Factoring Business Plan

Irwell Invoice Finance | Manchester

DOCUMENT GUIDE

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Proposed corporate recourse factor | 3 October 2026 | Model 1.0

Decision document for prospective owners and funders. Client demand, equity, warehouse and legal readiness are unconfirmed.

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01 / OVERVIEW

Executive summary

Irwell Invoice Finance is a proposed Manchester recourse factor serving UK incorporated suppliers with accepted domestic business invoices. It advances 80% of gross face and provides disclosed debtor collection. Fees and interest are company revenue; invoice advances, debtor principal and recourse repayments are balance sheet and cash flows. No founder, client, lender or approval is claimed.

The decision is whether to fund a controlled pilot after legal, Annex 1 registration, ledger and liquidity gates. Proposed equity is GBP 2.5m, with a hypothetical GBP 5m warehouse. Base loses money in its first two years. Growth can exhaust cash even as profits improve. Verified case figures appear in the final finance group.

Base 2027 net loss is GBP -293,355. Base minimum cash GBP 450,151 falls GBP 49,849 below reserve. Downside reserve funding need is GBP 1,808,054; Upside also has a funding gap. All are uncommitted planning paths.

Decision gate	Evidence needed
Legal	Counsel perimeter and valid assignments
Funding	Paid equity and committed warehouse
Demand	Ten real client ledgers and written interest
Operations	Trained staff and reconciled settlement tests

02 / OVERVIEW

Business details

The planning entity is Irwell Invoice Finance Ltd, an unincorporated placeholder name with a proposed Manchester office. Currency is GBP; the forecast covers January 2027 through December 2029. The model starts with ten client equivalents, not signed clients.

Scope is disclosed recourse factoring of UK GBP invoices issued by limited companies to UK corporate debtors. Exclude consumers, sole traders, partnerships, construction retention, export invoices, intercompany debts, disputed performance and purchased defaulted debts. No deposit taking, client wallet, external investment fund or personal lending is proposed.

03 / OVERVIEW

Business concept and objectives

The business gives a verified supplier an advance before its corporate debtor pays. Irwell checks invoice existence and acceptance, not merely the client’s turnover. The lender finances part of unmatured advance principal; owner equity bears operating losses and ineligible balances.

First objectives are a funded ten-client pilot, duplicate invoice prevention, daily cash reconciliation and a proven collections path. Proposed limits are 10% of funded advances per client and 15% per debtor group. They are approval rules requiring real ledger data; the aggregate forecast cannot prove concentration compliance.

04 / STRATEGY

Business model canvas

Service income pays for administration; discount interest rewards cash tied up in advances. Client retention is not freely available company cash. One warehouse and equity create concentration risk, so funding must cover the forecast and controlled runoff. The canvas is a planning hypothesis, not an operating history.



Planning framework and evidence limits.

05 / STRATEGY

SWOT and longer term goals

A narrow corporate mandate allows consistent invoice checks. It does not replace founder experience, lender commitment or borrower evidence. Strong process must earn repeat client mandates before breadth or confidentiality is added.

Three-year ambitions depend on cash reserve compliance; profitable volume growth without sufficient equity is not a successful launch.

SWOT findings



Planning framework and evidence limits.

06 / STRATEGY

TOWS strategy matrix

The strategies pair specific strengths and gaps with the opportunity to test accepted corporate invoices. Cash and fraud gates override sales targets. A pilot must produce debtor receipts and enforceable recourse evidence before a broader expansion.

TOWS actions

S1 with O1

Validate ten simple domestic ledgers before breadth.

W1 with O1

Obtain paid preparation, real ledgers and funded approval.

S1 with T1

Enforce eligibility, dual payments and cash reserve gates.

W1 with T1

Stop advances before legal or funding exceptions escalate.

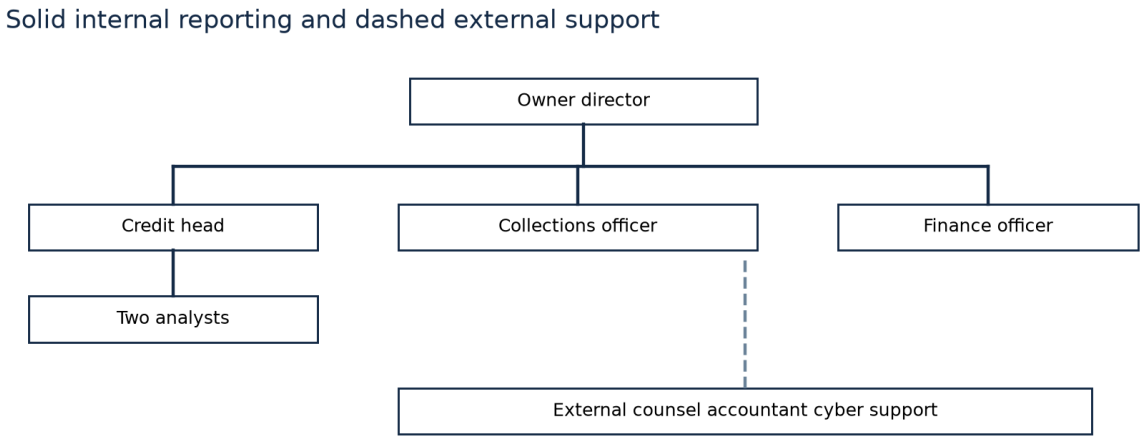
Planning framework and evidence limits.

07 / PEOPLE

Owner and management

A paid owner director leads sales, financing and operating oversight. A credit head independently approves limits and fraud exceptions. Two credit operations analysts maintain debtor and invoice records; one collections officer handles confirmations and disputes. One finance officer reconciles cash and VAT.

The owner cannot release a payment and reconcile it alone. External counsel, accountant and independent cyber support are proposed suppliers, not named advisers or employee reporting lines.



Planning framework and evidence limits.

08 / PEOPLE

Owner and key personnel profiles

No biographies or qualifications have been supplied. Recruitment criteria include invoice finance underwriting, cash reconciliation, debtor communications and anti-money-laundering controls. Appointment requires references, conflicts review and role competence.

