Food Manufacturing Business Plan

Irwell Oat Works Manchester Version 1.0

DOCUMENT GUIDE

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Irwell Oat Works Manchester 3 October 2026

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Reading this business plan

This hypothetical ambient granola startup is an operating and funding proposal for owner and lender review. Official context is distinguished from unverified demand, costs, qualifications and financing. Financial schedules at the end use the same 36-month Base model and dated case captures.

The contents uses native Word fields with cached pages. Update the entire table after editing. All figures are GBP planning estimates from model version 1.0; no lease, approval or financing is secured.

01 / OVERVIEW

Executive summary

Ambient granola manufacturing and retailer supply

Operating plan

Irwell Oat Works is a hypothetical Manchester startup producing two 400g breakfast granolas for independent retailers. The owner requests a decision on paid validation and funding before any lease, equipment order or food operation. The plan excludes chilled products, confectionery bars, direct consumer subscriptions and co-packing. No founder credentials, retailer demand, site approval or funding are established.

Forecast GBP	Year1	Year2	Year3
Net revenue	199,502	325,381	481,032
EBITDA	(85,536)	(17,840)	62,879
Net profit	(113,369)	(44,306)	23,509
Closing cash	85,172	11,236	(14,530)

Management decision

Release spending in stages: product safety and label validation, retailer purchase evidence, supplier and premises quotes, then a fully funded opening. Forecast losses and liquidity requirements must be judged with the three cases; anticipated demand is not an order book.

Base year one revenue GBP 199,502 and net profit GBP (113,369). Minimum cash GBP (20,465); Downside needs GBP 446,926 to avoid negative cash and GBP 521,926 to maintain its reserve. Proposed financing is not committed.

02 / BUSINESS

Business details

Proposed entity and scope

Operating plan

A proposed English private company would manufacture and wholesale packaged breakfast granola from one suitable Manchester production unit. Company incorporation, address and trading name clearance remain outstanding. The financial horizon starts January 2027 and ends December 2029 in GBP; October to December 2026 preparation is separately paid and funded.

Management decision

The owner must confirm entity, lease use, rates, utilities, fire safety and registration with advisers. This document is a proposal for owner and prospective lender review, rather than evidence of an existing business or authorisation.

03 / STRATEGY

Business concept and objectives

Two recipes and a narrow launch

Operating plan

Classic oat and seed granola is the proposed core product; almond oat granola is the second. Both are ambient foods in sealed 400g pouches shipped in retailer cartons. Initial target mix is 70% classic and 30% almond. Recipes, yields, allergen controls, pack integrity and six-month best-before target all require qualified validation.

Management decision

Opening requires repeatable safe batches and paid retailer acceptance. Monitor shipped packs, requests declined, process loss, returned credits, lot expiry and cash. Do not add recipes or channels before traceability and contribution evidence support the added complexity.

04 / STRATEGY

Business model canvas

Manufacture and wholesale with controlled lots

Operating plan

The business buys ingredients and packaging, bakes, cools and packs to retailer dispatch orders, and invoices independent retailers. One production team, facility and stock pool serve both recipes. The proposed value is dependable labelled product and traceable small batches; retailer preference and repeat purchases are hypotheses.

Partners	Activities	Resources
Qualified ingredient and pack suppliers, food adviser, accountant and service support. No contracts.	Qualify, receive, bake, cool, label, release, dispatch and collect. Batch traceability.	One site, two operators, paid owner, process line and controlled raw lots.
Value proposition	**Relationships**	**Channels**
Traceable ambient granola and clear retailer supply. Buyer acceptance untested.	Trial cartons, written terms, buyer reorders and lot-based complaint handling.	Owner led wholesale outreach and consolidated delivery. No consumer channel.
Segments	**Cost structure**	**Revenue streams**
Independent grocers and delicatessens within practical Manchester delivery reach.	Ingredients, packs, paid labour, waste, returns, QA, overhead and debt.	Classic and almond 400g granola. Revenue reduced by next-month credits.

Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Supplier qualification, HACCP, allergen separation, shelf-life evidence and recall capability are essential activities. Labour and overhead are funded even at zero demand. Supplier credit changes cash timing without changing raw consumption cost; retailer credits reduce revenue and collections.

05 / STRATEGY

SWOT and longer term goals

Proposed strengths and material constraints

Operating plan

Recipe focus and direct owner oversight could simplify quality control, but these are intended capabilities. Two operators and one site concentrate interruption risk. Granola also faces established branded products, retailer margin requirements and commodity cost changes. Forecast growth is limited by baking, cooling and packing capacity.

S1 S2 Proposed strengths	W1 W2 Weaknesses
Two recipes and direct release oversight could simplify controls. Not proven capabilities.	Single site and two operators; buyer evidence and validated shelf-life absent.
O1 Opportunity hypothesis	**T1 T2 Threats**
Independent retailers may accept a traceable breakfast range. Test delivered economics.	Mislabelled allergens, failed batches, weak sell-through, late payment and stock expiry.

Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Within the initial horizon, prove product acceptance and consistent compliant supply before considering expansion. No quantified brand advantage or environmental saving is claimed. Cash, food safety and repeat purchasing outrank a larger catalogue.

06 / STRATEGY

TOWS strategy matrix

Actions tied to the operating weaknesses

Operating plan

Use the narrow recipe range to test retailer assortment fit and isolate production defects. Use lot records and explicit pack specifications to respond to safety and label risks. Address small-team dependency through training, maintenance access and reduced output when a bottleneck is unavailable.

SO Test narrow fit	ST Trace every lot
S1 + O1: sample two recipes with paid owner time; record trial buyer terms.	S2 + T1: qualified HACCP, release checks, label verification and recall rehearsal.
WO Fund proof first	**WT Limit exposure**
W1 + O1: release equipment and month25 upgrade only after demand and funding evidence.	W2 + T2: account credit limits, batch quarantine and production reduction during absence.

Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Avoid combining weak demand evidence with irreversible equipment commitments. The month 25 packing upgrade requires review of actual dispatch and financing; it does not automatically increase model capacity. Pause procurement if stock expiry or unpaid invoices exceed the agreed limits.

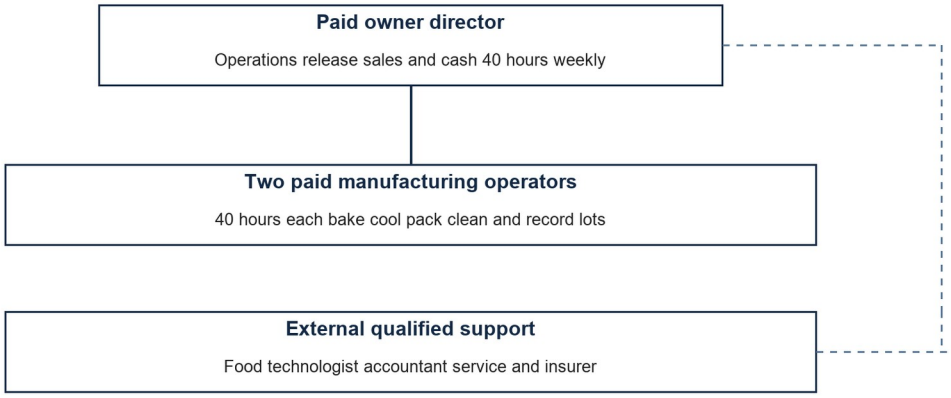
07 / STRATEGY

Owner and management

Paid director with food safety accountability

Operating plan

The paid working owner oversees commercial activity, supplier approval, production release, staffing and cash. Two paid operators report directly to the owner. The model funds 40 hours per role weekly and does not assume free founder labour or volunteer cover. External food technologist, accountant and equipment service support are budgeted or require quotes.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

The owner needs competent cover for release decisions and incidents. Absence should reduce available capacity unless funded qualified replacement is agreed. Solid chart lines show internal reporting; dashed lines show external support, not an appointed team.

08 / PEOPLE

Owner and key personnel profiles

Competence remains to be demonstrated

Operating plan

No founder biography or qualifications have been supplied. Recruit or document competence in food hazard analysis, allergens, bake and cooling controls, packing, traceability and recall. The owner also needs credit control and retailer selling capability. These requirements are role criteria rather than invented personal experience.

Management decision

Before operations, collect references, training records and evidence of practical batch-control competence. Qualified advice supplements the owner but does not transfer the food business responsibility. Maintain a named incident contact and alternate release authority.

