Fibre Network Business Plan

Irwell Fibre | Manchester

DOCUMENT GUIDE

Contents

Proposed Manchester apartment fibre network | 3 October 2026 | Model 1.0

A decision document for prospective founders and funders. Financial forecasts are conditional planning assumptions. No authorisation, quoted supplier terms or committed funding is claimed.

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01 / OVERVIEW

Executive summary

Irwell Fibre Ltd is a proposed Manchester broadband operator owning an internal FTTP network in six hypothetical 200-home apartment blocks. No address survey, building consent, carrier contract, customer order, founder credentials or funding is secured. March 2027 build and April first activation are conditional. The plan excludes voice, TV, wholesale income and public-street works.

Base model 1.0 forecasts GBP 15,815 revenue and GBP (296,687) net result in 2027. In 2029 revenue reaches GBP 106,721, with a GBP (262,783) net result. Proposed GBP 1,000,000 equity and 250,000 term debt leave minimum cash GBP (236,759). Additional cash of GBP 336,759 is needed to keep the GBP 100,000 reserve; Downside needs GBP 763,451 at a GBP 150,000 reserve. Even Upside needs GBP 279,646. Defer works until measured demand, installed quotes and committed finance justify each phase. The additional cash calculation excludes raising costs.

02 / OVERVIEW

Business details

Use a UK private limited company with a paid working director. The name is illustrative and does not claim registration. The service area is a compact Manchester apartment cluster, subject to identifying buildings whose owners can grant the required access. Currency is GBP and the financial period is January 2027 to December 2029.

The company owns building fibre and customer termination equipment and sells one broadband-only service directly to residents. External carriers supply upstream backhaul and internet connectivity. No voice, emergency-call service, TV bundle, enterprise leased line, public street construction, wholesale income or building property ownership is included.

Item	Scope
Entity	Hypothetical UK limited company
Location	Manchester candidate apartment cluster
Network	Internal FTTP with contracted external upstream
Forecast	GBP; 36 months; three cases

03 / OVERVIEW

Business concept and objectives

Stage the internal network building by building. Pass premises with common-area fibre, test the shared infrastructure, then connect individual subscribed flats with a drop, ONT and router. Passing a doorway is not a working resident service. Ready-for-service status requires acceptance of power, upstream, light levels, fire stopping and billing controls.

The planning footprint is six 200-home blocks. Base builds 200 premises per month from March 2027 and makes each cohort ready one month later. Resident uptake is a separate commercial assumption. Each phase needs written access and reviewed cash funding before procurement. A cancellation may strand common-area assets and require a specific impairment assessment.

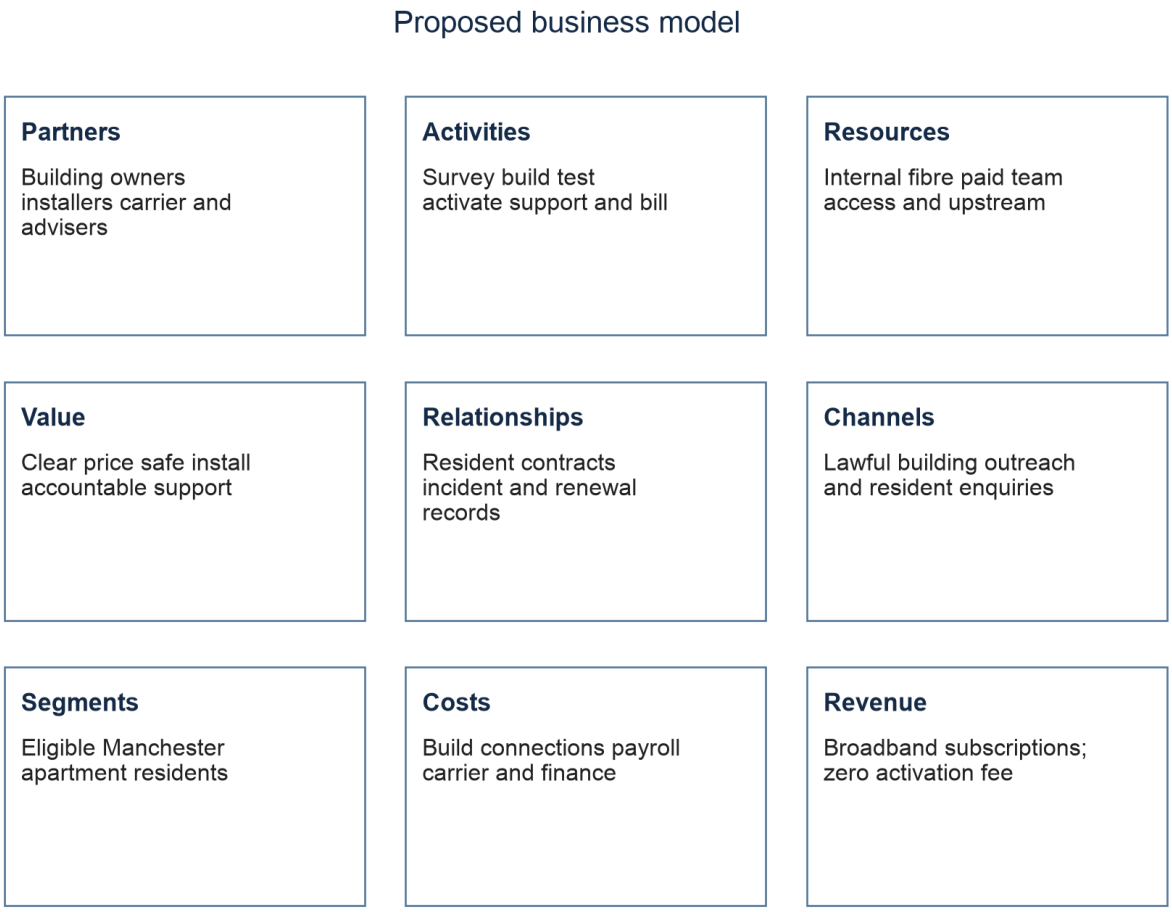
Objective	Release evidence
Select viable blocks	Survey, title/access and competitive availability
Activate safely	Accepted installed network and upstream tests
Acquire residents	Reviewed contracts and switching readiness
Fund each phase	Committed capital covering stress and reserve

04 / STRATEGY

Business model canvas

Recurring broadband subscriptions earn revenue from average billable lines. There is no customer activation fee in the Base plan. The company capitalises installation equipment and contractor labour separately from common-area build costs, while paying support, maintenance, carrier and employee costs every month.

Building owners, approved installers and upstream carriers are essential partners. Resident contracts and bill records belong to the company. Consent to build does not demonstrate willingness to subscribe. The model canvas connects this narrow service scope to the unvalidated footprint and fixed cost exposure.



Proposed nine-block business model; no customer contracts or property rights are secured.

05 / STRATEGY

SWOT and longer term goals

A compact building cluster could reduce travel and allow accountable resident support. A single plain tariff and clear installation process are controllable design choices. The weaknesses are an unproven team, a small recurring revenue base and dependence on landlords and an upstream carrier.

Existing broadband networks are credible alternatives. Permission delays, expensive fire stopping, price competition and faults can remove the expected advantage. Consider a second cluster only after measured subscriber contribution, incident performance and independently funded expansion support it. No second network or terminal sale is included in the forecast.



Qualitative SWOT for the proposed apartment network; opportunities remain hypotheses.

06 / STRATEGY

TOWS actions

Use clustered installation to test a paid first-building cohort and measure the full connection cost. Obtain an independent design and building safety review before using density as a cost advantage. Pair clear bills and named support with a measured incident process.

Address weak scale by requiring conservative uptake and cash gates before each building. Limit contractual service promises to tested capability. A competing network or withheld access can invalidate a phase. Stop further commitments when the funded path no longer supports the reserve, while preserving contracted customer obligations.



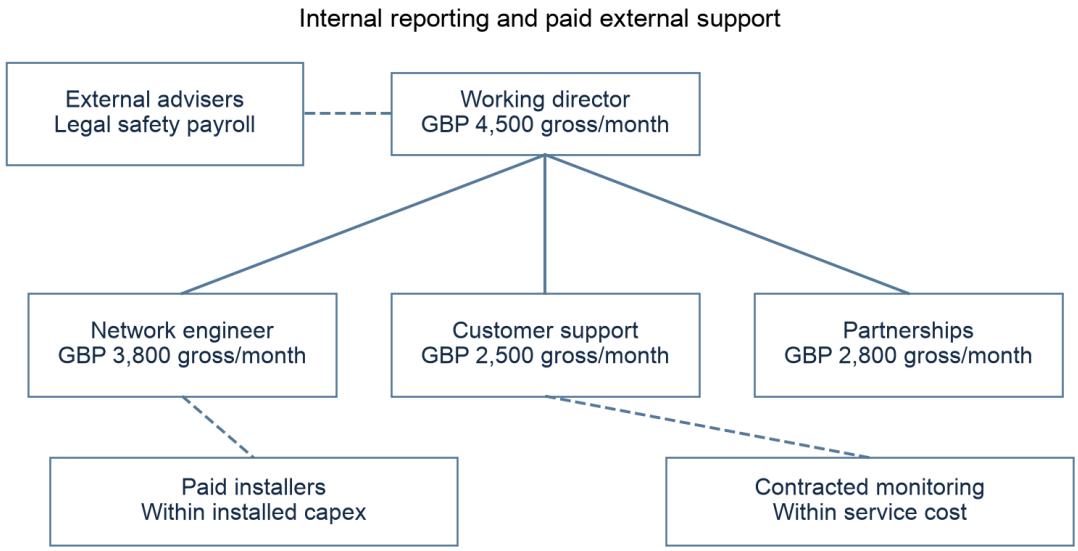
Actions link internal choices to access, competition and capital risks.

