered in the *Financial Times* article "Vietnam prepares for business", which highlighted the rapid changes taking place in Vietnam and LSE Enterprise's role in addressing strategy issues for governments.

Training British diplomats

The 14,000 staff of the UK Foreign and Commonwealth Office are based in almost 270 diplomatic offices, providing a key means of communication between the British Government and other governments and organisations. Most staff in frontline policy jobs deal with economic issues, whether for trade promotion or wider international relations.

LSE Enterprise has been providing training on these economic issues since 2003 and has worked with well over a thousand participants to date, with programme intensity increasing despite government cuts. The 11 programmes run in 2010/11 included overseas deliveries in Amman, Madrid, Mexico City and Tokyo.

At level one, participants spend five days analysing core macroeconomic and microeconomic concepts, alongside the study of international political economy. Those requiring more advanced training take a two-week programme giving them a thorough grounding in key world and economic issues, enabling them to analyse economic policy, interpret reporting and lobby effectively for British interests around the world.

"Back to school" for high-performing managers

A market-leading global company based in Germany wanted to enhance knowledge, skills, cross-functional thinking and teamwork among its high performing staff. LSE Enterprise created a three and a half-day programme for 30 employees in the company's finance, legal, purchasing, and IT sectors across its various businesses.

The first of the annual programmes brought together a range of faculty from LSE's Departments of Management and Accounting and the Financial Markets Group. They were joined by external commercial and legal practitioners to create an interdisciplinary corporate curriculum useful to all functions.

Working across nations, functions and businesses, the participants experienced a mix of classroom lectures, group activities and plenty of networking opportunities with each other and with visiting senior management. Their final team presentation solidified their management skills and business understanding, relating the course content to ways of promoting innovation throughout their organisation.

Considering regulation across Europe and beyond

The global trend towards the regulated private sector undertaking services has resulted in considerable interest in regulatory affairs. The open access course in regulation, led by Professor Robert Baldwin, has run for over a decade. Aimed both at regulatory organisations and those subject to regulation, it examines how to design efficient regulatory systems and responses, reduce costs and enhance performance.

Academic experts from the Law and Government Departments, with external practitioners from organisations such as OfGEM and Severn Trent Water, brought a variety of perspectives to the study of regulation during two one-week courses in 2010/11. Topics such as franchising, emissions trading and monopolies accompanied sessions on particular sectors such as energy and water, with additional classes on European and international dimensions. This gave the course a cross-sectoral and global appeal, with participants coming from Australia, Brazil, Kenya, India, Nigeria, Saudi Arabia, St Lucia, Thailand and the UAE as well as eight European countries.

Read more at lse.ac.uk/customisedprogrammes

Jeannine McMahon
Project Director for Consulting

LSE academics continue to challenge and extend the boundaries of interdisciplinary social science research, with significant implications for the real world issues faced by corporate and public sector organisations today. We provide unique access to this huge range of expertise. We specialise in matching the specific needs of our clients to the skills of our academic consultants, ensuring that the relevant content, industry experience and regional or cultural familiarity is delivered. Our projects range from individual consultancy assignments to more complex projects involving large interdisciplinary teams.

LSE CONSULTING

APPLYING THE SOCIAL SCIENCES THROUGH CONSULTING AND COMMERCIAL RESEARCH

Financing higher education across the EU

Higher education has a positive economic impact at individual, country and EU levels, with technological advances continuing to drive the demand for skills. However, constraints on public spending across the EU mean that higher education can no longer be financed entirely by taxpayers. Professor Nicholas Barr of the European Institute led a study for the EC Directorate General for Education and Culture, assessing the feasibility of an EU-wide student loan facility.

The researchers used in-depth studies of six countries, literature reviews and statistical analysis, a survey of loan managers, interviews with a group of experts and an interactive Web 2.0 portal enabling continuous communication with stakeholders. Through these means they compared five institutional models and six potential loan models, considering factors such as take-up and default rates, financial sustainability and long-run effectiveness, to provide a recommendation for an efficient and accessible student loan system to support the core objectives of access and quality.

The case for investing in London's affordable housing

Londoners account for around 35 per cent of all homeless households in the country, with pressure on housing growing faster than anywhere else in the country. LSE London's Professor Christine Whitehead (Department of Economics) and Tony Travers (Department of Government) were commissioned by the G15 group of housing associations to assess the case for government investment in affordable housing in London.