09 / MARKET

Target customers

Independent Manchester retailers

Operating plan

Target specialist grocers and independent food shops capable of stocking ambient breakfast products within practical consolidated delivery reach. Retailers need adequate remaining best-before life, clear product information and economics after their own costs. No retailer count, purchase intention or observed reorder rate has been established.

Management decision

Interview buyers about case sizes, acceptable delivered price, retailer margin, payment terms and returns. A consumer preference survey alone cannot establish wholesale demand. Record rejected terms and retailer sell-through alongside any trial orders.

10 / CUSTOMER STRATEGY

Segmentation targeting and positioning

Retail buyer fit before national distribution

Operating plan

Segment independent grocers, delicatessens, larger chains, online consumer buyers and contract manufacturing customers. The launch targets only the first two retailer segments. Large-chain listing fees, direct consumer fulfilment and co-packing requirements are excluded from the operating forecast.

Segments	Target	Position
Independent grocers, delicatessens, chains, direct consumers and co-pack buyers.	Only independent grocers and delicatessens within consolidated Manchester routes.	Clear allergens and traceable retailer supply. No health, cheapest or certification claim.

Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Position around traceable batches, clear allergens and reliable carton supply. These are proposed promises, not demonstrated superiority. Do not imply local ingredients, organic status, gluten-free suitability or health benefits without defensible evidence.

11 / CUSTOMER STRATEGY

Value proposition canvas

Retailer jobs and testable product promises

Operating plan

Retail buyers seek products that sell, arrive with correct labels and shelf life, and fit shelf and margin constraints. Their possible concerns include slow turnover, ambiguous allergens, case sizes and inconsistent delivery. Customer jobs and pains in the canvas are interview hypotheses rather than reported research findings.

Retailer jobs	Products and services
Stock a breakfast product that sells and fits shelf, margin and carton constraints.	Classic and almond granola; lot-labelled cartons, invoices and incident contact.
Pains to test	**Pain relievers**
Slow turnover, unclear allergens, short remaining shelf life and late deliveries.	Qualified labels, validated life, realistic order quantities and written credit terms.
Gains to test	**Gain creators**
Repeat purchasing, dependable release and sufficient margin after buyer costs.	Recorded trial feedback, reliable batch specification and transparent total prices.

Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Offer validated labels, lot identifiers, clear net wholesale prices and a documented complaint and credit process. Test pack sizes and buyer acceptance before a large print run. Do not guarantee sell-through or accept unlimited returns without repricing and funding their cost.

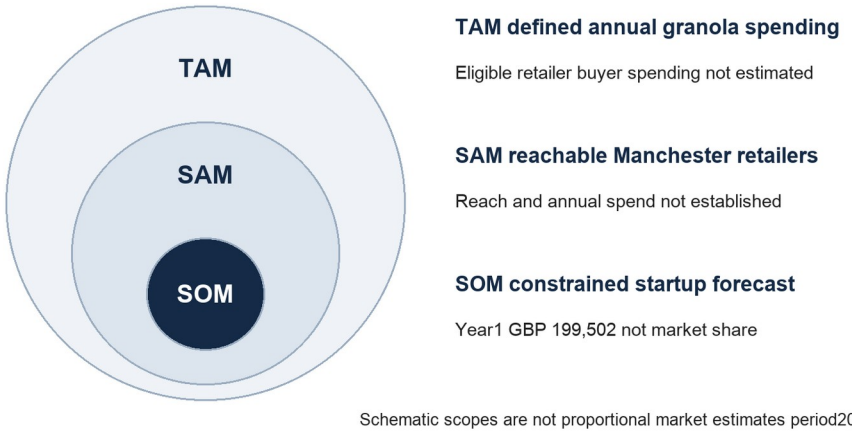
12 / MARKET

Market size and trends

Scope definitions without fabricated market totals

Operating plan

TAM is annual spending on defined packaged breakfast granola by eligible retailer buyers in the intended geography. SAM narrows to Manchester retailers within practical delivery and product fit. Neither annual spending total nor reachable retailer count has been independently established. SOM is the constrained forecast, not verified market share.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

The diagram is a scope schematic, not area-proportional market size. Obtain retailer counts, assortment data and buyer spend or purchase evidence before quantifying TAM and SAM. Do not divide a national cereal market total by population and call it local demand.

13 / MARKET CONTEXT

PESTLE analysis

Six external factors and management responses

Operating plan

Political and legal context includes local food registration and the national food information framework. Economic risk is ingredient, energy, pay and retailer credit costs. Social preferences about sugar, allergens and local products need direct evidence. Technological needs are validated processes, lot records and stock ageing.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Environmental decisions concern packaging, energy and measured waste. Policy context does not prove approval or demand. Recheck wage and tax rules before opening, and obtain qualified product classification and labelling advice. Each panel links an external issue to a practical response.

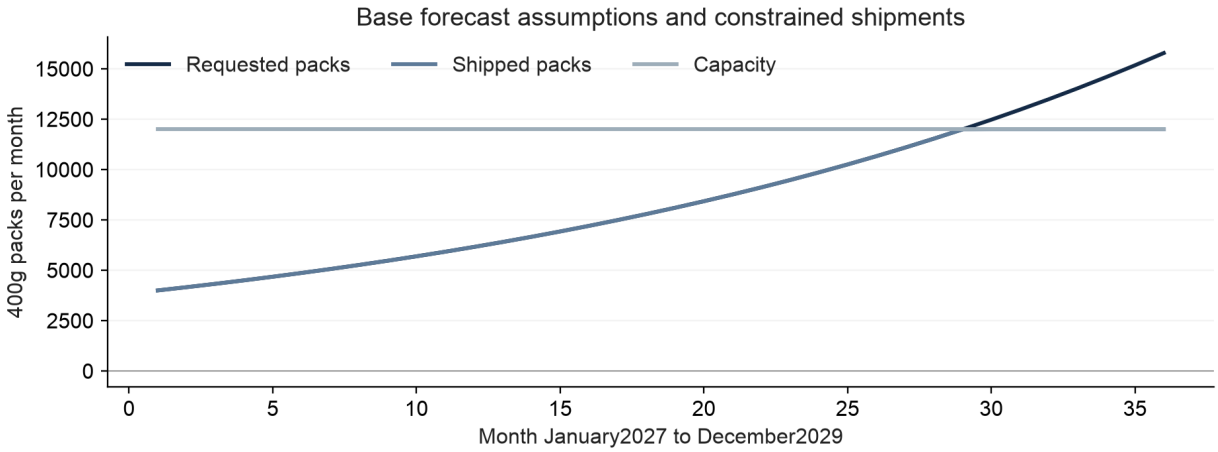
14 / MARKET

Local demand and evidence

Forecast requests are not observed orders

Operating plan

The Base opening request of 4,000 packs a month and 4% monthly growth are planning inputs. Demand evidence has not been collected. The model caps dispatch by production capacity and available unexpired raw stock; unfulfilled requests receive no invoice. The chart explicitly labels forecasts rather than observations.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

During paid preparation, sample prospective retailers and document price, carton, payment and return objections. Secure written trial orders and monitor sell-through before repeating production. A failed demand test should reduce requested volumes and delay procurement rather than be concealed by growth assumptions.

15 / MARKET

Competitors and positioning

Branded cereal and retailer alternatives

Operating plan

Relevant alternatives include established granola brands, retailer own-label products and other breakfast foods. Comparable local shelf prices and buyer delivered terms have not been collected. No competitor rating, price superiority or market-share claim is therefore presented.

Management decision

Collect dated product weight, recipe, allergen, pack, wholesale or retail price and promotion terms. A retail shelf price is not a wholesale quote and must not be compared directly with the proposed net manufacturer price. Preserve evidence rather than scoring competitors by intuition.