07 / PEOPLE

Owner and management

The paid director owns capital approval, landlord agreements, tariffs and financial control. The paid network engineer owns commissioning, upstream coordination and technical escalation. A paid customer-support employee owns billing and incidents; a paid partnerships employee manages landlord and resident acquisition.

Specialist installation contractors are paid within connection and building capex. External legal, payroll and safety advisers support the director under paid scopes, with setup and operating allowances. Baseline outsourced alarm monitoring sits in the fixed carrier allowance; incremental licences and transit sit in variable operating costs. No external role is assumed to supply unlimited unpaid labour.



Solid lines show internal reporting to the director; dashed lines identify paid external support.

08 / PEOPLE

Owner and key personnel profiles

No founder credentials, employee CV or telecom delivery record has been supplied. Appoint a director able to control capital and resident contracts, and a network engineer able to commission and maintain the chosen fibre architecture. Interview evidence must include safe work, optical testing, upstream configuration and documented incident response.

Customer-support training must cover vulnerability, switching, complaints, privacy and accurate bills. The partnerships employee must handle building access without claiming rights the company does not have. Require documented responsibilities, supervisor cover and contracted escalation before opening.

Role	Evidence
Director	Financial and consumer-contract control
Network engineer	Optical testing, configuration and safe escalation
Customer support	Billing, complaint and vulnerable-customer process
Partnerships	Access agreements and truthful resident acquisition

09 / CUSTOMER

Target customers

Target residents in candidate apartment buildings with a lawful route for fibre and an upstream service that can support the offer. Research current connection performance, willingness to switch, contract expiry and total price sensitivity. Residents working from home may value clarity and responsive support, but no premium willingness to pay has been established.

Building owners are access counterparties rather than subscribers in this model. Exclude enterprise leased lines, voice, bundled television and service requiring guaranteed business continuity. A named Manchester employer or a city population number does not establish demand inside the selected blocks.

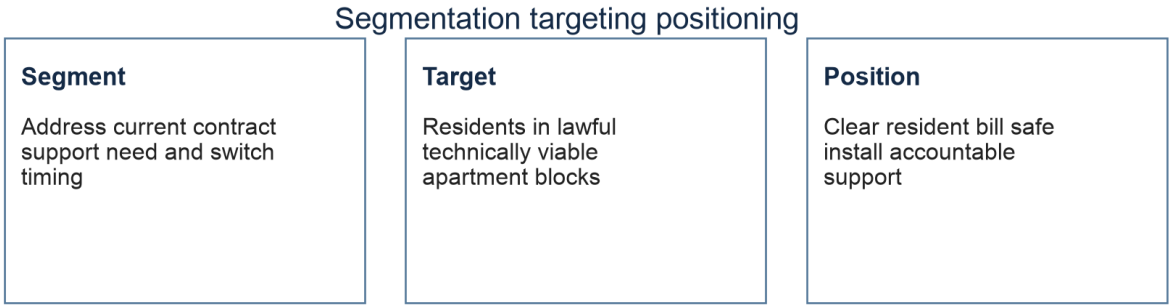
Audience	Qualifying evidence
Resident	Consent, service need and lawful switching
Building owner or agent	Authority and complete access scope
Excluded service	Voice, TV, enterprise circuits and public works

10 / CUSTOMER

Segmentation targeting and positioning

Segment by address eligibility, current contract, desired support, service reliability need and decision timing. The initial target is residents in legally accessible, technically feasible apartment blocks, with a comparable broadband alternative and a demonstrable reason to switch.

Position around understandable charges, safe installation and one accountable support contact. Do not claim the fastest, cheapest or most reliable service without comparable evidence. A landlord relationship should not imply resident exclusivity or permission to misuse resident contact information.



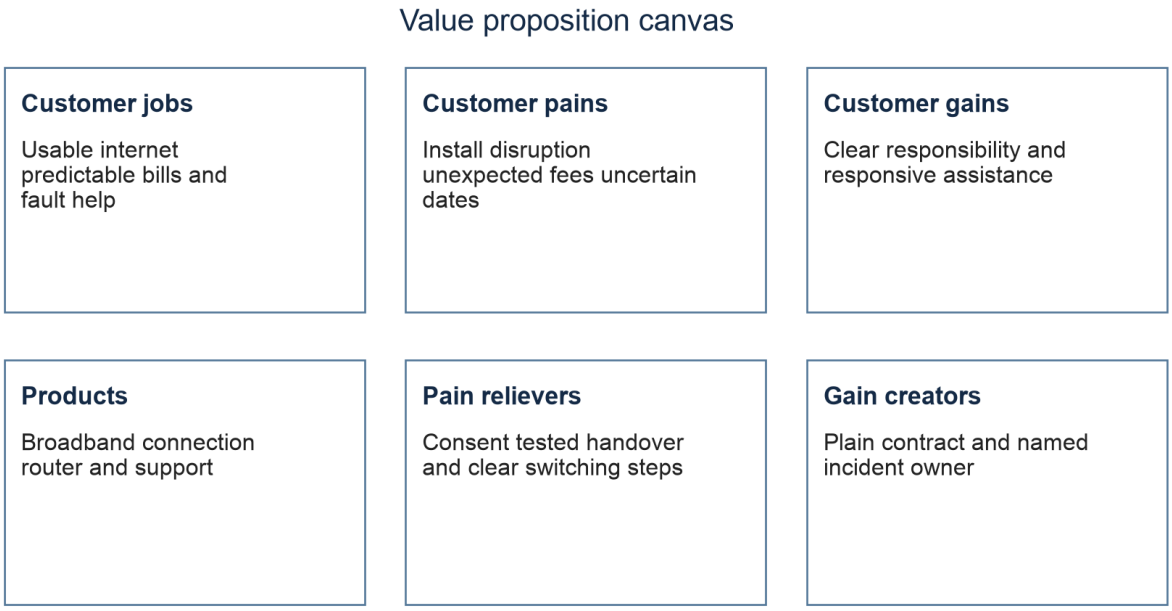
Eligibility and switching evidence define the target before demographic assumptions.

11 / CUSTOMER

Value proposition canvas

Residents need usable internet, predictable billing and help when a fault occurs. Installation disruption, uncertain activation dates, unexpected charges and difficult cancellation can undermine the offer. These proposed pains require interviews rather than being treated as observed research.

The service offers an installed optical connection, a router, an explained tariff and an incident contact. Written appointments, pre-install checks, recorded handover and clear switching messages can reduce uncertainty. A fibre connection does not guarantee Wi-Fi performance in every room. Provide realistic equipment and coverage advice without unsupported speed promises.



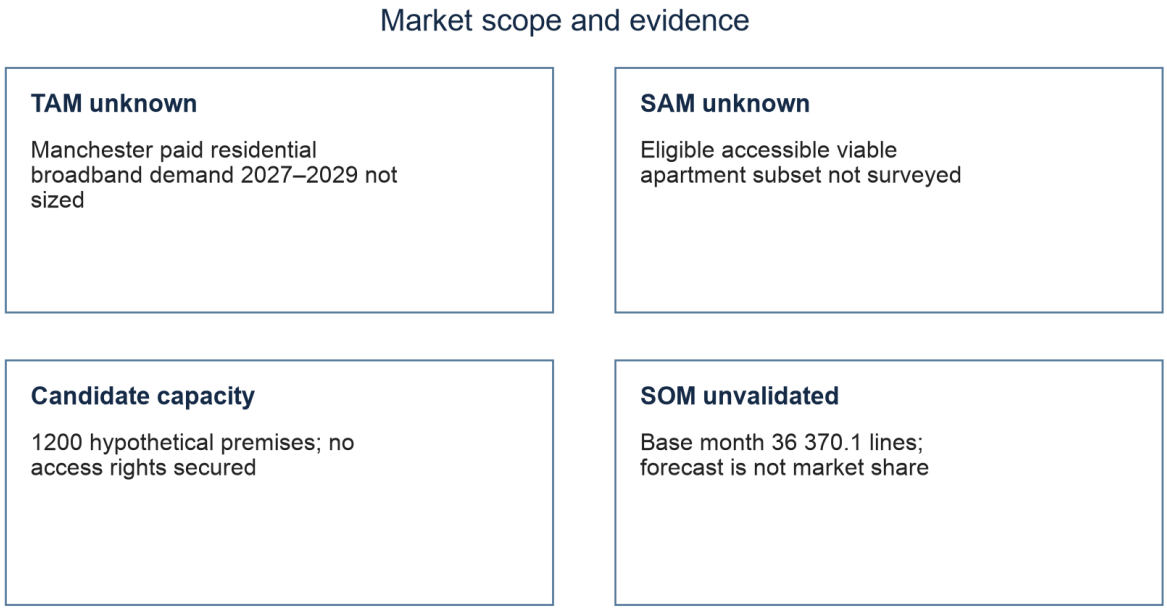
Customer jobs and proposed responses are research hypotheses, not survey results.