Gross monthly salaries are owner GBP 6,500, credit head GBP 6,000, two analysts GBP 4,000 each, collections GBP 3,500 and finance GBP 3,000. These total GBP 27,000; a 20% employer load gives GBP 32,400 monthly. Upside adds a GBP 4,000 analyst. All are unquoted budgets.

09 / MARKET

Target customers

Target incorporated Greater Manchester wholesalers and business service suppliers issuing simple accepted invoices to UK corporate debtors. They need predictable working capital and can supply debtor proof and reconciled accounting records.

Exclude distressed clients unable to reimburse recourse, repetitive disputes, long retention clauses and debtor concentration above approved limits. Client size alone does not establish a safe receivable. Existing banking covenants and prior assignments must be released or recognized.

10 / MARKET

Segmentation targeting and positioning

Segment by invoice acceptance, debtor quality, dilution history, client recourse capacity and service needs. Target uncomplicated domestic supplier ledgers in a paid pilot. Position around visible collection notices, documented eligibility and transparent fees. No claim of fastest funding or cheapest pricing is made.

Segmentation targeting positioning



Planning framework and evidence limits.

11 / MARKET

Value proposition canvas

Clients want cash without opaque retentions or uncertain debtor treatment. The proposed service offers an 80% eligible advance, a daily ledger view and accountable collections. Eligibility exclusions and recourse consequences must be explained before signing. The benefit remains a hypothesis until customers validate it.



Planning framework and evidence limits.

12 / MARKET

Market size and trends

TAM is annual gross UK incorporated supplier invoice face eligible for disclosed recourse finance in 2027. SAM narrows this to accepted GBP domestic corporate invoices within the proposed Greater Manchester client criteria. Neither denominator has been validated.

SOM is the Base deployment target of GBP 17.17m gross assigned face in 2027. It is not measured market share. UK Finance's Business Finance Review provides national context, not a Manchester eligible invoice ledger. No growth rate or client conversion is inferred from it.

TAM SAM SOM scope and evidence

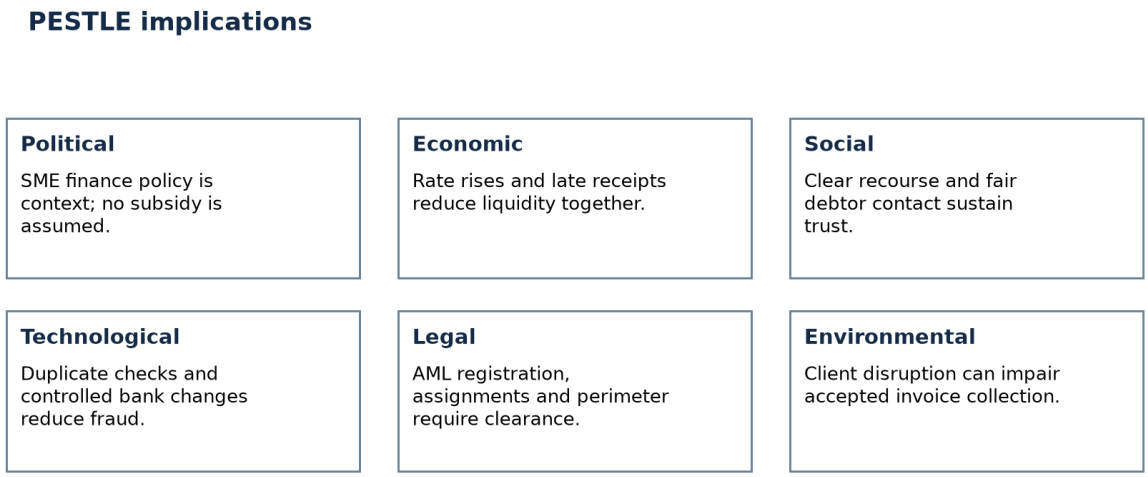
TAM UK 2027	SAM Manchester	SOM 2027 target
Annual eligible incorporated supplier gross invoice face. Size unknown.	Accepted domestic GBP corporate invoices within mandate. Size unknown.	GBP 17.17m gross assigned face. Forecast deployment, not measured share.

Planning framework and evidence limits.

13 / MARKET

PESTLE analysis

Legal assignment and AML registration are launch conditions. Economic stress can delay debtor receipts, reduce client recourse capacity and raise warehouse costs at the same time. The six panels identify operating responses rather than scoring unsupported external evidence.



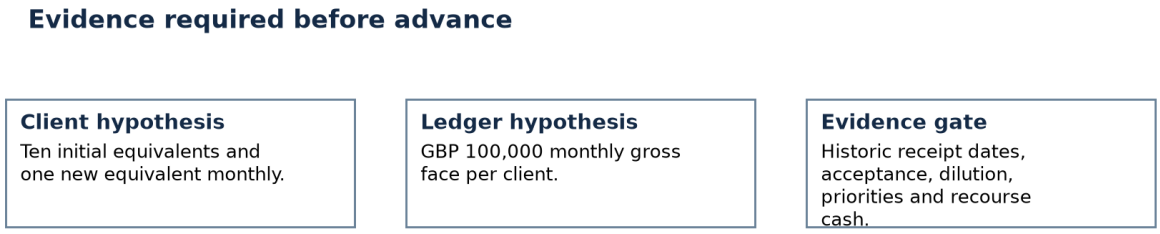
Planning framework and evidence limits.

14 / MARKET

Local demand and evidence

No client interviews, signed interest, bank referral agreement or debtor ledger has been obtained. Ten initial clients, one new equivalent each month and GBP 100,000 monthly gross face per client are planning inputs. They cannot justify a funded launch alone.

Paid preparation must request twelve months of credit notes, disputes, actual debtor payment dates and recourse cash from candidate clients. Evidence of accepted delivery and prior assignments is required for every funded invoice.



Planning framework and evidence limits.