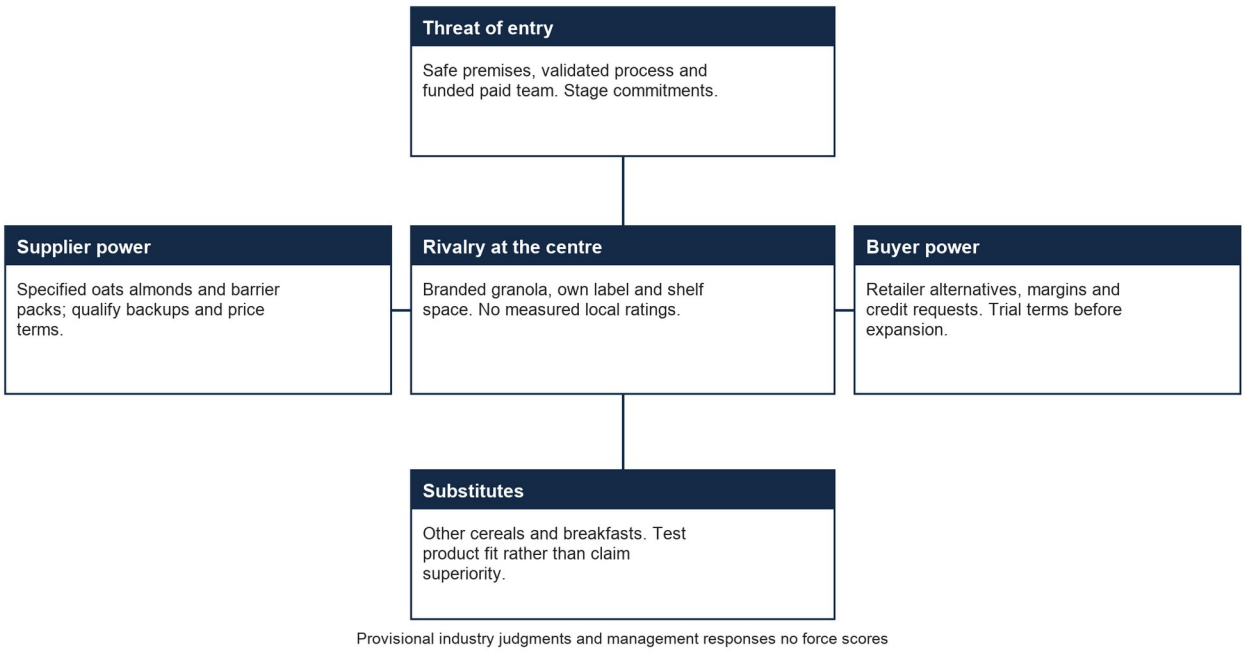
16 / COMPETITIVE STRATEGY

Porter five forces

Rivalry and four surrounding forces

Operating plan

Rivalry includes established granola and breakfast products competing for limited retailer shelf space. Supplier power arises from ingredient and packaging specifications and minimum orders. Buyer power includes listing alternatives and demands for credit or returns. Entry requires funded premises, safe processes and buyer access; substitutes include other breakfasts.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

These are provisional assessments with no measured force ratings. Responses are qualified backup sourcing, clear price and credit terms, narrow product scope and evidence before expansion. The centre diagram keeps rivalry distinct from the four surrounding forces.

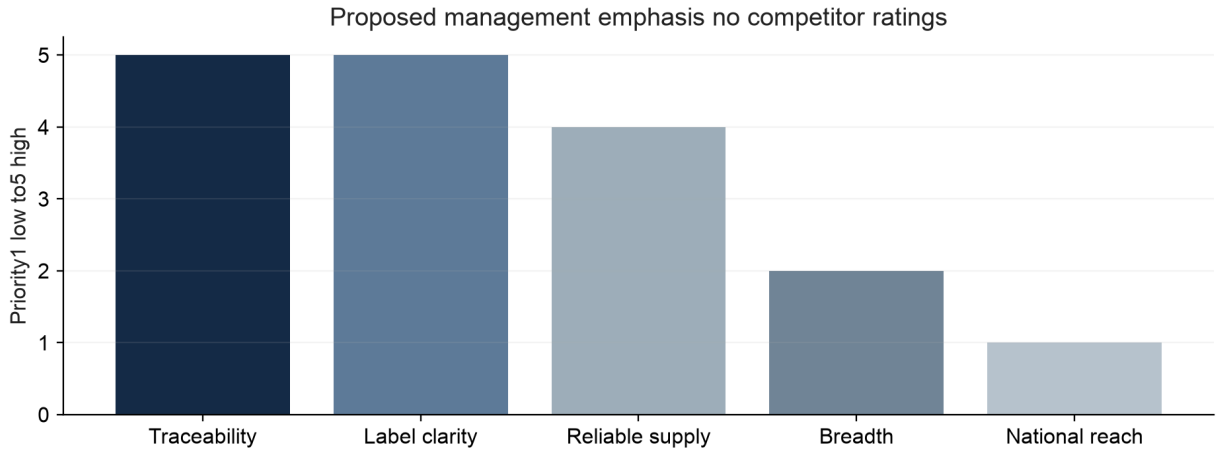
17 / COMPETITIVE STRATEGY

Strategy canvas

Management emphasis rather than competitor scores

Operating plan

The canvas displays the proposed relative emphasis on traceability, label clarity, retailer delivery reliability, breadth and national reach. It is a management design choice, not survey evidence or a competitor comparison. A small range and limited delivery area constrain the intended promise.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Validate whether buyers value those attributes and what they will pay. Lower product breadth is deliberate capacity discipline. Do not convert prioritisation scores into proof of competitive advantage or customer satisfaction.

18 / OPERATIONS

Location and premises

Suitable food production unit still to be found

Operating plan

No site is selected. Base net rent of GBP 2,500 monthly assumes a suitable unit with permitted use, utilities, drainage, food-safe surfaces, cleaning facilities, pest exclusion, dry ingredient storage and separated production and packing areas. Fitout is included in capital but not a contractor quote.

Management decision

Obtain lease terms, business rates treatment, utility capacity, fire and safety assessments and local food authority advice before commitment. The model rent envelope requires rates and service charges to fit within the quoted overhead or be updated. A lease deposit is a refundable asset, not rent expense.

19 / OPERATIONS

Equipment and resource plan

Baking cooling and packing bottleneck

Operating plan

Initial capital is a GBP 100,000 net planning allowance comprising GBP 60,000 process equipment, GBP 25,000 fitout and GBP 15,000 packing equipment. A GBP 20,000 packing upgrade is planned for month 25. One combined initial depreciation cohort is used; assets must be separated by actual useful life when invoices are available.

Capital planning allowance	Net GBP	Life months
Initial process equipment	60,000	Combined60
Initial fitout	25,000	Combined60
Initial packing	15,000	Combined60
Initial total	100,000	60
Month25 packing upgrade	20,000	36

Management decision

Validate electrical load, throughput, safe cooling and pack seal quality with suppliers and food advisers. The model limits output to 600 saleable packs per operating day in Base; this is not proven vendor capacity. The later upgrade has its own capped life and no assumed throughput increase.

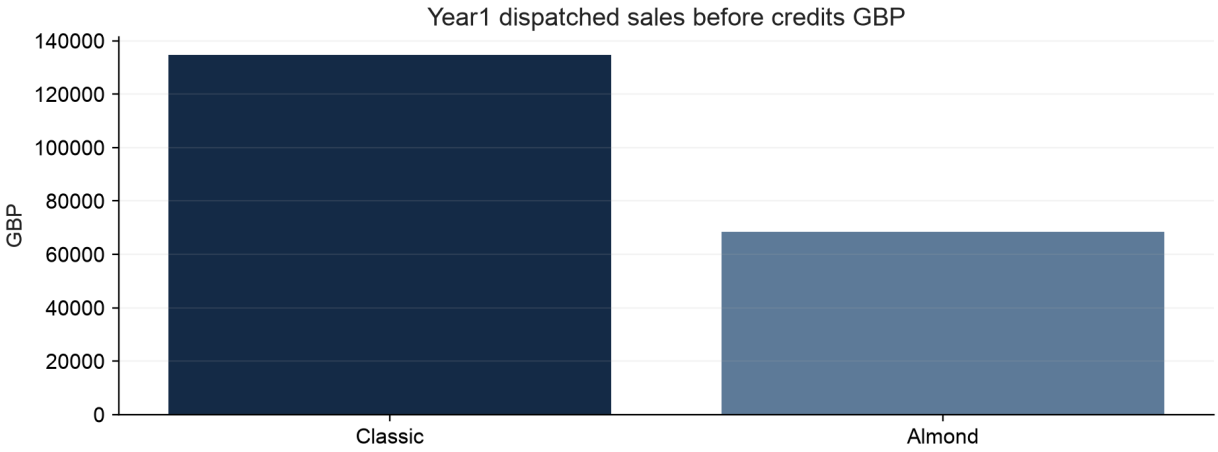
20 / OFFER

Granola product strategy

Classic and almond granola only

Operating plan

Both proposed products are breakfast granola sold in 400g sealed pouches. Classic uses oats, syrup, oil, seeds and spice; almond adds tree nuts. Exact recipes and ingredient declarations are not final. Oats and almonds require allergen emphasis and cross-contact controls. There is no gluten-free or nut-free claim.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Validate formulation, bake parameters, cooling, moisture or water activity, packaging barrier and target six-month best-before. This target is not a statutory shelf life. Production cannot begin safely on an unvalidated recipe or assumption about ambient storage.