Through their data review and analysis, and interviews with major stakeholders, the researchers found an overwhelming need for additional affordable housing both for vulnerable and employed households and that investment would have major benefits for the economy. They concluded that it would be used more intensively than elsewhere, reducing the social costs associated with poor housing. It would also support the broader economy and the growth agenda by delivering more market housing, more employment and a stronger labour market in London, with spillover benefits to the rest of the country.

The benefits of cycling

When Dr Alexander Grous from the Centre for Economic Performance was asked to quantify the UK's "gross cycling product", he found a sector in transition. Almost a quarter of the population cycle to some degree, with some 1.3 million new frequent and regular cyclists added in 2010 and 208 million cycle journeys made.

The study, commissioned by Sky and British Cycling, is the first to pull together key areas and results that comprise the UK cycling sector such as bicycle manufacturing, cycle and accessory sales, cycle-related employment and the economic and health benefits contributed by regular cyclists. Dr Grous estimated that cycling generates £2.9 billion for the UK economy, equalling a gross cycling product of £230 per cyclist each year. If initiatives to stimulate greater cycling participation are successful, coupled with social, economic and environmental drivers, a 20 per cent increase in current cycling levels by 2015 could save the economy £207 million in terms of reduced traffic congestion and £71 million due to lower pollution levels.

Helping UK businesses manage energy risks

Sponsored by npower, Professor Samuel Fankhauser of the Grantham Research Institute wrote a white paper providing a guide to current energy risks and forecasting how they will grow in the future. The paper considers energy price volatility and increases, reputation and price risks from carbon regulation, and increasing regulatory and technological complexity. It shows that combining energy management and procurement processes can help control risk exposure. It points out that energy suppliers can usefully act as consultants to help organisations manage energy risks.

"Businesses should develop an integrated strategy with board-level support that brings together the management of energy consumption and energy procurement," says Professor Fankhauser. "This will be a step-change for many organisations, but it is crucial they do this now so they can take advantage of cost and carbon savings and the reputational benefits of successful regulatory compliance and energy management."

LSE CONSULTING

Contributing to the EU strategy on Roma inclusion

Economic transition, the accession of the central and eastern European countries to the European Union, cuts in social spending due to the economic crisis and the effects of financial uncertainty on the social fabric have deepened the historical marginalisation of the 10-12 million Roma people in Europe.

In response, the European Parliament commissioned a study covering twelve EU states to inform its 2011 strategy on Roma inclusion. Dr Will Bartlett and Dr Claire Gordon of the European Institute, Dr Roberta Benini of Nomisma, an Italian think-tank, and a team of country experts, assessed the plans and tools designed to promote the situation of Roma EU citizens in each country, considering the institutions, legal and policy frameworks and budgets available. They proposed enhancing Roma access to existing policy instruments as well as developing new ones, and provided practical recommendations in the areas of education, housing, health and employment.

Reforming UK mental health services

England has led the development of the Early Intervention in Psychosis (EIP) service, which provides a responsive specialist service at an early stage. To extend the evidence basis for using EIP, the Department of Health commissioned a new series of models to explore the long-term economic impact of EIP on employment and on services beyond the NHS.

Professor Martin Knapp, director of the Personal Social Services Research Unit (PSSRU) and his colleague A-La Park, worked with Dr Paul McCrone of King's College on the project. They found that using an EIP approach rather than standard mental health care for one cohort of patients with psychosis would save up to £40 million per year. Effects of EIP include reduced NHS pressure, increased employment, and reduced costs from suicide, providing large initial cost reductions and longer-term savings of around £20 million per year – as well as significant social benefits.

Strengthening civil society

Civil society can significantly contribute to positive and sustainable development, and AusAid, the Australian Government's overseas aid programme, spends about a third of its budget on activities involving civil society organisations. It commissioned Professor Jude Howell of the Department of International Development to evaluate the success of this work.

In a year-long project, she led a team examining AusAid's experience across Papua New Guinea, Vanuatu and the Philippines. The team explored the risks of working with civil society organisations and looked at strategic models for engaging with them. They mapped the nature and extent of AusAid's engagement with civil society in the three target countries, reviewed international good practice and developed a 'theory of change' highlighting the contribution of civil society.