12 / MARKET

Market sizing and share

Define TAM as paid residential fixed broadband demand in Manchester during 2027–2029. SAM is the subset in apartments with lawful internal access, viable upstream and a feasible build scope. No verified number of qualifying buildings, occupied homes or revenue value is available.

The 1,200-premise candidate envelope is an engineering planning boundary. Base target uptake is 35% of ready homes and does not validate SOM or market share. Forecast subscribers approach the target under a monthly conversion assumption and churn, rather than appearing instantly. Obtain an address inventory and resident research before using either market size or expected penetration in underwriting.



TAM and SAM are unquantified; candidate capacity and forecast uptake are not observed market shares.

13 / STRATEGY

PESTLE analysis

Telecom regulation, building access and safety shape the launch. Capital prices and carrier terms affect a small network strongly. Resident affordability and clear support matter to acquisition. Optical architecture, fault monitoring and switching systems must work together before billing.

Legal duties extend beyond the right to install equipment. Assess consumer contracts, complaints, privacy, employment, cybersecurity, building alterations and insurance. Environmental decisions include repairable equipment, recovery of old electronics and limiting unnecessary visits. No sustainability certification or quantified carbon saving is claimed.



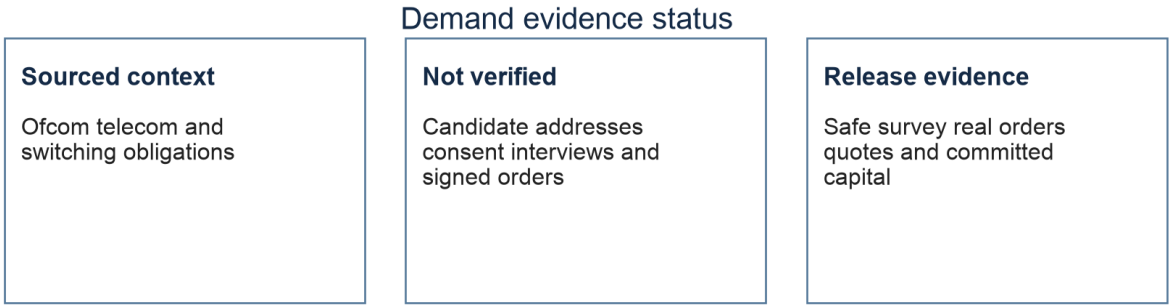
Six aligned panels connect external context to concrete release gates.

14 / MARKET

Local demand and evidence

No address survey, resident interview, paid reservation or landlord letter of authority exists for this plan. The official Ofcom sources establish obligations and switching context, not a forecast of customer demand. Existing service alternatives must be checked for each candidate address.

Before selecting a building, obtain a lawful resident research method, compare current all-in tariffs and verify contracts and installation routes. Keep researched addresses, expressions of interest, signed orders and activated paying lines separate. Treat the target take-up and conversion rate as assumptions until measured cohorts justify them.



Evidence status: regulatory context is sourced; local demand and premises eligibility remain unverified.

15 / MARKET

Competitors and positioning

Residents may choose an incumbent retail provider on Openreach, a cable provider, another building fibre operator or mobile broadband where practical. Availability is address-specific. No competitor score, live quote or exclusive building relationship has been established.

Collect comparable full contract prices, introductory period, fixed price changes, supplied router, installation timing, minimum term, cancellation conditions and support options. A headline download speed alone is insufficient. Compare the proposal against the complete resident bill and switching burden at the same address.

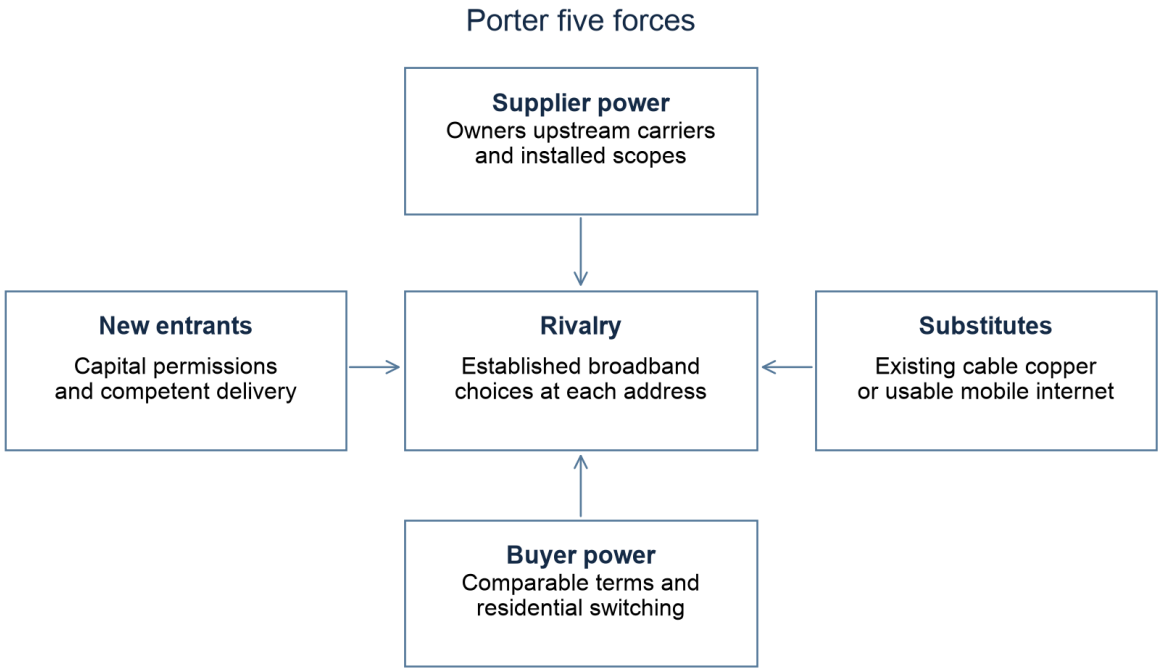
Alternative	Evidence needed
Incumbent retail broadband	Address eligibility and full contract price
Cable or building fibre	Available installed service and terms
Mobile broadband	Coverage, capacity and usage suitability
Irwell Fibre	Proposed tariff and tested delivery scope

16 / STRATEGY

Porter five forces

Rivalry is substantial because a resident can have several established retail alternatives, although eligibility varies by address. Building owners and upstream carriers constrain entry and continuity. Subscribers can switch under applicable processes, while installation and contract terms affect friction.

Capital, safe building access and competent operations are entry barriers, not protection from competition. Mobile internet and existing copper/cable products are substitutes where usable. Respond with measured resident demand, complete carrier contracts, documented rights and honest service commitments instead of assumed monopoly pricing.



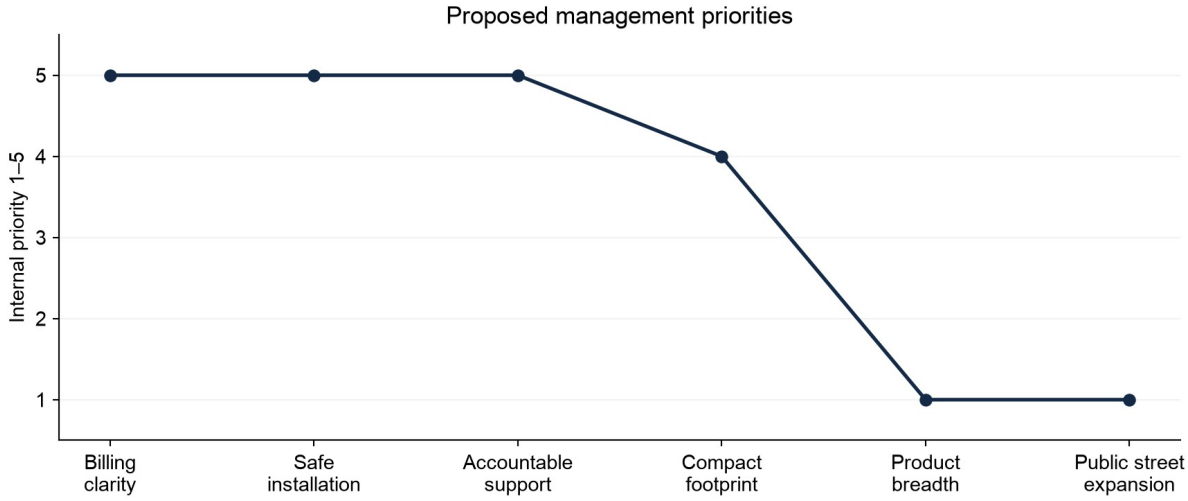
Rivalry sits at the centre; qualitative evidence and management responses accompany the forces.

17 / STRATEGY

Strategy canvas

Management proposes high priority for billing clarity, safe installation and accountable support. A compact footprint and operational visibility matter more initially than product breadth, public-street expansion or complex bundles.

The one-to-five chart is an internal allocation of attention. It does not rank competitors or report resident preferences. Update priorities when interviews, actual incidents, churn and costs show which service changes improve contribution and retention.