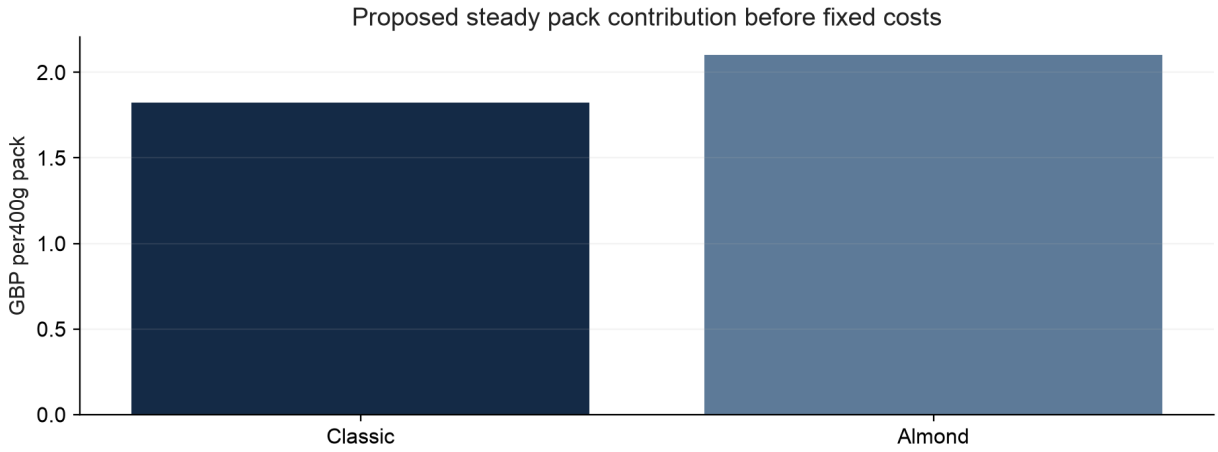
21 / OFFER

Pricing and order economics

Net wholesale prices and cost per pack

Operating plan

Base wholesale prices are GBP 3.20 classic and GBP 3.80 almond, with 70/30 mix. Blended raw ingredient cost is GBP 0.87 and packaging GBP 0.32 per input pack equivalent, before 3% process loss. Distribution is GBP 0.18 per shipped pack. Returned sales are credited next month and the food is destroyed.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Prices are proposals, not collected buyer quotes. Contribution excludes paid staff, overhead, depreciation, interest, stock expiry and payment timing. Zero-rated food sales still require registration and recoverable input VAT review. Avoid treating revenue growth as proof of attractive cash conversion.

22 / OFFER

Competitor price comparison

Comparable prices remain unavailable

Operating plan

The proposed price table identifies pack weight and wholesale basis. No comparable competitor wholesale quotation has been obtained. Retail shelf prices include retailer economics and cannot validate the factory selling price. No cheapest or premium-price ranking is claimed.

400g product	Wholesale net GBP	Observed comparable quote
Classic	3.20	Not collected
Almond	3.80	Not collected

Management decision

Gather dated like-for-like product and delivered terms including carton quantities, promotional credits and payment period. Reprice the forecast if buyer terms differ. Keep absent evidence explicit instead of inventing a competitor comparison.

23 / OFFER

Brand and customer experience

Clear packs and dependable retailer service

Operating plan

The proposed brand uses plain product naming, legible ingredients and allergens, lot code and validated best-before information. Retailer service includes written price, case size, delivery window and incident contact. Brand identity is a proposal and trade-name or trademark clearance remains outstanding.

Management decision

Do not use unsubstantiated nutritional, environmental, origin or certification claims. Complaints need traceable lot and retailer information, prompt quarantine assessment and documented credits. A safety complaint must escalate beyond routine marketing or customer service.

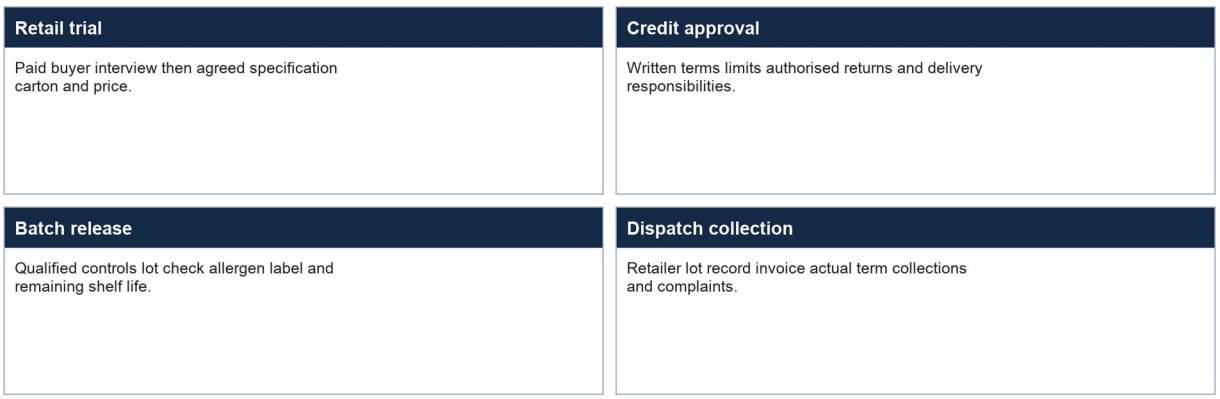
24 / GROWTH

Sales channels and process

Single B 2B stock and invoice pool

Operating plan

The owner sells directly to independent shops through paid buyer outreach and trial cartons. Orders move through credit approval, batch planning, release, dispatch, invoice and collection. No national distributor, direct consumer site, subscription channel or co-pack contract is included. All sales draw the same production capacity.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Set account limits, payment terms and authorised returns in writing. New retailers should receive conservative terms until payment behaviour is known. The model credits a percentage next month; actual disputes can take longer and should be separately assessed.

25 / GROWTH

Launch marketing

Paid buyer sampling during preparation

Operating plan

Base preopening nonpay expense includes GBP 3,000 launch marketing within GBP 22,000 setup. Monthly operating overhead includes GBP 700 ongoing marketing. Sampling, design and outreach require recorded spend and paid owner time. No free agency services, influencer promises or guaranteed acquisition rate are assumed.

Management decision

Measure retailer replies, trial orders, repeat orders and contribution after sampling cost. Samples consume actual ingredients and capacity; the setup QA and marketing envelope must cover trial batches before opening, then revise operating costs if ongoing samples exceed the budget.

26 / GROWTH

Retention and ongoing sales

Reorders supported by sell-through evidence

Operating plan

Retailer retention depends on consumer sell-through, pack consistency, remaining shelf life and delivery reliability. The model requested-volume growth is an assumption and does not independently estimate acquisition and churn. Reorders should be monitored by account and SKU with overdue balances and credited returns.

Management decision

Do not reward volume that leads to expired retailer stock or unpaid invoices. Ask buyers for sell-through and end-stock data before increasing orders. Formalise authorised credits and investigate root causes in label, product, logistics or overstocking.