The report's key recommendations included investing in knowledge-sharing networks, including civil society in policy dialogue and working efficiently with other organisations to increase the long-term benefits of AusAid assistance.

Lessons from emerging markets: diabetes spending and treatment

Diabetes is a leading cause of death worldwide, and its incidence and costs are rising. Dr Panos Kanavos of LSE Health led a project comparing the burden of disease, costs and outcomes across five EU countries, making policy recommendations at national and EU levels.

Funded by Novo Nordisk, the team carried out surveys and interviews in France, Germany, Italy, Spain, and the UK. They estimated that the direct annual cost of diabetes across the five countries was €90 billion, with inpatient care comprising a third to half of this. However, indirect costs such as absenteeism, early retirement, social benefits and carer costs often cost double or triple the direct costs.

The report emphasised the need for national guidelines and multi-disciplinary care. It also recommended the establishment of a European Diabetes Observatory to establish criteria for internationally comparable data, encourage national diabetes registries and promote coordination between EU states: an approach previously successful in the field of cancer.

Read more at lse.ac.uk/consulting

LSE ENTERPRISE AND DUKE CORPORATE EDUCATION

DELIVERING HIGHLY CUSTOMISED PROGRAMMES TO CORPORATIONS

LSE Enterprise has a long-standing joint venture activity with Duke Corporate Education, enjoying a particularly close working relationship with Duke's London-based operation.

The partners specialise in delivering highly customised education programmes to corporations across the world. From its inception, the combination of Duke CE's practitioner expertise, as well as its innovative and non-traditional learning methods, have combined with LSE's rigorous focus on strong social science disciplines to deliver senior management programmes that will promote strategic change.

During 2010/11 LSE Enterprise exchanged its equity holding in Duke Corporate Education Ltd for an ongoing global royalty agreement. 2010/11 saw Duke CE ranked number one in the world by the *Financial Times* for the ninth consecutive year for customised executive education.

A classroom without walls

Business leaders from multinational corporations don't typically learn how to address their business challenges on the streets of India. But when Duke CE was engaged to help develop the senior executives of a global technology and engineering firm, they developed a customised cultural immersion programme to help them interact with the places and people that were the future of their business.

One experience sent them on lunchbox delivery rounds in Mumbai to learn about the customer expectations and lifestyles of its potential clients. As a direct result, the company expanded its range to include lower-cost products suitable for Indian environments. The executives also went on a customer experience journey in New York, gaining insight from other industries on how to build client loyalty and spark innovation.

As well as increasing their familiarity with relevant markets, the programme helped create leaders who could manage cross-cultural staff teams and think strategically about the needs of potential customers in the fast-growing markets of the future.

Enhancing the client experience

An investment management company wanted to distinguish itself from its competitors by enabling sales managers to strengthen their working relationships with advisors. Duke CE set up a series of two-day modules in which participants learned how to gain trust, design client experiences, deepen interactions, and differentiate the company from competitors.

In addition to teaching sessions with thought leaders, one session enabled participants to simulate a client meeting in settings ranging from a golf course to a restaurant. They learned "right brain thinking" principles from an expert in the field, using these to plan meaningful and memorable client experiences within each scenario.

Another module placed participants in a situation similar to their daily business. However, requiring them to sell an unfamiliar product took them out of their comfort zone, giving them an outside-in perspective on the sales challenge.

Each session formed part of the strategy to prepare managers to apply their learning to existing and potential client relationships in an industry where rebuilding trust is paramount.

Duke CE's London team

Adam Austerfield
Project Director and Secretary-General of the LSE Alumni Association in Spain

Our Spanish projects currently span the regions of Asturias, the Basque Autonomous Region, Catalonia, Valencia and Madrid, where our Spanish office is based. We provide executive education and consulting, organise talks and conferences and engage in many other projects and collaborations to spread LSE expertise across Spain – and to bring Spanish business people, academics, politicians and organisational leaders to London in order to share their knowledge with an LSE audience.

Our current and recent clients include Cajastur, la Caixa, Instituto de Estudios Bursátiles, Santander Private Bank, BBVA, Fundación Cañada Blanch, Diputación de Bizkaia, Diputación de Guipúzkoa, Patronat Catalunya Món, abertis, Caja Madrid, Media Pro and MAPFRE.