15 / MARKET

Competitors and positioning

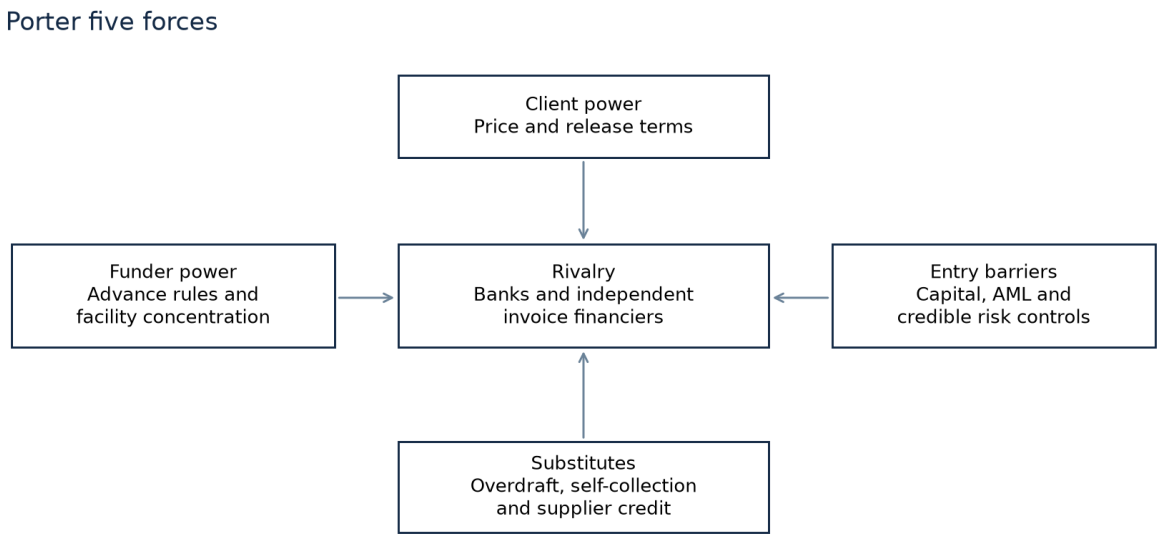
Bank factors, independent invoice financiers and existing overdrafts are alternatives. Compare total cost over the actual payment term, recourse obligations, reserve release, notice requirements and collateral. Do not compare a service fee against a competitor’s discount rate alone.

No competitor quotes or ratings were collected. The proposed transparent two-part pricing must be tested with like-for-like written offers before claiming an advantage.

16 / MARKET

Porter five forces

The proposed factor faces established lenders, demanding corporate suppliers and wholesale funding providers. Replacement funding and client self-collection can constrain pricing. Entry requires capital and credible risk operations; registry status alone does not establish investment safety.

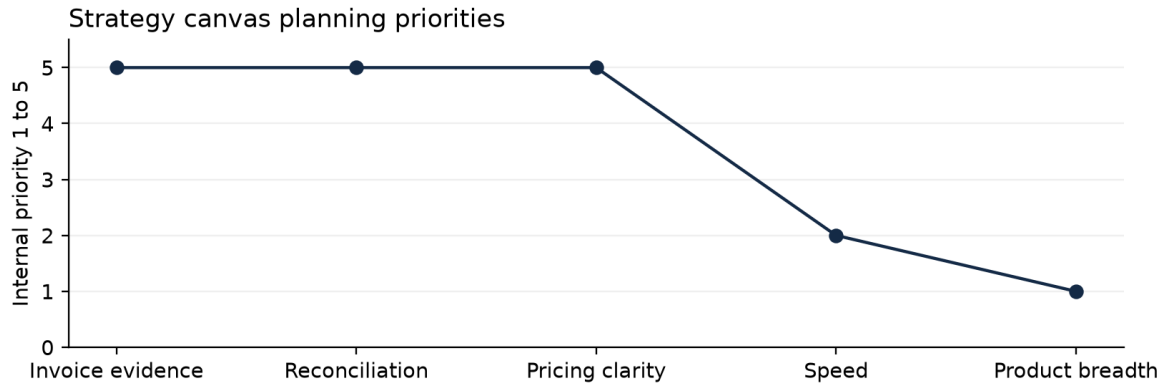


Planning framework and evidence limits.

17 / MARKET

Strategy canvas

Scores represent internal management priorities on a one-to-five scale. They are not competitor ratings or customer research. Irwell prioritizes evidence, reconciliation and clear pricing over product breadth or funding speed. A launch cannot promise instant cash before debtor and eligibility checks.



Planning framework and evidence limits.

18 / OPERATIONS

Location and premises

A modest Manchester office is a planning choice for local meetings and controlled operations, not a signed lease. Remote access needs device controls, restricted permissions and tested recovery. Gross monthly rent and service costs are included in the fixed GBP 14,000 overhead budget.

No client money office, branch network or retail counter is needed. Verify lease terms, business rates, permitted use, data security and supplier VAT before commitment.

19 / OPERATIONS

Equipment and resource plan

Day-zero gross assets are GBP 60,000 platform setup with a 36-month life and GBP 20,000 equipment with a 60-month life. A GBP 12,000 security upgrade in January 2029 has its own 36-month depreciation cohort. No remaining original asset is disposed automatically.

An invoice register, verified bank details, immutable payment approvals, secure document repository and disaster recovery are required. All equipment costs are gross, including conservative irrecoverable VAT. No supplier quote is claimed.

Asset budget GBP gross	Amount
Platform	60,000
Equipment	20,000
January 2029 security upgrade	12,000

20 / OPERATIONS

Product and eligibility strategy

The only product is disclosed recourse factoring. A GBP 5,000 average gross invoice is an equivalent processing unit. Face includes the supplier invoice VAT; it is not sales revenue for Irwell. Advance is 80% of eligible face, with the unadvanced 20% retained in the client ledger until settlement.

At maturity, good debtors pay full gross face. Irwell retains the funded principal and remits the remaining share. Bad defaulted or diluted amounts generate no modeled debtor cash; Irwell seeks recovery of funded principal from the client. The model does not advance against a disputed receivable.

21 / OPERATIONS

Pricing and invoice economics

Base net service fee is 1.5% of assigned gross face; 20% VAT is added. Discount interest is 12% annual on opening funded advance principal, paid monthly. Both are collected separately by client direct debit, so the retention is not reduced by fees in the model. No minimum fee or ancillary fee is assumed.

For an illustrative GBP 5,000 accepted invoice, advance is GBP 4,000 and service fee is GBP 75 plus GBP 15 VAT. If the advance remains outstanding over two full interest months, discount is GBP 80. The client receives GBP 1,000 residual on full debtor settlement. Charges depend on elapsed modeled months; daily terms need a signed contract.