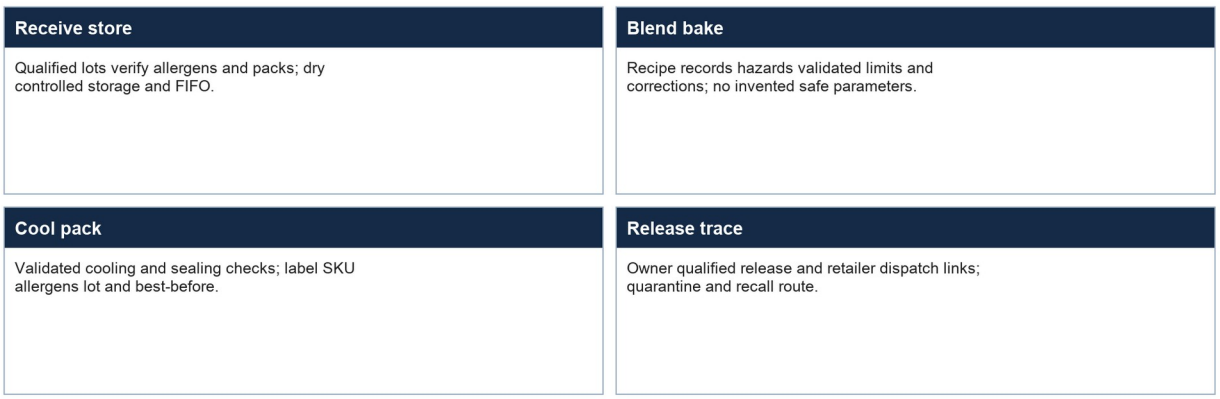
27 / OPERATIONS

Daily operations and suppliers

Qualified supply and batch release

Operating plan

Receive and inspect approved supplier lots, confirm ingredients and allergens, store dry within validated specifications, weigh and blend, bake, cool, pack, label and release each batch. Record ingredient-to-finished-lot links and retailer dispatch links. Forecast raw orders are placed one month before arrival; invoices arise only when received.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

HACCP must determine hazards, limits, monitoring, corrections and verification. Do not invent a bake kill step or a safe temperature threshold. Lot segregation, cleaning and nut scheduling require validated controls. The model uses conservative raw expiry and no finished closing stock; actual FEFO records remain necessary.

28 / OPERATIONS

Sustainability practices

Measure waste and packaging before claims

Operating plan

Track raw expiry, process loss, returned food, energy and packaging by batch. The model expenses unused expired raw lots and process loss; returned food is never assumed resalable. Composite raw equivalents are a financial simplification and do not replace component-level inventory or waste records.

Management decision

Select packaging that meets product protection and handling requirements before promising recyclability. Record disposal through appropriate contractors. No quantified carbon saving or circular-product claim is made; reducing waste cannot compromise food safety or allergen controls.

29 / OPERATIONS

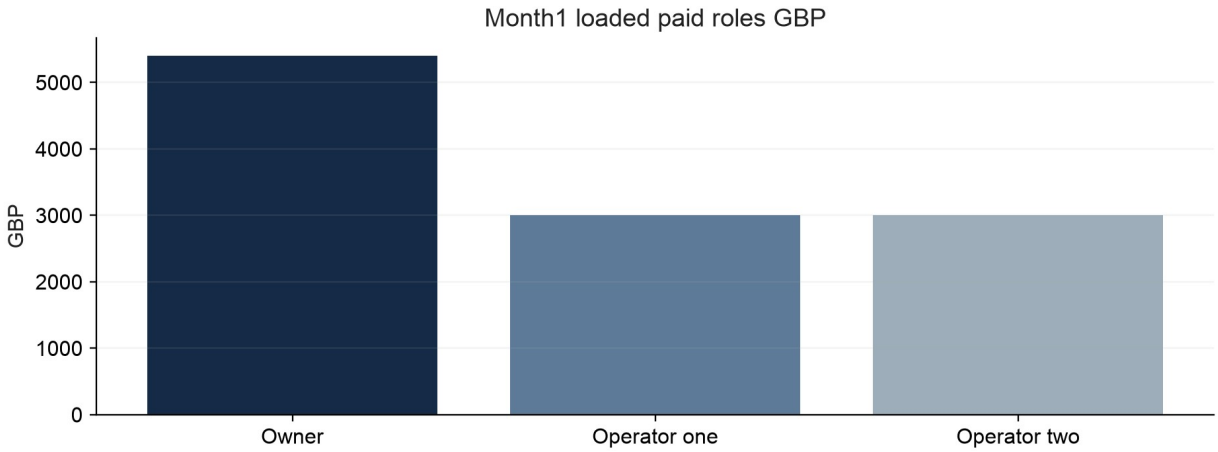
Staffing and training

Three paid full time roles

Operating plan

Base operating staff comprise the owner at GBP 4,500 gross monthly and two operators at GBP 2,500 each, plus 20% employer loading. Each role assumes 40 paid hours weekly. The owner receives three paid preparation months and operators one paid month before opening. Pay continues during low or zero demand.

Paid role	Gross monthly GBP	Loaded monthly GBP
Owner	4,500	5,400
Two operators	5,000	6,000
Total	9,500	11,400



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

Training covers allergens, hygiene, lot records, recipe controls, equipment safety, incident escalation and practical packing checks. Operator pay implies GBP 14.42 per hour initially, above the April 2026 age 21+ floor of GBP 12.71; recheck future statutory rates and actual employer costs.

30 / PEOPLE

Staff skills and fair work

Competent operators and funded cover

Operating plan

Recruit against practical food manufacturing and traceability skills. Verify right to work, contracts, paid holiday, breaks, training, safe work and payroll arrangements. Employer loading is a cost allowance requiring payroll calculation; it is not a substitute for specific legal obligations.

Management decision

Budgeted output assumes one weekday shift with two operators and a paid owner. Absence, training and cleaning constrain throughput. Do not use unpaid overtime to meet requests; lower capacity or secure qualified paid cover and update the forecast.

31 / OPERATIONS

Legal and insurance requirements

Registration labelling and product risk

Operating plan

Register the food business with the local authority at least 28 days before food operations, including preparation involving food. Use a competent HACCP-based system, appropriate full prepacked labels, allergens, traceability and recall arrangements. This retailer-supply product is prepacked; PPDS rules alone do not cover its label obligations.

Management decision

Confirm all food information, nutrition and quantity requirements with qualified advisers. Obtain employer, public and product liability and appropriate recall/interruption quotes. No registration, inspection rating, certification or insurance cover is claimed. Model insurance GBP 400 monthly is an estimate.

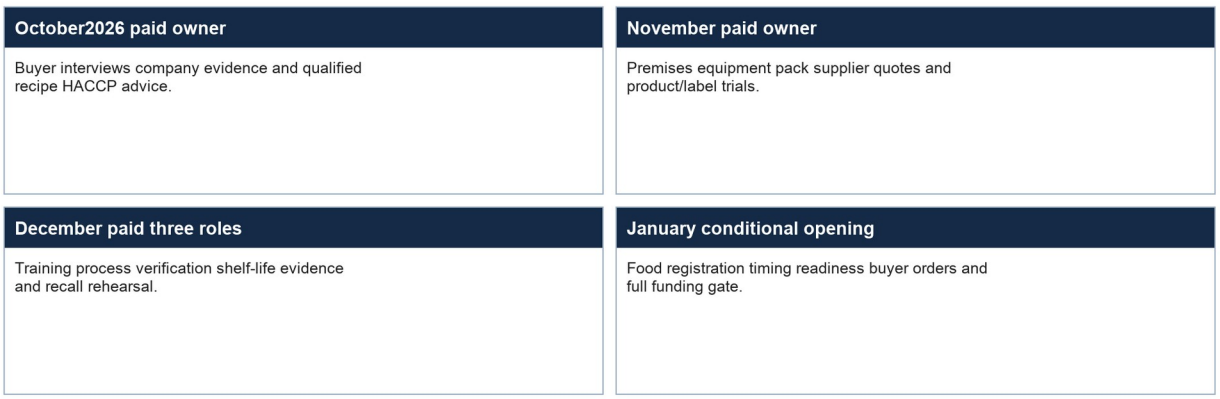
32 / OPERATIONS

Opening roadmap

Paid preparation with gated January opening

Operating plan

Base owner preparation begins October 2026, funded from equity before commitments. October focuses on company, buyer interviews and qualified product/HACCP advice; November on premises and suppliers, trials and labels; December on operator induction, process verification and recall rehearsal. Food registration must precede food operations by the required interval.



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Management decision

January 2027 is conditional, not guaranteed. Delay if food validation, trained staff, premises, insurance, buyer evidence or funding is incomplete. Downside pays four preparation months; a longer delay requires additional explicit payroll and rent funding rather than uncosted preparation.