LSE ENTERPRISE IN SPAIN

APPLYING THE SOCIAL SCIENCES TO ACHIEVE ORGANISATIONAL CHANGE

European Political Economy and Finance: selected young professionals from the Basque Country spend a term at LSE

The Diputación Foral de Bizkaia asked LSE Enterprise to deepen the understanding of high-flying young professionals from the region regarding the latest trends within the EU economy, fiscal policy, competitiveness and trade. We created an intensive annual ten-week programme which ran for the fourth time in 2010.

The postgraduate-level programme drew in particular on the European Institute and the Departments of Government and International Relations to teach such topics as the history and theory of European integration, comparative political economy, socio-economic cohesion and public budgeting.

Field trips, open lectures and opportunities to mingle with other LSE students enhanced participants' understanding of the UK's environment and culture, and they undertook an additional five-day study visit to Harvard University. LSE Enterprise's biannual alumni events have let them continue networking once they return home to use their new skills for the Basque Country.

A week at LSE forms part of the IEB Masters programme

The fifth cohort of a hundred Masters students from the Instituto de Estudios Bursátiles (IEB) attended a customised course at LSE on international financial strategy.

The programme was taught by LSE experts from the Financial Markets Group, the Centre for Economic Performance and the Departments of Management and International Relations, as well as Sir Howard Davies and the Director of the IEB. Students gained an international perspective while studying topics ranging from leveraged loans to global financial risk. Sessions by external practitioners and practical exercises such as communicating risk to investors ensured a practical focus to the week.

LSE Enterprise has worked with IEB, a leading financial education provider, since 2005 to run other courses such as teaching management finance to Chinese bankers in Madrid and hosting four-day study tours at LSE for senior private bankers from Santander.

Planning for the future of Guipúzkoa

LSE Enterprise has begun work to design a Social Innovation Centre for the Diputación de Guipúzkoa, managed by Dr Alexander Grous of LSE's Centre for Economic Performance. Detailed planning is underway, analysing comparative global experiences to create suitable structural and funding models. The Centre will be completed by 2012 and will be financially self-sufficient.

The Centre aims to strengthen the development, competitiveness and welfare of Guipúzkoa, taking an integrated approach to fostering innovation. Its programmes develop individuals and teams within companies, fusing the development of the human factor with the development of the organisational sphere. Forthcoming workshops include leadership styles, how to engage with globalisation, making risk work for the organisation and measuring performance.

It will build on local networks to forge links between firms, public and private institutions, contributing to regional commercial prosperity. As well as establishing a local repository of knowledge and learning, the Centre will work to create international connections.

Building links between Catalonia and the world

The Catalan Observatory in LSE's European Institute, a platform for the institutions and civil society of Catalonia, entered its second year. The Observatory promotes research and debate about the key issues relevant to Catalonia today.

This year it held three seminars on the perceptions of the British press towards the Transition in Spain, Catalonia at the crossroads and the international significance of Catalan culture. Observatory staff supported research projects in civil war and feminism, the Catalan economy, and neutrality in the European Union, and continued to develop a research library.

The President and CEO of Spain's largest savings bank, La Caixa, gave a public lecture at the School on the macroeconomic crisis, comparing Spain's current situation both to other European countries and to previous crises.

Finally, over 800 people attended its co-sponsored season of film screenings, panel discussions and Q&A sessions on 'Clandesti: Invisible Catalan Cinema under Franco'.

Read more at lse.ac.uk/enterprise/spain or visit blogs.lse.ac.uk/lseeinspain

REVIEW OF THE YEAR

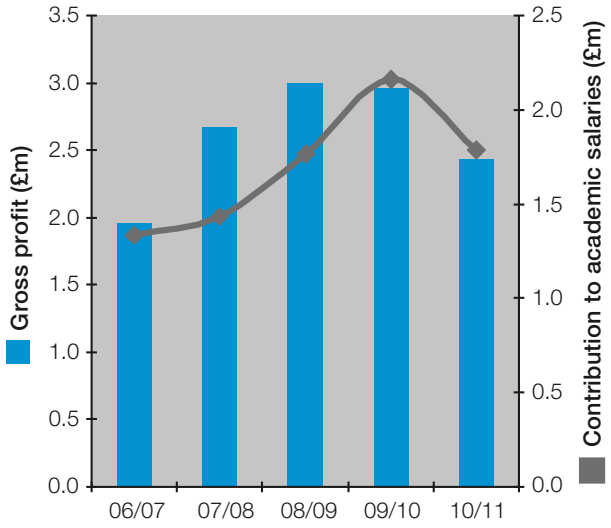
Trading performance

The business environment during 2010/11 was challenging for the company. The public sector spending cuts significantly reduced UK-based activity across consultancy, commercial research and training programmes. Overseas training programmes for foreign governments, including some activities in Spain, were also affected.