Illustrative invoice GBP	Amount
Gross face	5,000
Advance principal	4,000
Net service fee	75
Service VAT	15
Two months discount	80
Residual on full payment	1,000

22 / OPERATIONS

Competitor price comparison

Obtain written recourse quotes for the same accepted GBP 100,000 monthly ledger and two-month collection delay. Compare service charge, annual discount basis, minimum fee, audit charges, termination, reserve release and availability.

No observed competitor price is inserted. The model's 1.5% service rate and 12% annual discount are proposed planning terms. An invoice paid early should not be priced as a fixed two-month interest charge in the eventual contract.

Provider	Comparable quote status
Bank factor	Not collected
Independent factor	Not collected
Existing overdraft	Not collected
Irwell proposal	Planning terms only

23 / SALES

Brand and customer experience

Use a sober business identity and plain eligibility documents. Explain what the client receives, what the debtor sees, which invoices are excluded and when recourse can be demanded. Do not describe Annex 1 registration as FCA product approval.

A named collections contact and logged dispute path are proposed. Service commitments begin only after staff capacity, bank reconciliation and debtor notice tests pass.

24 / SALES

Sales channels and process

The paid owner develops direct relationships with incorporated suppliers and professional introducers. No introducer commission is assumed. Any referral fee requires approval, disclosure and a revised budget.

Screen the client, validate beneficial owners and accounts, inspect the debtor ledger, check assignment priorities, set a limit and confirm invoices. A sales approval does not release cash. Independent credit and finance checks precede funding.

25 / SALES

Launch marketing

Launch marketing is a GBP 2,000 gross monthly component of fixed overhead. It funds basic materials and measured professional outreach, not a forecast click conversion. Recruitment and preparation already have separate gross budgets.

The ten initial clients are a hypothesis. Track eligible prospects, accepted ledgers, approvals, first funded invoices and actual debtor receipts. Spend pauses if funding or registration gates remain open.

26 / SALES

Retention and ongoing sales

Clients renew when advance availability, fee transparency and debtor treatment meet their needs. Annual client attrition is 12% in Base, applied as monthly attrition/12, with average opening and closing client equivalents driving invoice volume. Fractional clients represent planning averages.

Monthly monitoring reviews dilution, debtor aging, concentration and recourse performance. Growth must be affordable within the warehouse ceiling and minimum cash reserve; a profitable new ledger can still consume equity.

27 / OPERATIONS

Daily operations and suppliers

Morning controls reconcile bank receipts to the debtor ledger, resolve unmatched cash and restrict releases until dual approval. Analysts validate invoices against acceptance evidence; collections records contacts and disputes. Finance calculates client residual and tax liabilities separately.

Gross fixed overhead GBP 14,000 comprises premises GBP 2,500, platform/data GBP 3,000, counsel/accountant GBP 3,000, insurance/cyber GBP 1,500, marketing GBP 2,000 and administration GBP 2,000. Per-invoice handling cost GBP 8 is separate. No supplier contract is secured.

28 / OPERATIONS

Sustainability practices

Avoid paper copies where compliant digital evidence is reliable. Measure purchased equipment life and vendor power/data retention policies. No green lending benefit, financed-emissions estimate or impact certification is claimed.

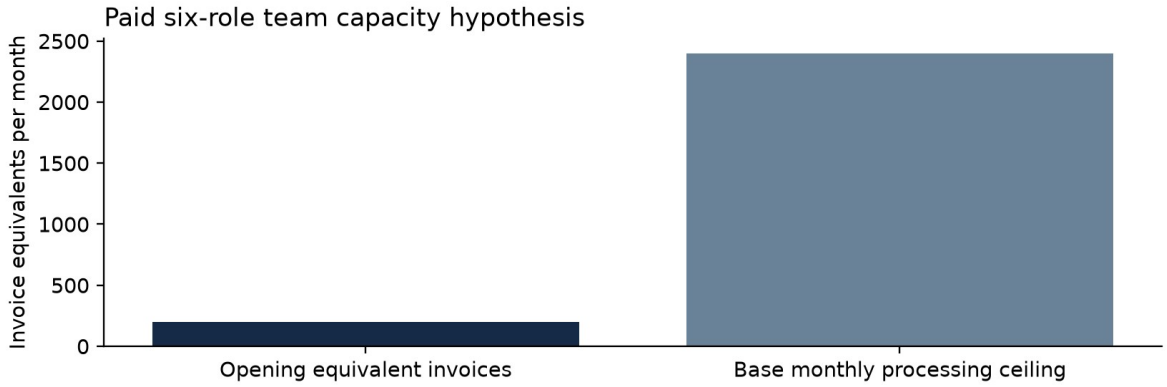
Examine client and debtor environmental risks where they affect invoice acceptance or business continuity. A sector marketing label cannot replace credit underwriting.

29 / PEOPLE

Staffing and training

Base has six paid roles and 2,400 invoice-equivalent monthly processing capacity. The assumed 200 invoices at launch are well below that capacity; the wider workload includes client and debtor reviews, cash reconciliation and complaints. Capacity is a gross processing ceiling, not a claim that 2,400 files have been observed.

Preparation is bounded to November and December 2026: owner GBP 6,500, credit head GBP 6,000 and one analyst GBP 4,000 gross monthly, plus 20% employer load. Total paid preparation is GBP 42,000. The remaining three roles start January 2027. No unpaid preliminary work or earlier client onboarding is assumed.



Planning framework and evidence limits.

30 / PEOPLE

Staff skills and fair work

Train staff to identify duplicate financing, changed bank details, invoice disputes and false confirmations. Practice segregation of duties and phishing response before releases. Record overtime, leave and actual workload rather than relying on a throughput forecast.

All salary and load assumptions are budgets. PAYE, pension, employer NIC, holidays and benefit terms need a payroll quotation. The 20% load is a planning proxy, not an exact statutory calculation. The owner’s salary is in both preparation and operating costs.

31 / LEGAL

Legal and insurance requirements

FCA guidance requires Annex 1 registration for relevant UK financial activities unless another applicable authorization route governs them [S2]. Registration for AML supervision differs from FSMA authorization. Obtain a written perimeter opinion for these corporate factoring, collection and payment arrangements; no exemption or approval is asserted.