33 / MANAGEMENT

Risks and management actions

Food safety cash and execution priorities

Operating plan

Principal risks are unsafe or mislabelled food, unvalidated shelf life, failed buyer acceptance, raw expiry, equipment interruption, late payment and insufficient funding. Safety incidents require quarantine, traceability assessment, appropriate notification and recall action rather than routine returns processing.

Management decision

Track rejection/waste, returned credits, overdue invoices, cash and throughput weekly. Set release gates before launch and cap retailer exposure. The owner must preserve funds for qualified corrective action; borrowing and demand forecasts cannot replace validated food controls.

34 / APPENDIX A

Research and evidence

Official context and missing commercial evidence

Operating plan

Sources distinguish official registration, HACCP, allergen, VAT, tax and wage context from management inputs. Official guidance was checked 3 October 2026. None of these sources establishes this company readiness, safe shelf life, Manchester retailer demand or actual supplier pricing.

ID	Official source	Use and limits
R1	FSA food business registration	Register at least 28 days before food operations; no registration claimed. Reviewed 3 October 2026.
R2	FSA MyHACCP	Small manufacturer hazard analysis and management system. Process parameters require validation, not assumed safety.
R3	FSA allergen guidance	Prepacked retailer supply, full ingredient and allergen controls; oats and almonds. No gluten-free claim.
R4	HMRC VAT Notice 701/14	Ordinary breakfast granola planning classification zero-rated; not cereal bars or confectionery. Packaging and equipment VAT assumed 20%. Accountant must confirm.
R5	HMRC corporation tax rates	19% small profits and 25% main rate with thresholds and marginal relief. Model uses conservative 25% positive monthly profit cash reserve, excludes losses and capital allowances; not filing forecast.
R6	National Minimum Wage 2026	Age 21+ floor GBP12.71 from April 2026. Operator gross GBP2500 at 40 hours/week implies GBP14.42 hourly. Future rates must be rechecked.
R7	FSA food labelling consumer guidance	Best before concerns quality whereas use by concerns safety. Six month best-before target requires product and packaging validation; not a statutory shelf-life.

Management decision

Before acceptance of commercial assumptions obtain dated buyer trials, ingredient and pack quotes, facility and equipment specifications, qualified HACCP/shelf-life/label advice, payroll estimates and financing offers. Record evidence against the relevant input and revise any unsupported rate.

R1 https://register.food.gov.uk/new

R2 https://myhaccp.food.gov.uk/

R3 https://www.food.gov.uk/business-guidance/allergen-guidance-for-food-businesses

R4 https://www.gov.uk/guidance/food-products-and-vat-notice-70114

R5 https://www.gov.uk/corporation-tax-rates

R6 https://www.gov.uk/government/publications/the-national-minimum-wage-in-2026/the-national-minimum-wage-in-2026

R7 https://www.food.gov.uk/our-work/chapter-4-informing-consumers-latest-developments-in-food-labelling-and-information

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Quotes and assumptions

No supplier retailer site or funding offer

Operating plan

All price, cost, capital, rent, output, demand, loss and payment inputs are planning assumptions. There are no supplied supplier quotes, customer contracts, safe-process approvals, founder credentials or financing agreements. The model references were inspected for structure and deliberately rebuilt for this startup.

Management decision

Keep quote date, scope, VAT, delivery, installation and payment conditions. A manufacturer claim about machine capacity does not validate safe saleable throughput. Update both cases and Word when replacing an assumption, including preopening costs and paid delay time.

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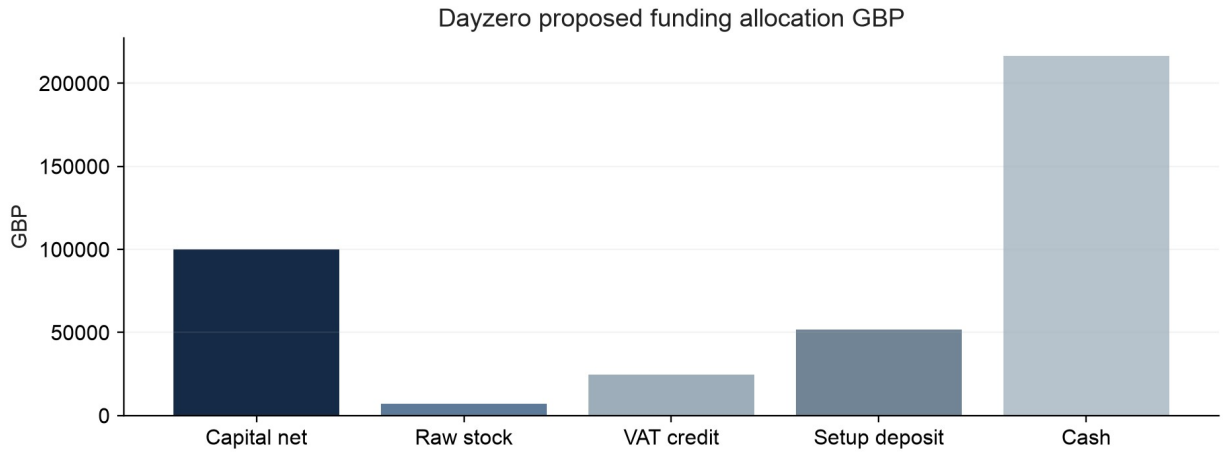
Startup costs and funding

Proposed capital and paid setup

Forecast basis

Base proposed funding is GBP 300,000 equity before preparation and GBP 100,000 term debt drawn at opening. Uses include GBP 100,000 net capital, 6,000 raw input equivalents, input VAT credit, paid owner and operators, GBP 22,000 net nonpay setup and GBP 7,500 refundable lease deposit.

Funding and requirement	GBP
Proposed equity	300,000
Proposed opening debt	100,000
Total proposed funding	400,000
Cash uses	183,624
Opening cash	216,376
Preopening equity residual	116,376
Base minimum cash	(20,465)
Base reserve funding gap	70,465



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Interpretation and limits

Neither equity nor debt is committed. Preopening equity residual must cover preparation before the January draw. VAT credit remains an asset with no assumed cash refund. Minimum forecast cash and reserve gaps show whether further cash is needed; do not count a proposed facility as secured cash.

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Itemized startup costs

Separate cash uses expenses and assets

Forecast basis

The startup schedule separates capital, ingredient and packaging stock, VAT credit, salaries, nonpay setup and refundable deposit. Paid owner preparation is GBP 16,200 loaded across three months; two operators cost GBP 6,000 loaded for December. Total paid preparation is GBP 22,200, included in the opening retained loss.

Use before operations	GBP
Initial capital net	100,000
Opening raw ingredients net	5,220
Opening packaging net	1,920
Opening recoverable VAT	24,784
Owner preparation loaded paid	16,200
Operators preparation loaded paid	6,000
Preopening nonpay net	22,000
Lease deposit	7,500
Cash uses before operations	183,624
Opening cash	216,376

Interpretation and limits

Nonpay GBP 22,000 includes rent 7,500, qualified QA and trials 8,000, legal and setup 3,500 and marketing 3,000. These are envelopes, not supplier quotes. Capital and stock are assets; setup is expense; VAT and deposit are separate assets. Reconcile real invoices before release.

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Owner personal survival budget

Owner income and household cash

Forecast basis

Base owner gross pay is GBP 4,500 monthly and paid from preparation onward. Assumed household take-home is 65% of gross, GBP 2,925, against GBP 2,700 household costs, leaving GBP 225. This net ratio is a personal planning assumption rather than a tax computation; household costs have not been supplied.

Monthly assumption	GBP
Gross salary	4,500
Net65% assumption	2,925
Household costs	2,700
Surplus	225

Interpretation and limits

The owner must validate personal tax, pension, rent, living costs and any funding contribution independently. No free early labour or household loan is assumed. Business equity must be available before October preparation, without diverting the household reserve used for survival.

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Financing terms and security

Uncommitted opening term loan

Forecast basis

Base assumes GBP 100,000 debt at 8% annual interest on opening monthly principal, six interest-only months and then 60 equal monthly principal instalments. It draws at opening only, after preparation equity has funded earlier costs. The model carries residual principal beyond December 2029 and does not invent a horizon balloon.