Turnover was £5.6 million, down 28 per cent on the prior year figure of £7.8 million. Gross profit was £2.4 million for the year and after overheads and provisions the company returned a profit of £447,000. The gift aid paid to the School from this profit provides unrestricted funds that contribute to its teaching and research activities.

During the year the company paid 215 LSE academics and research staff a total of £1.8 million and a broader community of 248 academics and consultants a further £1.6 million. This additional revenue represents an important supplement to academics' income, and is a useful mechanism for attracting and retaining key staff.

Gross profit and academic salary contributions



Libya

During the course of 2010/11 the company was drawing to a close a large executive training programme for the Libyan Economic Development Board, engaged in enhancing public sector management skills. The advent of the Arab Spring foreshortened the winding down of the programme and interrupted final payment of the contract. Of the total £2.3 million value of the contract a final payment of £706,000 was unpaid and was written down at the year end.

Operations

At the end of the year the company had 16 full time London employees with one further employee located in Madrid. We engaged a total of 463 researchers from within and beyond the School. We undertook 153 projects, 96 of those in consultancy and commercial research, with 49 executive education programmes, plus eight other project initiatives.

Events

LSE Enterprise helps to fulfil a key strategic priority of the School by serving as an important channel of engagement with governmental, corporate and multilateral organisations around the world. This enhances knowledge transfer, increases LSE's impact in the social sciences sphere and often results in significant sponsorship activities. In 2010/11 we arranged and participated in 33 public and private events, predominantly in London, with other events in Brunei, Hong Kong, Kazakhstan, Japan, Singapore, Spain and Taiwan.

Overseas activities

We undertake many of our activities overseas, whether delivering executive and public sector training or conducting analytical studies. In 2010/11 we worked in five continents on projects ranging from teaching Tokyo-based Foreign Office diplomats about international political economy to evaluating civil society aid activities in Vanuatu.

LSE Enterprise and Duke Corporate Education – joint venture

The successful joint venture with Duke Corporate Education Ltd to supply customised strategy courses to multinational organisations continued well during the year with strong revenue growth. The underpinning relationship was changed as LSE Enterprise exchanged its equity position in the joint venture to a future royalty revenue, based on global turnover.

Simon Flemington
CEO, LSE Enterprise

CURRENT AREAS OF CONSULTING AND RESEARCH:

- Business management
- Civil society
- Climate change
- Economic analysis
- Economics
- Ethical certification
- Financial markets
- Green energy
- Health economics
- Healthcare
- Housing policy
- ICT
- Innovation
- Policing
- Portfolio management
- Productivity and growth
- Regional economics
- Wellbeing
- World trade

FACTS AND FIGURES

Five year record

	2010/11	2009/10	2008/09	2007/08	2006/07
	£ 000	£ 000	£ 000	£ 000	£ 000
Revenue:					
Consultancy	2,665	3,760	3,608	3,720	3,359
Executive education	2,380	3,407	3,614	2,614	1,402
Other revenue	536	581	878	1,070	849
Total	5,581	7,748	8,100	7,404	5,610
Gross profit	2,428	2,960	2,996	2,665	1,956
Net profit for the year, before gift aid	447	1,674	1,975	1,850	1,273
Gift aid payment per statutory accounts	(445)	(1,662)	(1,979)	(1,845)	(1,285)
	2010/11	2009/10	2008/09	2007/08	2006/07
Academic salaries	£3,349	£3,482	£2,925	£2,635	£1,845
– Internal	£1,788	£2,160	£1,769	£1,436	£1,335
– External	£1,561	£1,322	£1,156	£1,199	£510
Number of academics	463	480	467	393	317
– Internal	215	266	200	166	178
– External	248	214	267	227	139