Counsel must assess assignment, notices, priorities, recourse, insolvency, debtor set-off and the exclusions in the 2018 assignment regulations [S4]. No consumer credit, client wallet, payment service, insurance guarantee or investment management is offered. The model cannot prove whether additional permissions are needed. Proposed professional indemnity, cyber and directors cover require actual terms.

32 / EXECUTION

Opening roadmap

Paid preparation begins only after equity is subscribed. November–December 2026 covers the three paid preparation roles, legal contracts, AML readiness, recruitment and system tests inside the funded budget. No unpaid work before November is assumed.

January 2027 is a conditional target, not a fixed deadline: registration, counsel, warehouse, staff and candidate ledgers must all be ready. If approvals take longer, pause and fund additional payroll before extending the schedule. The forecast does not silently pay for extra preparation months.

Gate	Required completion
Legal and AML	Perimeter opinion and registration
Funding	Paid equity and signed warehouse
Ledgers	Accepted invoices and priority evidence
Settlement	Reconciled debtor cash and client release test

33 / EXECUTION

Risks and management actions

Fraud, dilution, default and client insolvency can coincide. Recourse rights do not make a claim collectible. Base assumes 1% debtor default, 0.5% dilution and 80% client reimbursement of bad funded advances after six additional months. The remaining 20% is expensed at invoice maturity; no recovery of unadvanced client share is forecast.

Stop funding when cash reserve, eligibility, concentration or legal controls fail. Fees are assumed current; client fee arrears and portfolio-level correlations require an expanded cash stress before approval.

Risk	Response
Invoice fraud	Independent acceptance and duplicate checks
Debtor delay	Three-month collection stress
Weak recourse	Recovery and delay stress
Warehouse cap	Restrict new advances before cash breach
Cyber or payment fraud	Dual approval and reconciliation

34 / EVIDENCE

Research and evidence

Official sources checked 3 October 2026 support the legal and tax perimeter, not commercial demand. HMRC distinguishes taxable factoring services from exempt credit and explains partial exemption [S1 S5]. FCA registration guidance separates AML registration from authorization [S2]. Corporation tax has 19%, 25% and marginal-relief rules; the model uses conservative monthly 25% positive-PBT cash tax without relief [S3].

The actual factoring and working-capital reference workbooks and their designs were inspected. This model is rebuilt: it replaces automatic equity top-ups, percentage-of-revenue payroll and generic ageing with fixed paid roles and 36 cohort maturity/recourse schedules. No reference workbook was imported.

S1 https://www.gov.uk/government/publications/vat-notice-70149-finance/vat-notice-70149-finance

S2 https://www.fca.org.uk/firms/financial-crime/money-laundering-terrorist-financing/registration

S3 https://www.gov.uk/corporation-tax-rates

S4 https://www.legislation.gov.uk/uksi/2018/1254/contents/made

S5 https://www.gov.uk/guidance/partial-exemption-vat-notice-706

S6 https://www.ukfinance.org.uk/data-and-research/data/business-finance-review

35 / EVIDENCE

Quotes and assumptions

No salary, equipment, insurance, platform, funding or client quote is available. Fee rates, volume, churn, delay, default, dilution and recourse recovery are hypotheses. Validate them against client ledgers, lender term sheets and supplier invoices.

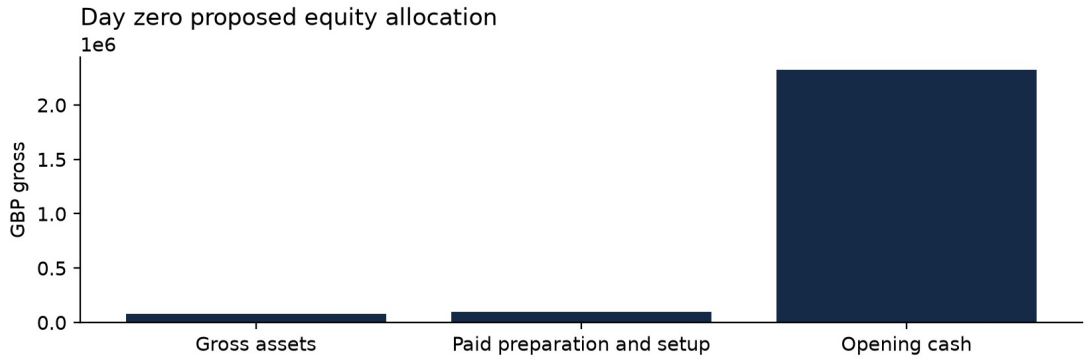
The advance-only financial asset treatment and zero VAT recovery are planning conventions requiring accountant review. Recourse receivables assume recoverability of the stated percentage; legal entitlement alone is insufficient. There is no fair-value, IFRS 9 ECL or audited statutory accounting claim.

36 / FINANCE

Startup costs and funding

Proposed equity GBP 2.5m is uncommitted. Day-zero gross assets GBP 80,000 and paid preparation/setup expense GBP 97,200 leave GBP 2,322,800 before operating advances. A GBP 5m warehouse ceiling is not immediately available cash; draw is the smaller of that ceiling and 75% of eligible unmatured advance principal.

Client retention is not a startup funding source. No investor cash top-up, unapproved overdraft, automatic facility expansion or portfolio exit receipt is forecast.



Base model 1.0; planning assumptions, January 2027 to December 2029.

Day zero GBP	Amount
Proposed equity	2,500,000
Gross platform and equipment	80,000
Paid preparation payroll	42,000
Other preopening expense	55,200
Opening cash before advances	**2,322,800**

37 / FINANCE

Itemized startup costs

The nonpay gross preparation budget is GBP 30,000 legal and registration support, GBP 15,000 office and setup overhead over two months, GBP 5,000 recruitment/training and GBP 5,200 materials/testing. Loaded pay of GBP 42,000 funds the owner, credit head and one analyst for two months. Recruitment/training is supplier cost; employee time is already paid.

Downside uses three paid preparation months and GBP 10,000 higher nonpay expense. Upside pays an additional analyst during both preparation and operations. Extra calendar months require explicit revised funding. No preopening VAT refund is recognized.