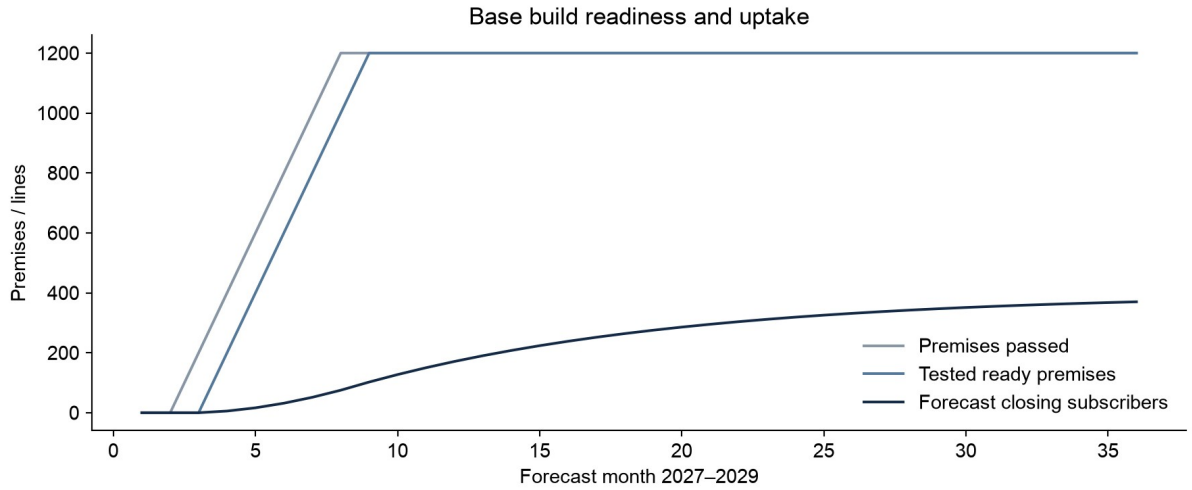
Proposed internal priorities only; no invented competitor ratings.

18 / OPERATIONS

Location and premises

Identify a compact Manchester cluster whose building owners can authorise the full route, power supply, equipment location, access for maintenance and reinstatement. The model uses six hypothetical blocks with 200 homes each. These are neither actual buildings nor a claim about local housing stock.

Survey risers, fire compartments, asbestos risk where applicable, secure cabinet space, power and carrier delivery. Public street or duct works are outside the model; if needed, revise permission, procurement, capex and timing before proceeding. Code rights cannot be assumed merely because the company intends to operate a network [S4].



Passed, ready and subscribed premises are separate stages; delayed acceptance delays revenue.

19 / OPERATIONS

Equipment and resource plan

The design requires building fibre, splitters, secure electronics, power, tested fire stopping, optical test tools, individual drops, ONTs and routers. Choose the architecture only after a competent design tests optical budget, resilience, upstream capacity and maintenance access. No specific supplier quote or certified system is assumed.

Passive common-area costs, active building costs, customer connection costs and later incremental renewal equipment have separate asset cohorts and lives. Paid installer labour is included in the respective installed costs. Replacement scope must clarify disposal or impairment; the model's later addition is incremental equipment with no old asset removal.

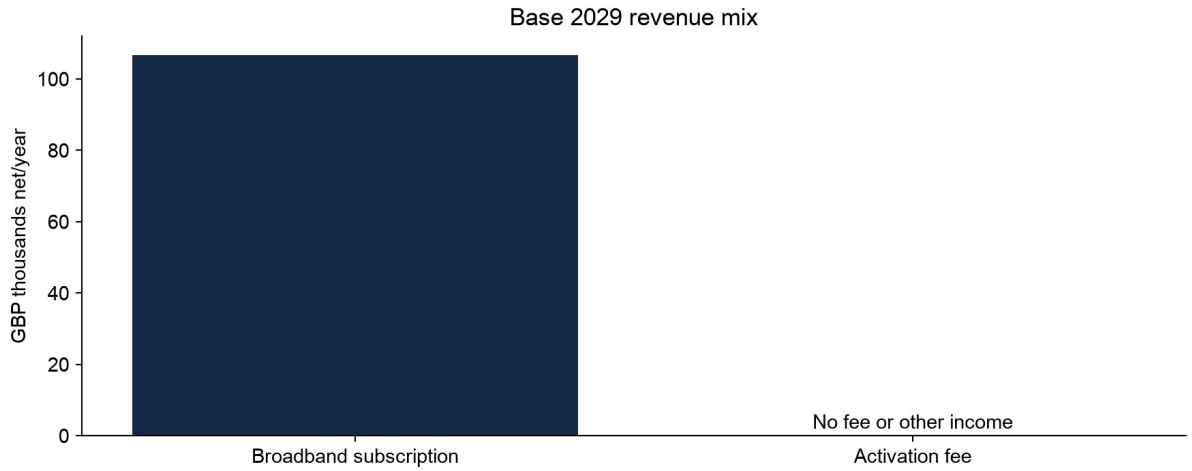
Asset	Proposed accounting
Common-area passive fibre	Build CIP then 240-month depreciation
Building active equipment	Build CIP then 60-month depreciation
Customer drop ONT router	60-month cohort at service activation
Office and test tools	36 months from January
Incremental renewal component	Separate 36-month cohort from month 24

20 / PRODUCT

Service and product strategy

Offer one residential broadband-only subscription including a supplied router and zero activation charge. Test and state the actual contracted capability before describing access speed. The £29.40 Base monthly starting price includes VAT; it is a planning tariff rather than an approved commercial offer.

Exclude voice, emergency calls, TV, enterprise SLAs, wholesale resale and customer hardware repair. Support must separate an access-network fault from a resident Wi-Fi issue and explain safe troubleshooting. Router replacement and reconnect costs require actual service data; the model conservatively capitalises a new connection for every gross activated line.



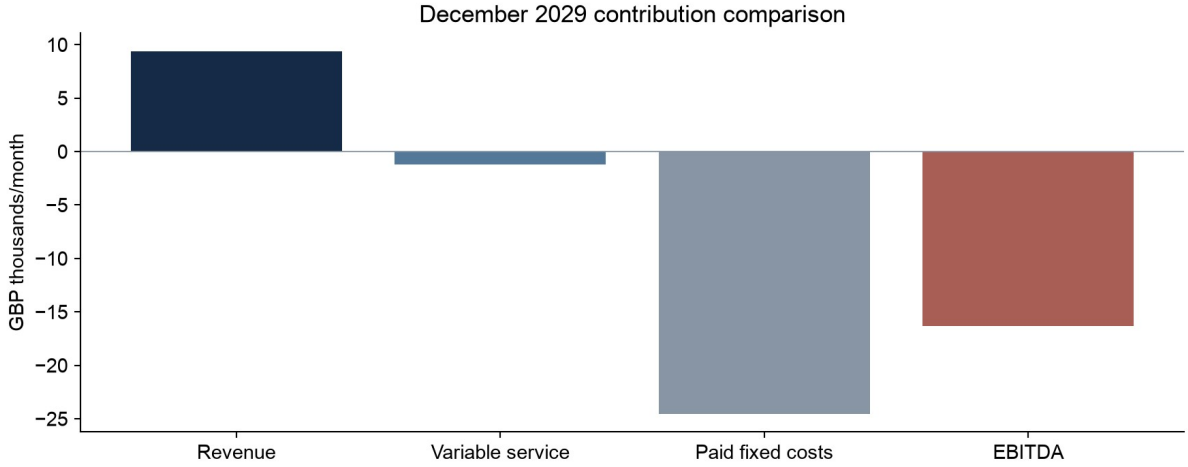
Base net revenue comes from subscriptions; activation fees are zero and no other product income is assumed.

21 / PRODUCT

Pricing and capacity economics

Base monthly price is £29.40 gross, or £24.50 net at 20% VAT. Variable service cost begins at £3 per average billable line. Remaining contribution funds payroll, backhaul, routine maintenance, premises, marketing and insurance before capital costs and debt service.

Monthly revenue uses the average of opening and closing subscribers, assuming additions and churn are spread evenly. Fractional subscribers express expected cohort outcomes, not billable individual people. Installs are capped at 40 per month in Base. An internal 2% assumption produces fixed gross prices of £29.40 in 2027, £29.99 in 2028 and £30.59 in 2029, rounded to pennies. Contracts must state dated pounds-and-pence increases prominently before sale; a percentage rise is not a permitted new-contract clause [S8].



December 2029 contribution comparison in GBP per month; it is not an investment payback claim.

22 / PRODUCT

Competitor price comparison

No live like-for-like quote has been obtained for the candidate addresses, so a numerical competitor price ranking would be misleading. Collect quotes directly from eligible providers for identical contract duration, service scope and billing period.

The model tariff is £29.40 gross initially with zero activation charge. Compare total contract cost, including advertised increases, delivery, router, installation and exit terms. The company must provide compliant contract information and switching processes before offering the model tariff [S3, S5].

Price item	Current status
Irwell monthly price	£29.40 gross planning assumption
Irwell activation fee	Zero in all three cases
Competing provider tariff	No comparable address quote
Decision method	Full contractual resident bill and scope

23 / CUSTOMER

Brand and customer experience

Use a plain identity, understandable contract and itemised bill showing service dates and gross price. Explain what has been tested, the installation appointment, support hours, escalation and switching steps. Avoid claiming landlord endorsement or network exclusivity without permission.

Residents should understand responsibility for the access network, supplied router and in-home Wi-Fi. Record appointment consent and handover tests. Provide accessible communication and a process for customers whose needs require extra support. Complaints must have a responsible employee and a reviewed escalation route rather than a vague promise to respond.