Profit and loss account

	2010/11	2009/10
	£000	£000
Turnover	5,581	7,748
Cost of sales	(3,153)	(4,788)
Gross profit	2,428	2,960
Administrative expenses	(1,994*)	(1,303)
Operating profit	434	1,656
Interest receivable	13	17
Profit on ordinary activities before gift aid and tax	447	1,674
Gift aid payment to LSE	445	1,662
Profit on ordinary activities after gift aid and tax	2	12

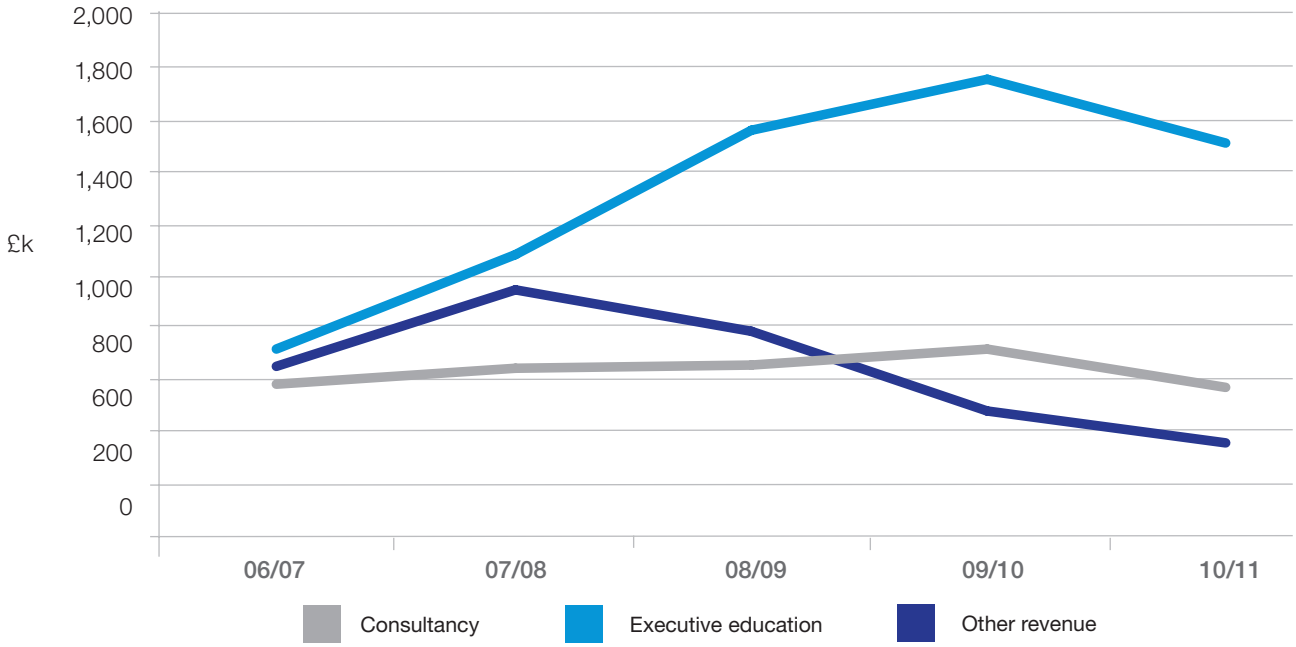
* Including provision of £706,000 against a doubtful debt