Proposed term	Base assumption
Principal	GBP100,000
Interest	8% annually opening monthly debt
Interest only	6 months
Amortisation	60 instalments GBP1,667
December2029 residual	GBP50,000 no horizon balloon
Approval security fees	Unknown obtain lender offer

Interpretation and limits

Lender security, guarantees, covenants, arrangement fees and offer remain unknown. Obtain terms and rerun if fees or repayment differ. Cash gaps cannot be solved by silently extending debt. No revolver or automatic rescue funding is built into the forecast.

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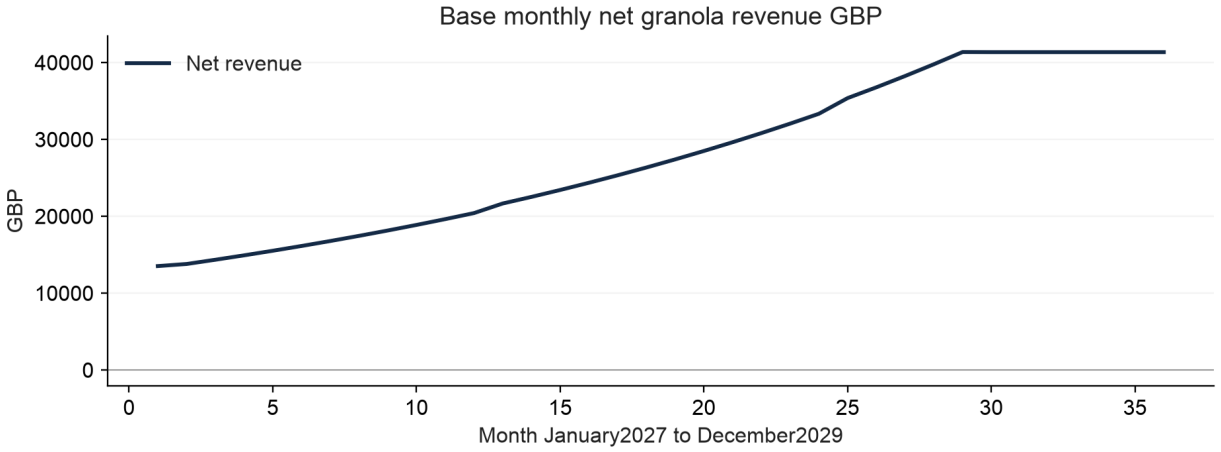
Revenue forecast and capacity

Requests constrained by production and raw stock

Forecast basis

Requested packs start 4,000 monthly in Base, grow 4% monthly and are constrained by 600 packs/day over 20 production days. Raw inputs consumed are limited to available unexpired stock; process loss 3% reduces saleable output. Shipments generate invoices, and prior sales returns 2% create next-month credits.

Forecast GBP	Year1	Year2	Year3
Net revenue	199,502	325,381	481,032



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Interpretation and limits

Two SKUs split 70/30 and annual prices rise 2%. No realised orders support the ramp yet. The capacity ceiling and purchase lead time prevent forecasts from charging unfulfilled requests. Test buyer demand and validated production before using this plan to procure a larger line.

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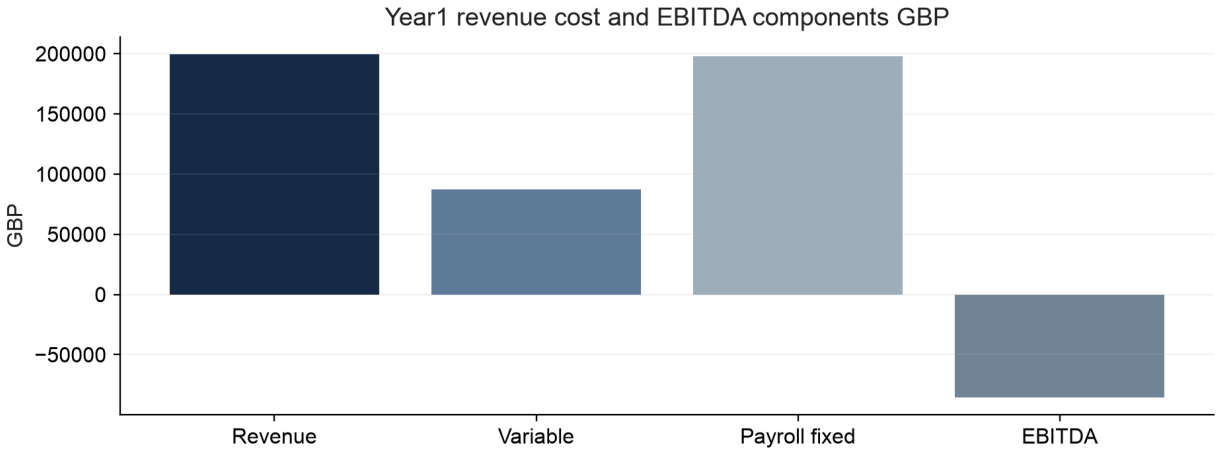
Costs and projected profit

Ingredients packaging loss pay and overhead

Forecast basis

Costs use actual consumed raw lot costs, expired lot write-offs, per-pack distribution, paid staff and fixed overhead. Inputs have 3% annual cost inflation in Base. Recipe packaging is counted once; process waste costs remain in consumed inputs. Returned food produces a revenue credit without a resale recovery asset.

Forecast GBP	Year1	Year2	Year3
Revenue	199,502	325,381	481,032
Variable	87,038	139,281	208,095
Paid payroll	136,800	140,904	145,131
Fixed overhead	61,200	63,036	64,927
EBITDA	(85,536)	(17,840)	62,879



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Interpretation and limits

Profit and cash differ because raw orders arrive ahead of consumption, customers and suppliers settle invoices by term, VAT credits are not refunded, depreciation is noncash and principal is cash financing. Judge margin alongside liquidity, not revenue alone.

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Profit and loss forecast

Linked income statement with explicit assumptions

Forecast basis

The statement recognises net dispatched sales after actual next-month credits, consumed and expired materials, delivery, paid payroll, overhead, capped depreciation and loan interest. Tax is a conservative 25% reserve on positive monthly profit before tax, paid immediately in the model.

Forecast GBP	Year1	Year2	Year3
Net revenue	199,502	325,381	481,032
Variable costs	87,038	139,281	208,095
Gross contribution	112,464	186,100	272,937
Paid payroll	136,800	140,904	145,131
Fixed overhead	61,200	63,036	64,927
EBITDA	**(85,536)**	**(17,840)**	**62,879**
Depreciation	20,000	20,000	26,667
Operating profit	**(105,536)**	**(37,840)**	**36,212**
Interest	7,833	6,467	4,867
Profit before tax	(113,369)	(44,306)	31,345
Tax reserve	—	—	7,836
Net profit	**(113,369)**	**(44,306)**	**23,509**

Interpretation and limits

This tax reserve omits loss relief, capital allowances, marginal relief and statutory payment timing. It can overstate tax and understate cash and is not a filing computation. The actual company accountant must build statutory tax from approved records before reliance.

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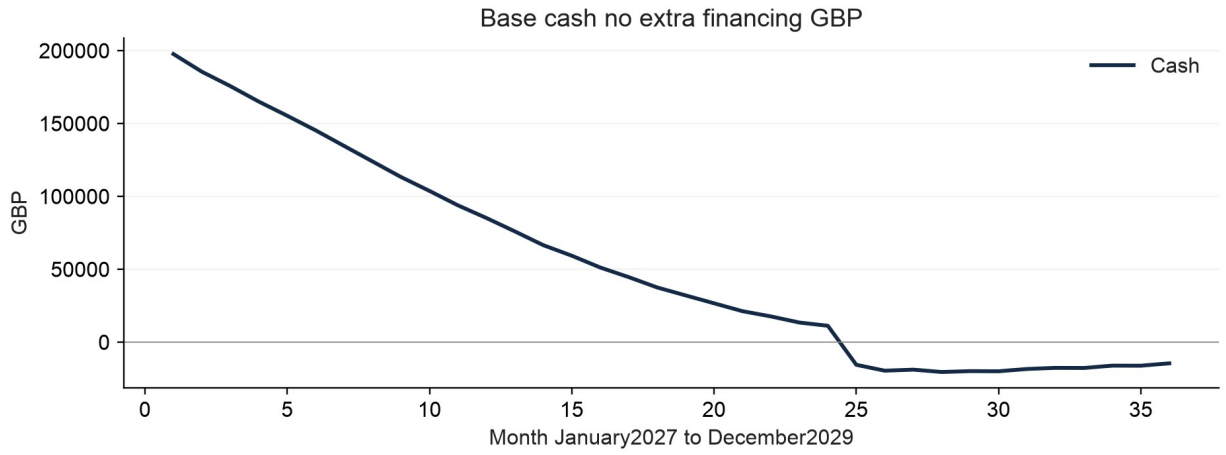
Cash flow and financial position

Direct collections and cash obligations

Forecast basis

Customer cash equals opening receivables plus current dispatch invoices minus current prior-sale credits and closing receivables. Supplier cash similarly uses arrived gross invoice cohorts. Payroll, gross overhead and distribution, interest, tax reserve, capital and principal are paid separately.