Stage	Control
Precontract	Service eligibility and complete price
Install	Consent, safe appointment and tested handover
Billing	Dates, gross amount and clear payment record
Fault	Incident owner and meaningful updates

24 / SALES

Sales channels and process

Acquire residents through approved building communications, lawful direct enquiries and permitted local events. The partnerships employee coordinates owner access and resident questions. A building access agreement does not authorise indiscriminate use of resident personal data.

An enquiry becomes an order only after address readiness, contract disclosures, switching, payment authority and installation timing are checked. Orders remain distinct from activated subscriptions. No customer deposits or advance subscription receipts are modelled; add deposit liabilities or deferred revenue before introducing them.

Stage	Evidence
Building qualification	Authority, survey and access terms
Resident enquiry	Need, contract expiry and privacy basis
Signed order	Compliant contract and switching readiness
Activation	Accepted optical and billing tests

25 / SALES

Launch marketing

The setup allowance includes £10,000 net research and resident materials, separate from £31,680 paid preparation payroll and £28,320 legal and design work. Operating selling expenditure is £1,000 net monthly within the £3,500 premises/admin/marketing budget. Preparation staff develop materials within their paid duties.

Research permissions and measured interest before releasing a building phase. Track cost per lawful qualified enquiry, signed order and activated paying line. Do not count the hypothetical footprint as impressions or publish a speed or opening-date promise before tests and upstream terms support it.

Use	Base budget
Preparation paid labour	£31,680 gross plus employer loading included
Legal and design	£28,320 net
Research and materials	£10,000 net
Operating selling	£1,000 net monthly before escalation

26 / SALES

Retention and ongoing sales

Use timely fault updates, clear bills and renewal information to retain customers. Record the cause of churn, disputed charges, repeat faults and unsuccessful installations by building cohort. The model's 0.5% monthly churn is a planning expectation and does not establish resident loyalty.

Opening subscribers form the churn base. Gross additions then convert a fraction of the remaining take-up target and respect ready premises and paid installation capacity. A line reconnecting is treated as a new paid equipment cohort, which is conservative until equipment reuse is proven. Do not assume churn is offset without acquisition work.

Measure	Response
Opening lines and churn	Reforecast cohort retention
Fault and complaint records	Correct delivery causes
Renewals and switches	Compliant communications
Install cost and contribution	Revise tariff and scope if needed

27 / OPERATIONS

Daily operations and suppliers

Monitor alarms through contracted NOC support, with the engineer and director owning escalation. A daytime four-person team does not constitute a staffed 24-hour call centre. The carrier must provide documented fault response and escalation, and the installation contractor must provide complete tested scopes.

Reconcile active lines, switches, orders, bills and payment records monthly. Inspect common areas and repair damage under safe access procedures. Agree upstream capacity, congestion monitoring, power, planned work, service credits and termination before activation. The GBP 2,000 fixed Base carrier allowance includes baseline managed alarm monitoring and begins at the first build month, even before resident revenue. Confirm this bundled scope by quote.

Frequency	Proposed control
Continuous outsourced monitoring	Alarms and documented escalation
Daily staffed hours	Orders, faults, billing exceptions
Scheduled building visits	Safe inspection and equipment tests
Monthly	Lines, VAT, invoices, cash and reserve

28 / OPERATIONS

Sustainability practices

Choose repairable equipment and keep serial, installation and recovery records. Plan router reuse, recycling and safe disposal with qualified suppliers. Repair common-area fibre before unnecessary replacement, and group appointments to reduce repeat travel where customer needs permit.

No measured carbon saving, renewable power contract or certification exists. A fibre technology claim does not prove this small network’s environmental performance. Meter cabinet electricity where practical, track recovered equipment and retain evidence for any future environmental statement.

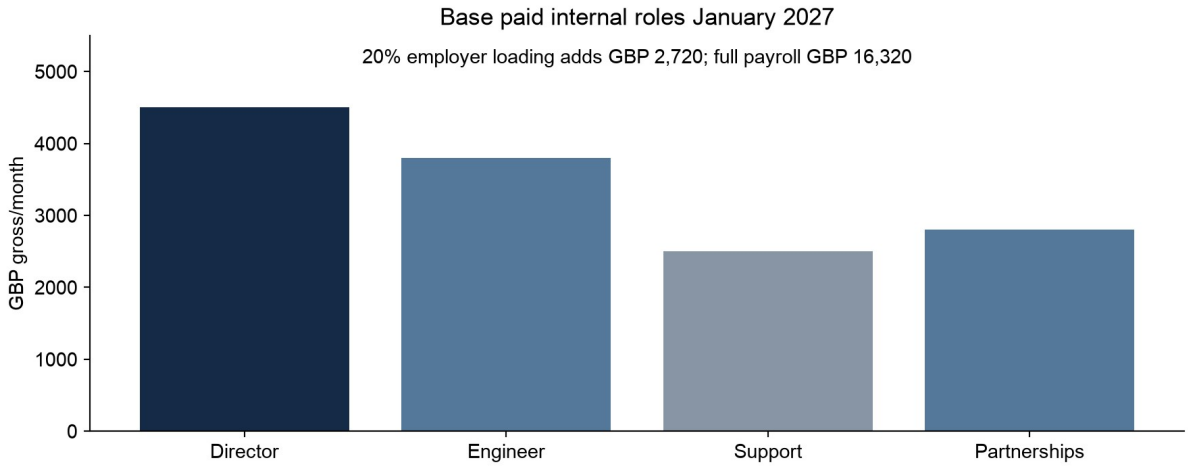
Area	Record
Equipment	Serials, recovery and disposal route
Energy	Cabinet electricity and supply evidence
Travel	Visits and rework per completed installation
Claims	Measured scope and supporting evidence

29 / PEOPLE

Staffing and training

Base pays a director £4,500, an engineer £3,800, support £2,500 and partnerships £2,800 gross monthly from January. A 20% employer-cost allowance gives £16,320 total monthly payroll. This is a budget proxy for NI, pension and benefits, not a statutory contribution rate. Annual payroll increases 3% in Base.

The installation cap is an external contractor scope, not the support employee's time. The £180 net connection cost includes drop, ONT, router and contractor labour for each gross add. The fixed carrier allowance includes baseline managed alarm monitoring. A £3 variable service cost includes incremental licence/transit/billing allowances. Validate quotations, safe staffing, absence cover and incident workload before activation.



Four paid Base roles; contractor installations and outsourced monitoring are separately budgeted.

30 / PEOPLE

Staff skills and fair work

The engineer needs fibre testing, configuration, safe access and incident skills. The support employee needs billing, switching, privacy and complaint training. Partnerships work requires access authority, resident communications and truthful qualification. No employee is assumed trained simply because the role appears in the plan.

Budget paid training and absence within the stated roles and external scopes. Establish practical work hours, escalation, rest and backup without claiming continuous internal cover. Conduct payroll advice and wage checks before hiring. Base employees work a proposed 35-hour week. The extra Upside support role is 28 hours weekly at £2,000 gross monthly. The lowest Base or Upside employee rate is approximately £16.48/hour, above the £12.71 April 2026 adult floor [S9]. Recheck the applicable 2027 rate, holiday and rest arrangements before hiring.

Capability	Acceptance
Network	Documented optical and upstream tests
Consumer support	Contract, complaints and switching exercises
Safe work	Building method statement and authorisations
Staff cover	Paid rota, absence and external escalation

31 / COMPLIANCE

Legal and insurance requirements

Ofcom's General Conditions apply to relevant electronic communications networks and services [S3]. Obtain specialist advice on applicable security, consumer contracts, complaints/ADR, vulnerable customers and switching requirements. Code powers require an Ofcom direction and are not assumed [S4]. Private agreements still need parties with authority and a lawful scope.

Review building alterations, fire stopping, employee safety, privacy and network security before works. The proposal has no voice service. Ofcom's automatic compensation scheme is voluntary and the company is not claimed as a participant [S6]; legal and contractual redress can still apply. Bound public/employer liability, cyber, equipment and professional cover must replace budget allowances.

Gate	Evidence
Access and safe installation	Written authority and reviewed building scope
Service operation	Applicable Ofcom/security duties and tested processes
Residents	Compliant terms, switching and ADR
People and insurance	Lawful employment and bound cover

32 / IMPLEMENTATION

Opening roadmap

Paid preparation runs October–December 2026 under the setup budget. The director is paid for three months, engineer for two, and support and partnerships for one month each. Legal/design and research are also funded. Proposed equity must be committed and paid before these obligations; no earlier survey work is assumed free.

January and February 2027 pay the full operating team and overhead. Base build starts in March and first tested building service starts in April. Every subsequent phase remains conditional on access, safe installed scope, carrier tests and funded cash. Delays postpone readiness and revenue but never pause owner salary, insurance or loan interest.

Gate	Responsible party
Before preparation	Director and funders
Access and design	Director, engineer and advisers
Building phase	Approved installation contractor
Acceptance and switching	Engineer and support
Cash review before next phase	Director and finance adviser

33 / RISK

Risks and management actions

The model’s small recurring subscriber base does not cover the proposed fixed team and upstream costs within the forecast. Build overruns, slower uptake, permission delay and carrier price increases worsen cash. Common-area works can strand capital if residents do not subscribe or access terminates.