Balance sheet

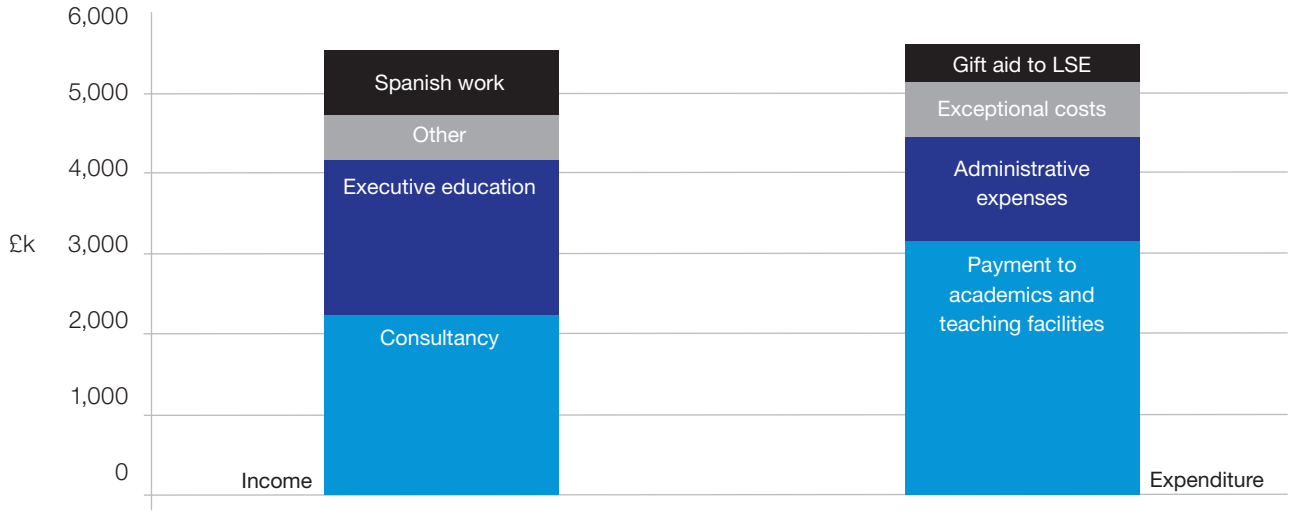
	2010/11	2009/10
	£000	£000
Assets (fixed and current)		
Tangible assets	15	12
Debtors	1,764	2,603
Cash at bank and in hand	2,328	3,356
Total current assets	4,092	5,970
Creditors	(4,044)	(5,909)
Net assets	63	61
Capital funds		
Share capital	150	150
Profit and loss account	(87)	(89)
Shareholder funds	63	61