Gross startup GBP	Amount
Platform 36-month life	60,000
Equipment 60-month life	20,000
Legal and registration support	30,000
Two-month gross office and setup	15,000
Recruitment and training suppliers	5,000
Materials and testing	5,200
Two-month loaded preparation pay	42,000
Total day zero uses	**177,200**

38 / FINANCE

Owner personal survival budget

The owner receives gross salary GBP 6,500 monthly; company payroll already includes it. A 60% net retention proxy gives GBP 3,900 household cash. Proposed household spending GBP 3,500 leaves GBP 400 monthly surplus. This is not a PAYE or personal tax calculation.

No dividend, client retention withdrawal or personal loan is assumed. The owner must separately fund any period before paid preparation begins; no work is expected in that period.

Monthly personal GBP	Amount
Gross company salary	6,500
Estimated net household cash	3,900
Housing	1,700
Household	900
Transport	400
Other	500
Estimated surplus	**400**

39 / FINANCE

Financing terms and security

Base warehouse advance is 75% of eligible unmatured advance principal, not gross invoice face. It excludes defaulted/diluted amounts and recourse recoveries immediately on maturity. The GBP 5m ceiling, 8% annual rate and 0.5% annual opening unused fee are hypothetical. Interest uses average opening and closing draw. Draw repays as collateral falls.

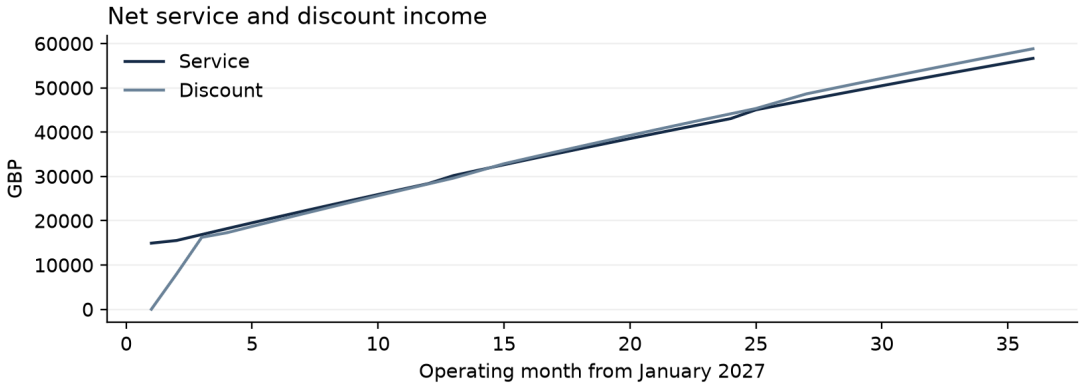
The assumed commitment covers 2027–2029 and a controlled runoff; there is no modeled horizon balloon, renewal receipt or refinancing. Verify commitment period, dilution reserves, eligibility, covenants and security before launch. Negative cash is a funding gap, not permitted borrowing.

Proposed funding	Base
Equity	GBP 2.5m uncommitted
Warehouse	GBP 5m uncommitted ceiling
Collateral advance	75% eligible advances
Interest	8% annual average debt
Undrawn fee	0.5% annual opening unused
Runoff	Contract and debt paydown terms pending

40 / FINANCE

Revenue forecast and capacity

Base gross assigned face is a throughput measure. Service fee income is net of its output VAT; discount income is exempt. Fees are assumed paid separately on time by the client. Advance principal and client residual never increase revenue. Volume uses average clients, churn and annual face growth, capped at processing capacity.



Base model 1.0; planning assumptions, January 2027 to December 2029.

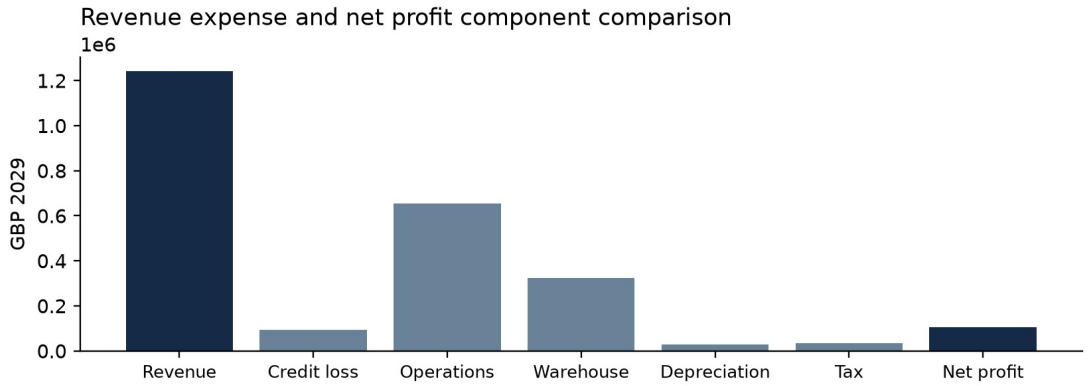
GBP annual	2027	2028	2029
Gross assigned invoice face	17,166,268	29,381,068	40,748,415
Service fee income	257,494	440,716	611,226
Discount interest income	229,901	446,576	630,153
Total net revenue	**487,395**	**887,292**	**1,241,379**

41 / FINANCE

Costs and projected profit

Paid staff, fixed gross overhead and invoice handling are separate expense drivers. Credit expense is the unrecovered fraction of bad matured advances; funded recovery receivables remain exposed to the client's ability to pay. Warehouse interest and unused fee are core finance business costs.

The visual compares all 2029 revenue and expense components. It is a component comparison, not a floating waterfall.



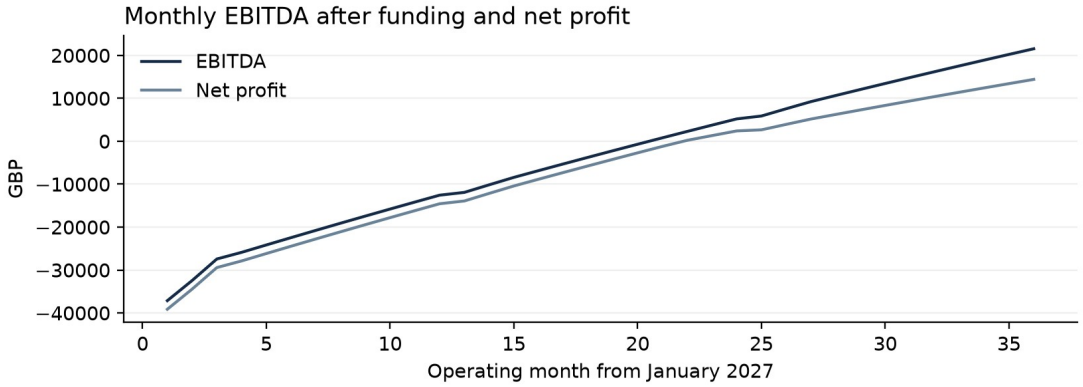
Base model 1.0; planning assumptions, January 2027 to December 2029.