Release each phase only when demand, scope and finance justify it. Keep a weekly liquidity plan and compare actual lines, installs, churn and invoices against the case drivers. Record the cost of customer redress and outages as evidence develops; they are not statistically priced here. A negative closing balance is missing finance, never an approved overdraft.

Risk	Action
Weak subscriber uptake	Paid evidence and phase release gate
Access or safety failure	Stop work and resolve lawful scope
Capex and upstream cost	Complete installed quotes and contracts
Fault and customer redress	Trained escalation and funded response
Cash shortage	No further commitments without capital

34 / EVIDENCE

Research and evidence

Primary sources were checked on 3 October 2026. HMRC establishes general VAT and corporate rates and VAT return timing. Ofcom establishes the General Conditions, Code framework, switching and voluntary compensation context. These sources do not establish demand, permissions, a carrier price, staffing competence or an installed construction quote.

The actual fibre-network reference workbook and retained builder/design were inspected. Its separation of build, ready premises, subscribers, common-area and connection capex informed a new monthly model. Its USD prices, 100,000-home default, annual horizon, automatic funding logic and valuation outputs were not imported. This is reference-inspired reconstruction, not adaptation of an imported workbook.

Sources	Use
S1–S2 HMRC	VAT and corporate rate context
S3 Ofcom	Applicable General Conditions
S4 Ofcom	Code powers require direction
S5 Ofcom	Residential switching process
S6 Ofcom	Voluntary automatic compensation
S7 HMRC	Normal VAT return/payment timing

S1 VAT standard rate https://www.gov.uk/vat-rates

S2 UK corporation tax rates https://www.gov.uk/corporation-tax-rates

S3 Ofcom General Conditions https://www.ofcom.org.uk/phones-and-broadband/accessibility/general-conditions-of-entitlement

S4 Electronic Communications Code https://www.ofcom.org.uk/phones-and-broadband/telecoms-infrastructure/electronic-comm-code

S5 One Touch Switch https://www.ofcom.org.uk/phones-and-broadband/switching-provider/switching-broadband-provider

S6 Automatic compensation scheme https://www.ofcom.org.uk/phones-and-broadband/service-quality/automatic-compensation-need-know

S7 VAT return deadline https://www.gov.uk/submit-vat-return

S8 Contract price rises in pounds and pence https://www.ofcom.org.uk/phones-and-broadband/bills-and-charges/ofcom-bans-mid-contract-price-rises-linked-to-inflation

S9 UK April 2026 wage rates https://www.gov.uk/government/publications/the-national-minimum-wage-in-2026/the-national-minimum-wage-in-2026

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Quotes and assumptions

Before reliance, replace the hypothetical footprint with surveyed addresses and verify owner authority, resident occupancy, existing broadband, fire compartments, riser routes, power and upstream delivery. Obtain complete installed prices and service terms, including repair, spare equipment, escalation and access termination.

Validate resident acquisition, tariffs, churn, receivable terms, maintenance, insurance, payroll and VAT eligibility. No financing, permission, exclusivity, accreditation or founder experience is secured. Forecast inputs are planning values. Rebuild all case captures and the integrated Word figures whenever the supported assumptions change.

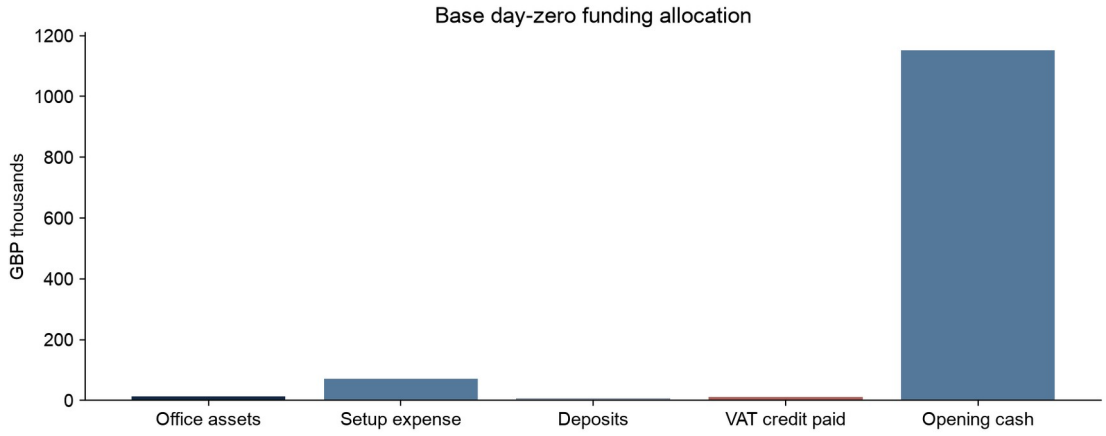
Area	Required evidence
Network	Survey, safe design, access and upstream terms
Customers	Lawful research, orders and actual cohort uptake
Capital	Installed quotes and retained asset register
People	Competence, hours and lawful pay
Finance	Committed sources, cash reserve and tax advice

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Startup costs and funding

Fixed proposed day-zero sources total GBP 1,250,000. Uses are GBP 12,000 office/test tools, GBP 70,000 setup expense, GBP 6,000 refundable deposits and GBP 10,064 eligible input VAT. Opening cash is GBP 1,151,936. Network build and connections are paid later and never included twice in setup.

Base minimum cash over day zero and all 36 months is GBP (236,759), requiring GBP 336,759 additional cash to preserve the reserve. This is an unfilled funding requirement. No overdraft, top-up equity, cash VAT refund or automatic draw balances the path.



Day-zero allocation sums to GBP 1,250,000; later network capex is separate.

Day-zero GBP	Amount
Proposed equity	1,000,000
Proposed term loan	250,000
Office and test assets	12,000
Setup expense	70,000
Refundable deposits	6,000
Input VAT paid / credit	10,064
Opening cash	**1,151,936**

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Itemized startup costs

Base preparation payroll is GBP 31,680 including 20% employer loading: director three months GBP 16,200; engineer two months GBP 9,120; support one month GBP 3,000; partnerships one month GBP 3,360. It sits within GBP 70,000 setup, leaving GBP 28,320 legal/design and GBP 10,000 research/materials. Staff produce materials within paid duties. No earlier commercial work is assumed.

Each passed premise costs GBP 250 passive and GBP 50 active net, held as construction in progress until its tested readiness one month later. Each gross activation adds GBP 180 net drop/ONT/router/installer cost with its own 60-month life. Office tools cost GBP 12,000 with 36-month life. The GBP 15,000 month-24 incremental component has a separate 36-month life and no original asset disposal.

Item	Net GBP	Treatment
Office test assets	12,000	Day-zero asset; 36 months
Paid preparation labour	31,680	Day-zero setup expense
Legal/design/research	38,320	Day-zero setup expense
Refundable deposits	6,000	Asset; no depreciation
Each premise passed	300	CIP then passive/active cohorts
Each gross connection	180	60-month cohort at activation
Month 24 component	15,000	Separate 36-month cohort

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Owner personal survival budget

The director earns GBP 4,500 gross monthly within payroll from January, with three paid preparation months in setup. An assumed 65% retention gives GBP 2,925 household cash. Illustrative spending is GBP 2,600: housing 1,200; living 850; transport 300; other 250. Monthly surplus is GBP 325. No external income is included.

Retention is an assumption, not an individual UK tax computation. Obtain payroll and personal-tax advice. Owner remuneration is included once within operating payroll; it is not omitted or duplicated as drawings.

Monthly GBP	Amount
Gross owner salary	4,500
Estimated net retention	2,925
Household spending	2,600
Estimated surplus	**325**

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Financing terms and security

The proposed GBP 250,000 term loan is drawn on 31 December 2026 at 8% cash interest on each opening balance. Six months have no principal repayment, but interest is paid throughout forecast build delays. October–December preparation is paid from equity; no earlier loan or loan interest is assumed. Straight principal then runs over 60 months at GBP 4,166.67 monthly, capped by outstanding debt. GBP 125,000 remains in December 2029.

No fee, covenant, guarantee or security terms are agreed. There is no revolving facility and no funding tied automatically to capex. Proposed equity must be paid before setup obligations. Additional funding requirements do not assume that new finance is free or available on identical terms.

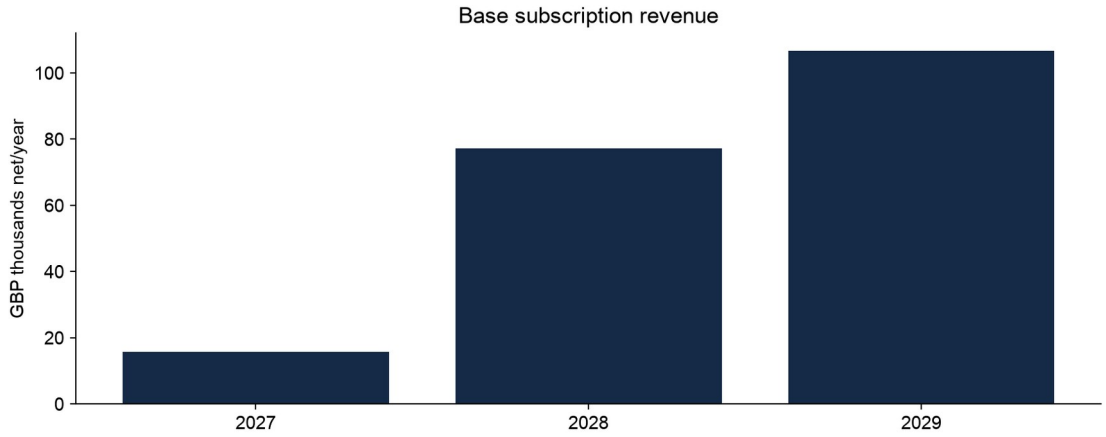
Term	Base assumption
Draw	GBP 250,000 on 31 December 2026
Annual interest	8% opening balance
Principal grace	Six months
Amortisation	60 monthly payments after grace
December 2029 balance	GBP 125,000
Security and capital	Unagreed and uncommitted

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Revenue forecast and capacity

Build 200 premises monthly from March until the 1,200-envelope is reached. Each cohort becomes ready after one month; no lines activate before readiness. Churn is 0.5% of opening subscribers. Gross additions are 8% of the remaining 35% take-up target after churn, capped by 40 monthly installations and vacant ready premises. December 2029 closes at 370.06 forecast lines; fractional counts express expectations.