FACTS AND FIGURES

Five year overview of gross profit



Income and expenditure 2010/11

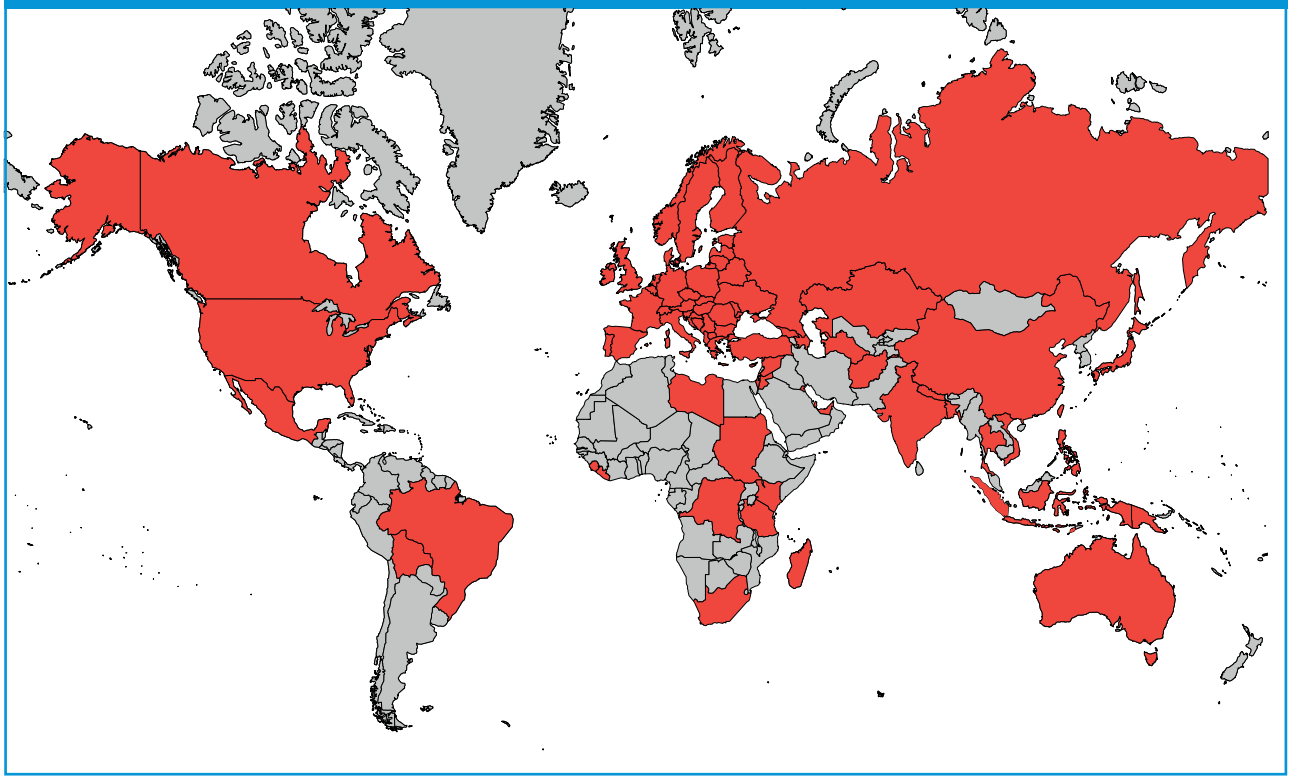


LSE departments and research centres we worked with in 2010/11

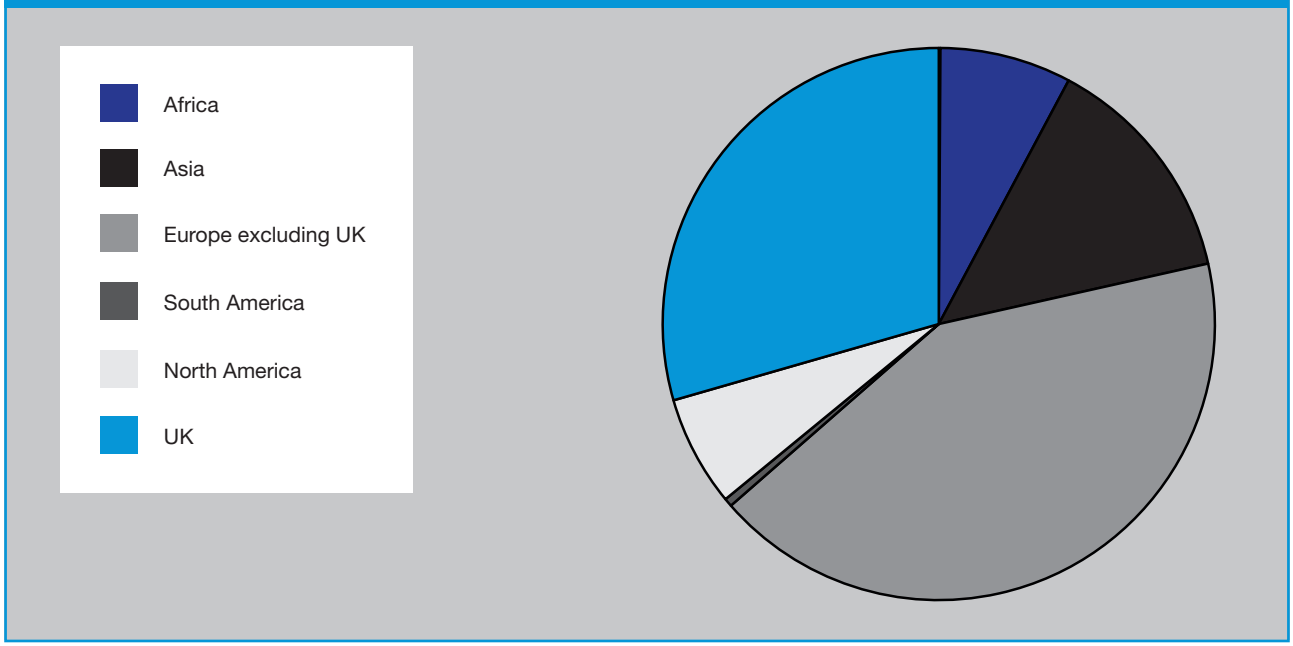
Accounting
Centre for Economic Performance
Cities
Economic History
Economics
European Institute
Finance
Financial Markets Group
Geography and Environment
Government
Grantham Research Institute
Health and Social Care
International Development
International Relations
Law
Management
Media and Communications
Methodology Institute
Public Policy Group
Social Policy
Social Psychology
STICERD

FACTS AND FIGURES

Where we have worked to date



Income split by continent 2010/11



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