GBP annual	2027	2028	2029
Principal credit loss	32,313	65,804	93,426
Operating expense	584,266	620,514	655,907
Warehouse expense	140,171	238,258	324,026
Depreciation	24,000	24,000	28,000

42 / FINANCE

Profit and loss forecast

EBITDA after funding includes warehouse costs and credit losses. Depreciation follows each asset cohort. Cash tax is 25% of each positive monthly PBT without losses, allowances or marginal relief. Therefore tax may occur in a year that has an overall loss. It is a conservative provision, not the statutory payment timetable.



Base model 1.0; planning assumptions, January 2027 to December 2029.

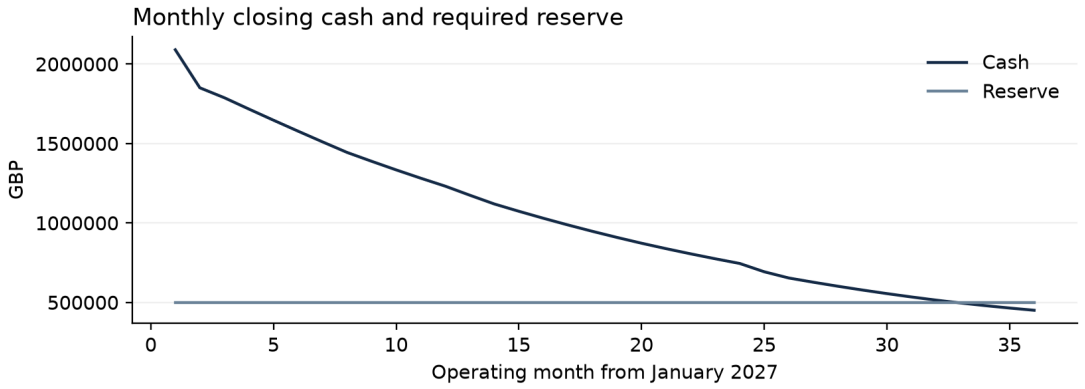
GBP annual	2027	2028	2029
Total net revenue	**487,395**	**887,292**	**1,241,379**
Principal credit loss	32,313	65,804	93,426
Operating expense	584,266	620,514	655,907
Warehouse expense	140,171	238,258	324,026
EBITDA after funding	**-269,355**	**-37,284**	**168,020**
Depreciation	24,000	24,000	28,000
Profit before tax	**-293,355**	**-61,284**	**140,020**
CIT	0	1,304	35,005
Net profit	**-293,355**	**-62,587**	**105,015**

43 / FINANCE

Cash flow and financial position

Base minimum cash is GBP 450,151. To preserve its GBP 500,000 reserve on this unchanged path requires GBP 49,849 additional funding or reduced advances. Downside minimum is GBP -1,058,054 and reserve funding need GBP 1,808,054. Upside grows quickly into its facility ceiling and has minimum cash GBP -821,120 despite later profits.

No funding gap is filled automatically. The forecast path must stop or be revised before cash breaches reserve. A principal collection is not income; a warehouse draw is not revenue.



Base model 1.0; planning assumptions, January 2027 to December 2029.

GBP annual	2027	2028	2029
Fee cash net VAT	487,395	887,292	1,241,379
Good principal cash	10,609,352	21,605,664	30,674,906
Recourse cash	41,935	204,838	319,589
New advance cash	-13,733,015	-23,504,855	-32,598,732
Warehouse net cash	2,221,574	1,177,628	1,092,521
Net cash movement	-1,091,519	-486,576	-294,554
Closing cash	**1,231,281**	**744,704**	**450,151**

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Cash flow forecast months one to six

Base January starts with GBP 2,322,800 before advances. The January vintage matures in March. January pays full salary, overhead, handling and warehouse cost; service fees arrive separately. Discount begins in February on January’s funded advance. VAT collected on service fees is remitted the following month.

2027 month	Fee cash net VAT	Good principal	Recourse cash	Closing cash
Month 1	14,925	0	0	2,089,645
Month 2	23,486	0	0	1,850,300
Month 3	33,111	784,060	0	1,787,645
Month 4	35,480	815,619	0	1,716,409
Month 5	38,225	886,263	0	1,646,391
Month 6	40,943	956,201	0	1,577,578

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Cash flow forecast months seven to twelve

The first bad advance matures in March; its recoverable portion arrives from the client six months later in September. This timing differs from the credit loss recognized at maturity. Debtor face collections are split into returned advance principal and client residual. Client residual is never retained as company cash.

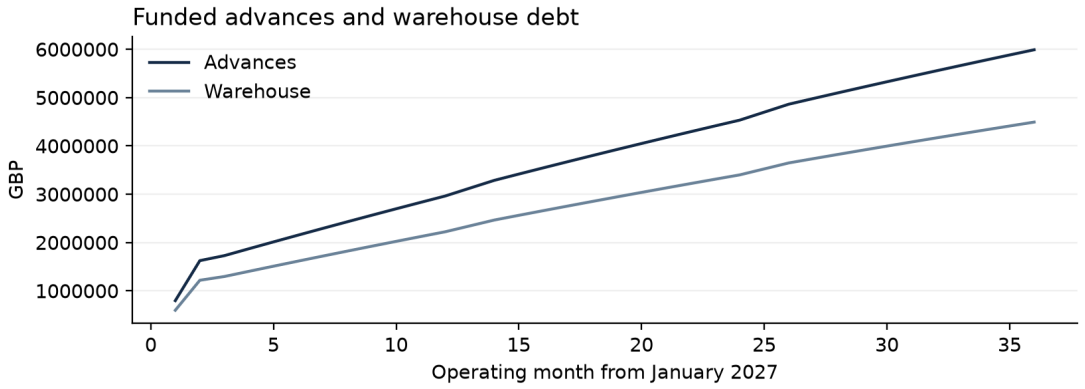
2027 month	Fee cash net VAT	Good principal	Recourse cash	Closing cash
Month 7	43,633	1,025,439	0	1,509,958
Month 8	46,297	1,093,984	0	1,443,520
Month 9	48,934	1,161,844	9,552	1,387,803
Month 10	51,545	1,229,026	9,936	1,333,629
Month 11	54,129	1,295,536	10,797	1,281,461
Month 12	56,688	1,361,380	11,649	1,231,281

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Financial position summary

The advance-only planning balance sheet includes cash, funded unmatured advance principal, estimated recourse receivables and equipment. Gross assigned invoices and unadvanced client shares remain agency memo records. Full statutory recognition depends on the signed legal arrangement and accountant analysis.