Revenue uses average opening/closing billable lines and the GBP 24.50 initial net monthly tariff, with dated gross prices £29.40, £29.99 and £30.59 after penny rounding. The 2% planning calculation is internal; contracts must disclose dated pounds-and-pence changes upfront [S8]. No activation fee, voice, enterprise or wholesale revenue is included. No observed uptake validates these assumptions.



Subscription revenue net of VAT from the same 36-month subscriber schedule.

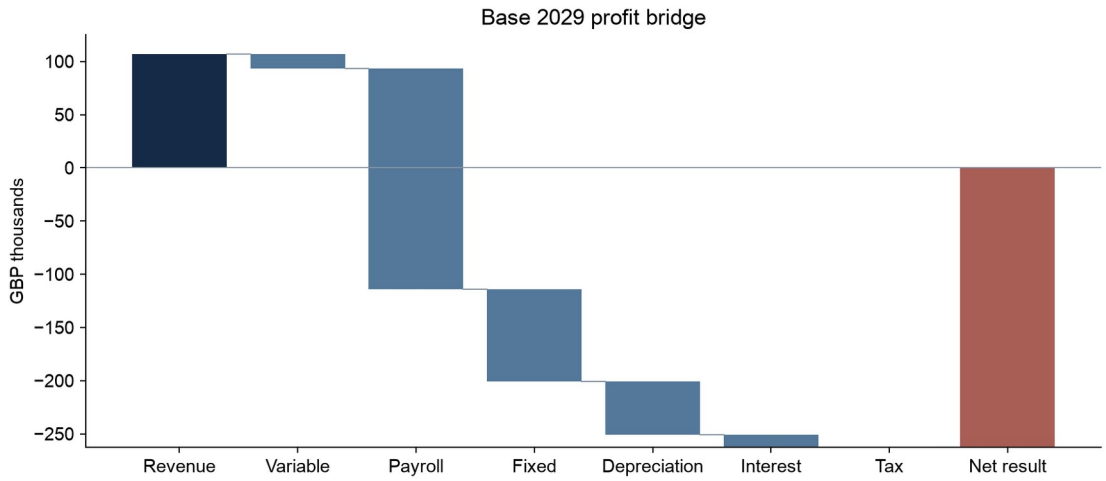
GBP annual	2027	2028	2029
Revenue	15,815	77,281	106,721
EBITDA	**(256,261)**	**(218,038)**	**(200,939)**
Net profit	**(296,687)**	**(275,488)**	**(262,783)**

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Costs and projected profit

Base payroll begins at GBP 16,320 monthly for four paid roles including 20% loading. Fixed costs include GBP 3,500 net rent/admin/marketing and GBP 700 insurance/local rates without input VAT. Backhaul and baseline managed monitoring cost GBP 2,000 net monthly from the first build month. Maintenance costs GBP 0.50 per ready premise monthly. Variable service costs GBP 3 per average billed line.

Salary and fixed/variable costs rise 3% each January. These are unquoted planning values. Maintenance expense differs from new capital equipment. The full payroll continues during delayed readiness. Routine support and monitoring allowances do not establish a tested staffed 24-hour service.



Base 2029 profit bridge in GBP; annual revenue less the listed costs reaches net result.

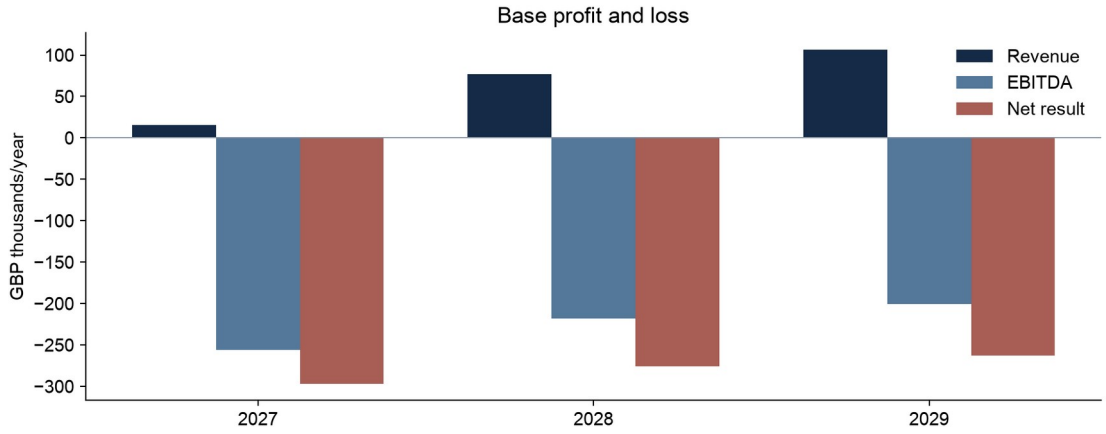
GBP annual	2027	2028	2029
Variable service costs	1,937	9,555	13,324
Payroll	195,840	201,715	207,767
Other fixed operating costs	74,300	84,048	86,569
Depreciation	20,842	41,283	49,677
Interest	19,583	16,167	12,167

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Profit and loss forecast

Calendar-year GBP values use Base model 1.0. Contribution deducts variable service cost. EBITDA then deducts the entire paid team and fixed backhaul, maintenance, premises, selling and insurance costs. Depreciation begins on each asset's own service date; loan interest is paid and expensed separately.

HMRC lists the general 25% main rate, 19% small-profits rate and conditional marginal relief [S2]. This model uses a conservative 25% provision on positive monthly book profit, paid that month with no loss relief or capital allowances. It is not statutory taxable-profit or payment timing. All Base periods remain loss-making so no tax cash benefit is assumed.



Paid payroll and capital depreciation are included; losses are not removed through assumed tax refunds.

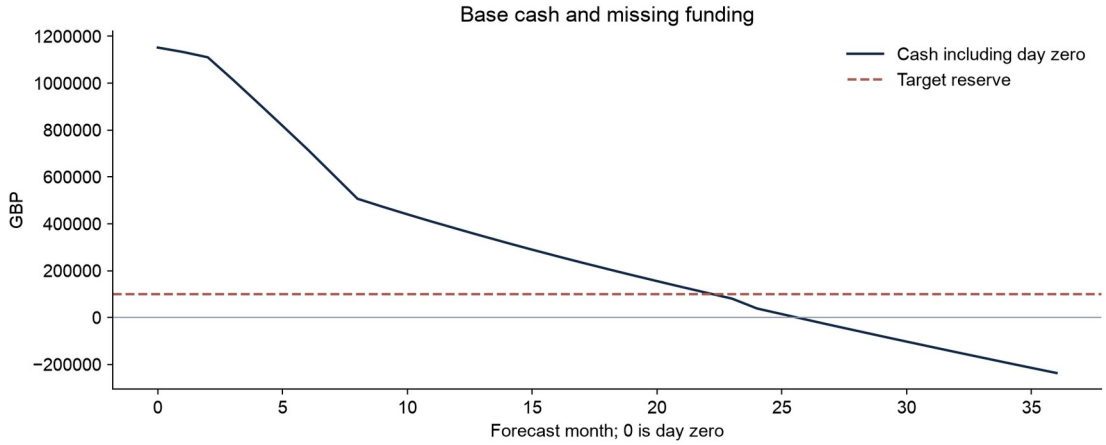
GBP	2027	2028	2029
Revenue	15,815	77,281	106,721
Variable service costs	1,937	9,555	13,324
Contribution	**13,879**	**67,726**	**93,397**
Payroll	195,840	201,715	207,767
Other fixed operating costs	74,300	84,048	86,569
EBITDA	**(256,261)**	**(218,038)**	**(200,939)**
Depreciation	20,842	41,283	49,677
Interest	19,583	16,167	12,167
Profit before tax	**(296,687)**	**(275,488)**	**(262,783)**
Tax provision paid	–	–	–
Net profit	**(296,687)**	**(275,488)**	**(262,783)**

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Cash flow and financial position

Base minimum cash is GBP (236,759) including day zero, with GBP 336,759 extra cash needed for the GBP 100,000 reserve. Downside needs GBP 763,451 and Upside GBP 279,646 at their stated reserves. Negative cash represents an unfunded target path. It is not an approved overdraft.