Warehouse debt, service VAT payable and equity plus cumulative profit reconcile every month. No balancing asset, investor receipt or fee receivable is inserted.



Base model 1.0; planning assumptions, January 2027 to December 2029.

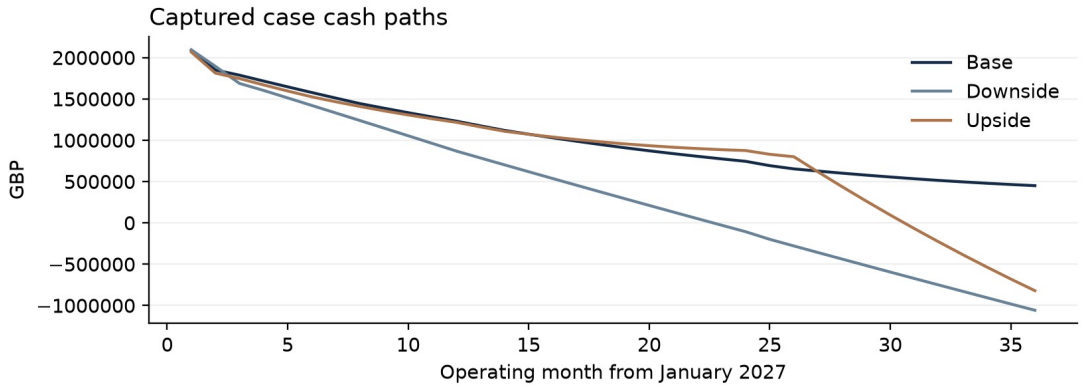
GBP year end	2027	2028	2029
Closing cash	**1,231,281**	**744,704**	**450,151**
Funded advances	2,962,099	4,532,270	5,988,965
Recourse receivable	87,316	145,695	199,811
Platform and equipment	56,000	32,000	16,000
Total assets	**4,336,696**	**5,454,669**	**6,654,926**
Warehouse debt	2,221,574	3,399,202	4,491,724
VAT payable	5,677	8,609	11,330
Paid equity	2,500,000	2,500,000	2,500,000
Retained earnings	-390,555	-453,142	-348,127
Net equity	**2,109,445**	**2,046,858**	**2,151,873**
Total liabilities and equity	**4,336,696**	**5,454,669**	**6,654,926**
Balance sheet difference	0	0	0

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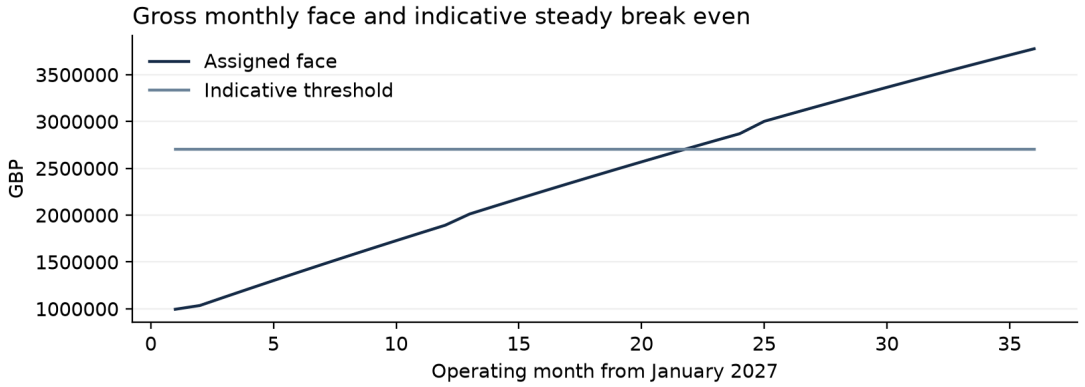
Break even and scenarios

Indicative steady monthly gross face break even is GBP 2,700,479 at 2029 fixed costs. The calculation subtracts invoice handling, expected unrecovered advance loss and advance-weighted warehouse cost from service and discount yield. It assumes steady volume, the selected collection term and capacity below the warehouse ceiling. It conservatively includes the entire facility unused fee budget. It excludes tax, depreciation, capex, growth equity and timing gaps; it is not a launch threshold.

Case captures are static comparisons of the same live build. Any input edit marks them stale. Word and chart figures require regeneration together. Downside extends debtor and recourse delays and lowers client recovery. Upside raises sales and capacity but still needs additional cash.



Base model 1.0; planning assumptions, January 2027 to December 2029.



Steady-state indicator excludes launch cash, tax and facility ceiling effects.

Captured case	2027 revenue	2027 profit	Minimum cash
Base	487,395	-293,355	450,151
Downside	241,220	-597,201	-1,058,054
Upside	745,197	-170,355	-821,120

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Model guide and completion

Inputs C5 selects 1 Base, 2 Downside or 3 Upside. Blue fields are editable case assumptions; green text links schedules. Inputs feed client volume, 36 invoice cohorts, principal and recourse, warehouse debt, assets and the three statements. Summary links finished results. Cases contains captured input values and a stale warning.

Retained build_model.mjs recreates the workbook, financial data and native charts. Change owner pay, term, losses, recoveries, funding or later-year growth only with a linked rebuild of Word. All commercial launch gates remain open. No website work is part of this package.

Completion requirement	Status
Topic and framework coverage	48 industry-specific topics
Financial planning	36 monthly periods and three annual cases
Commercial evidence	Client ledgers and quotes outstanding
Launch approval	Legal, AML and funding conditions outstanding