Receivables and eligible operating payables retain actual gross invoice cohorts by age. Uniform issuance within 30-day months means seven-day Base receivables retain 7/30 of current invoices; 30-day Base payables retain current invoices. At 90 or 180 days the last three or six cohorts remain, with older invoices settled even as billings grow or decline. Fractional months retain only the unexpired share. Build, connections and renewal equipment are paid immediately. Input VAT remains a credit offset by future output; no cash refund is assumed. Every monthly balance sheet and cash schedule closes without a plug.



Closing cash and reserve; missing capital remains visible.

GBP annual cash	2027	2028	2029
Operating cash flow	**(357,710)**	**(244,898)**	**(212,510)**
Capital spending net	391,288	44,329	12,958
Principal repaid	25,000	50,000	50,000
Cash	**377,938**	**38,710**	**(236,759)**

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Cash flow forecast months one to six

Opening cash is GBP 1,151,936 after day-zero uses. January and February pay full payroll and overhead without revenue. March pays the first 200-premise build and starts backhaul. April first readiness permits resident activations and starts depreciation on that building cohort.

Standard VAT is 20% [S1]. Gross revenue invoices and eligible operating/capital invoices feed VAT. Payroll, insurance/local rates and refundable deposits have no input VAT. Positive VAT balances are paid with a one-month model lag; credits are carried with no refunds. HMRC normally requires quarterly returns and payment one month and seven days after period end [S7]. This conservative simplified monthly schedule needs adviser replacement before cash commitment.

2027 month	Operating GBP	Capex net GBP	Principal GBP	Closing cash GBP
Month 1	(18,687)	–	–	1,133,249
Month 2	(22,887)	–	–	1,110,363
Month 3	(34,887)	60,000	–	1,015,476
Month 4	(37,425)	61,008	–	917,043
Month 5	(37,538)	61,936	–	817,569
Month 6	(37,507)	62,790	–	717,272

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Cash flow forecast months seven to twelve

Build ends in August Base, with final cohort ready in September. Subscriber uptake continues after the build stops. Connection capex follows gross adds, while backhaul, full payroll and maintenance remain due even if uptake misses plan.

Principal starts in July at GBP 4,166.67 monthly with opening-balance interest. VAT credit is an asset rather than available cash. Replace this monthly illustration with a weekly supplier, payroll, debt and legal tax schedule before drawing capital. Neither a completed footprint nor an EBITDA improvement establishes funded viability.

2027 month	Operating GBP	Capex net GBP	Principal GBP	Closing cash GBP
Month 7	(37,346)	63,577	4,167	612,182
Month 8	(37,037)	64,303	4,167	506,676
Month 9	(24,619)	4,972	4,167	472,918
Month 10	(23,962)	4,582	4,167	440,207
Month 11	(23,240)	4,224	4,167	408,577
Month 12	(22,576)	3,897	4,167	377,938

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Financial position summary

Assets comprise cash, gross resident receivables, carried VAT credit, refundable deposits and net equipment including uncommissioned build costs. Liabilities comprise the term loan, gross eligible operating payables and any VAT liability. Equity is paid proposed capital less setup expense plus cumulative net results.

The model expenses the operating premises lease and does not implement lease right-of-use accounting. No customer advances, stock inventory, deferred subscriber income or automatic borrowing is included. Evaluate impairment and reporting requirements with advisers. Negative cash remains visible as missing finance, even where the balance sheet mathematically reconciles.

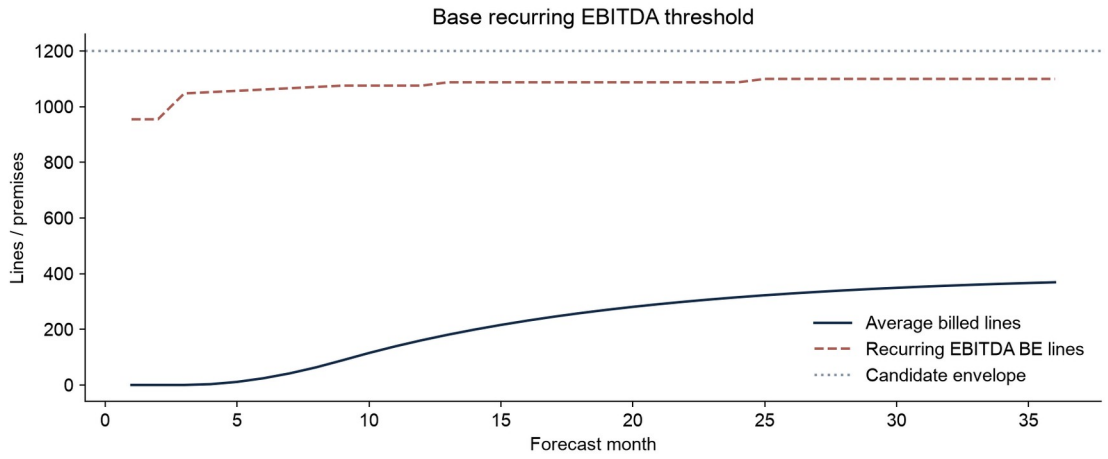
GBP year end	2027	2028	2029
Cash	**377,938**	**38,710**	**(236,759)**
Gross receivables	1,102	2,206	2,632
VAT credit	98,726	109,126	108,570
Refundable deposits	6,000	6,000	6,000
Net assets including CIP	382,446	385,492	348,774
Total assets	**866,211**	**541,534**	**229,217**
Term debt	225,000	175,000	125,000
Trade payables	7,898	8,709	9,174
VAT payable	–	–	–
Total liabilities	**232,898**	**183,709**	**134,174**
Paid equity	1,000,000	1,000,000	1,000,000
Retained earnings	(366,687)	(642,175)	(904,957)
Total equity	**633,313**	**357,825**	**95,043**
Total liabilities and equity	**866,211**	**541,534**	**229,217**
Balance sheet difference	–	–	–

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Break even and scenarios

December 2029 Base recurring EBITDA break even is 1,099.47 average billable lines. It divides payroll and fixed costs by net recurring tariff less variable service cost at that month's rates. It exceeds the 420-line Base take-up target and requires approximately 91.6% of the 1,200-premise candidate envelope. No such uptake is established. Activation fees are excluded because they are zero and would not establish recurring cover.

This threshold excludes depreciation, interest, capital, principal, tax and working-capital cash. All three cases use the same linked build, changing timing, take-up, churn, installation capacity, prices, costs and collection assumptions. Base reserve gap is GBP 336,759; Downside GBP 763,451; Upside GBP 279,646. Case captures are snapshots rather than probabilities and become stale after any driver change.



Average lines versus recurring EBITDA threshold; cash and investment break even are different.

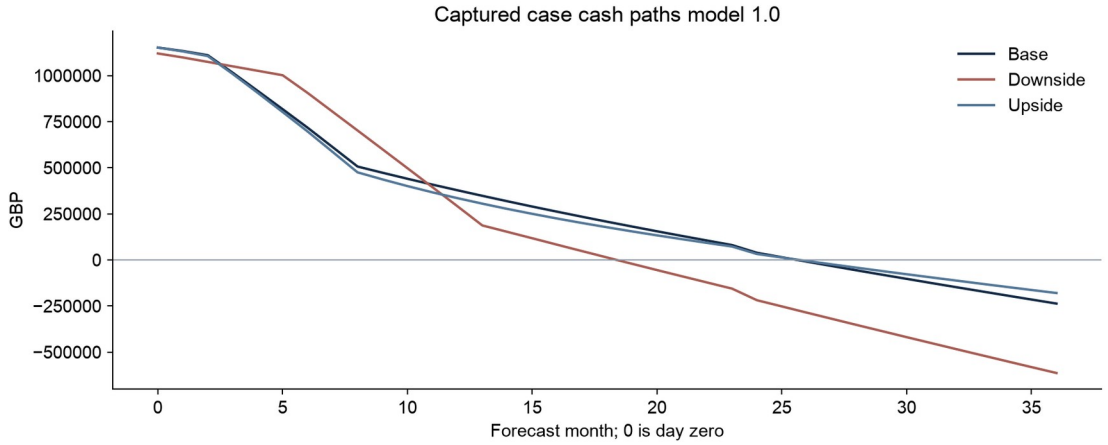
Captured case	2027 revenue GBP	2027 net GBP	Minimum cash GBP
Base	15,815	(296,687)	(236,759)
Downside	400	(307,184)	(613,451)
Upside	35,768	(310,350)	(179,646)

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Model guide and completion

Inputs C5 selects 1 Base, 2 Downside or 3 Upside. Blue case drivers feed Network, Costs, Assets, Debt, WorkingCapital and Statements. Summary links to live monthly flows and year-end stocks. Cases contains captures with all three driver columns compared against retained inputs and a visible stale status.

Native charts reference workbook cells. Retained JavaScript rebuilds the monthly network, separate commissioned cohorts, statements and captured data. Word visuals and figures use model-results.json. Rebuild or coordinate a full refresh after changing assumptions. Review actual demand, quotes, rights and additional capital before relying on this conditional plan.



Captured case monthly cash paths include fixed proposed funding without an automatic top-up.

Artifact	Scope
Word	48 topics, bespoke diagrams and native TOC
Excel	36 monthly periods, annual statements and three cases
Code and data	Retained financial JavaScript and chart data
QA	Actual document, saved workbook and stress evidence