Cash measure	GBP
Opening	216,376
Base minimum	(20,465)
Base below zero funding	20,465
Year3 closing	(14,530)



Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Interpretation and limits

Closing cash flows directly into the balance sheet. Inventory, VAT credits, deposits and asset book values explain noncash balances. Negative cash is unfunded need, not a booked overdraft. The reserve target is a management liquidity threshold, not a lender commitment.

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Cash flow forecast months one to six

January to June 2027 cash forecast

Forecast basis

The first-six-month table shows the full direct cash build, starting with funded opening cash and then retailer receipts, raw suppliers, payroll, overhead/distribution, interest, tax and capital. Interest-only debt does not eliminate monthly interest. No sales collection is assumed before invoices and their term.

Cash flow GBP	M01	M02	M03	M04	M05	M06
Opening cash	**216,376**	**197,659**	**185,516**	**175,658**	**165,026**	**155,311**
Retailer receipts	436	11,959	15,106	13,859	15,414	14,990
Raw suppliers gross	182	5,097	5,922	5,413	6,012	5,854
Payroll	11,400	11,400	11,400	11,400	11,400	11,400
Fixed delivery gross	6,904	6,939	6,975	7,012	7,051	7,091
Interest	667	667	667	667	667	667
Tax reserve	—	—	—	—	—	—
Operating cash	(18,717)	(12,143)	(9,858)	(10,632)	(9,715)	(10,022)
Capex gross	—	—	—	—	—	—
Principal	—	—	—	—	—	—
Net cash change	**(18,717)**	**(12,143)**	**(9,858)**	**(10,632)**	**(9,715)**	**(10,022)**
Closing cash	**197,659**	**185,516**	**175,658**	**165,026**	**155,311**	**145,289**

Interpretation and limits

Compare receivables and supplier terms with the working-capital schedule. Opening raw inventory and preordered January arrival are separate uses; neither can be counted as free material. No VAT cash refund finances these first months.

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Cash flow forecast months seven to twelve

July to December 2027 cash forecast

Forecast basis

Principal repayment begins month 7 after the six-month interest-only period. The table follows the same direct cash method and actual invoice ageing used in all 36 months. Increasing sales can still use cash through stock orders, customer credit and unrefunded input VAT.

Cash flow GBP	M07	M08	M09	M10	M11	M12
Opening cash	**145,289**	**134,592**	**123,928**	**113,271**	**103,740**	**93,847**
Retailer receipts	16,672	16,787	16,862	18,754	18,238	20,284
Raw suppliers gross	6,503	6,552	6,585	7,314	7,123	7,911
Payroll	11,400	11,400	11,400	11,400	11,400	11,400
Fixed delivery gross	7,133	7,177	7,222	7,270	7,319	7,370
Interest	667	656	644	633	622	611
Tax reserve	—	—	—	—	—	—
Operating cash	(9,030)	(8,997)	(8,991)	(7,864)	(8,226)	(7,008)
Capex gross	—	—	—	—	—	—
Principal	1,667	1,667	1,667	1,667	1,667	1,667
Net cash change	**(10,697)**	**(10,664)**	**(10,657)**	**(9,530)**	**(9,893)**	**(8,675)**
Closing cash	**134,592**	**123,928**	**113,271**	**103,740**	**93,847**	**85,172**

Interpretation and limits

Changes in repayment, credit days, process loss or returns must update the whole forecast and narrative together. Annual cash totals should not hide an earlier monthly funding deficit. Opening and closing balances are stocks, not summed annual flows.

Financial position summary

Assets liabilities and equity at year end

Forecast basis

Balance sheets contain cash, retailer receivables after issued credits, FIFO raw stock, VAT credit, lease deposit and fixed assets. Liabilities are gross ingredient/packaging payables and term debt. Equity comprises paid funding and retained earnings beginning with the paid preopening loss.

Yearend balance GBP	Year1	Year2	Year3
Cash	85,172	11,236	(14,530)
Net receivables	20,142	32,893	40,837
Raw inventory	5,104	5,257	5,414
VAT credit	42,217	63,943	95,007
Lease deposit	7,500	7,500	7,500
Fixed assets	80,000	60,000	53,333
Total assets	**240,135**	**180,829**	**187,561**
Gross payables	7,704	12,704	15,927
Debt	90,000	70,000	50,000
Total liabilities	**97,704**	**82,704**	**65,927**
Equity paid	300,000	300,000	300,000
Retained earnings	(157,569)	(201,875)	(178,366)
Total equity	**142,431**	**98,125**	**121,634**
Liabilities plus equity	**240,135**	**180,829**	**187,561**
Balance difference	—	—	—

Interpretation and limits

All 36 monthly balances reconcile within GBP 0.01. No balancing cash, undocumented goodwill, expected refund receivable or deferred founder salary is used. Input VAT recovery and inventory simplification require validation and more detailed statutory records.

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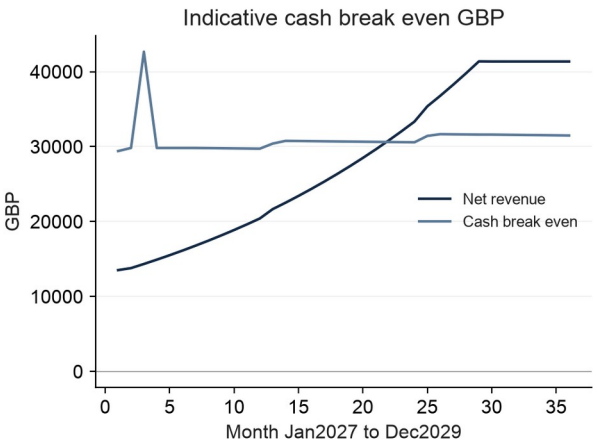
Break even and scenarios

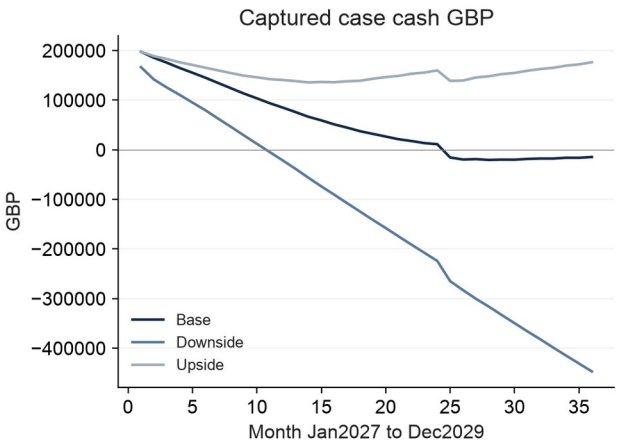
Captured cases and liquidity gaps

Forecast basis

Base, Downside and Upside change the same live inputs and schedules. Downside reduces demand and capacity, raises waste, returns and costs and extends customer payment. Upside raises demand and prices with lower waste. Captured outputs are dated and flag stale after any driver edit.

Captured case	Minimum cash GBP	Reserve gap GBP
Base	(20,465)	70,465
Downside	(446,926)	521,926
Upside	135,786	—





Planning diagram or forecast from retained code and model version 1.0. Evidence limits are stated in this section.

Interpretation and limits

Cash break-even is indicative operating sales before depreciation, tax, growth capital and raw stocking/settlement timing. Zero sales makes this measure unavailable. A higher-growth case can require more cash; do not treat Upside as a guaranteed funding solution.

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Model guide and completion

One live forecast and retained source

Forecast basis

Inputs case selector 1/2/3 drives all monthly schedules. Summary links the finished statement outputs; Cases stores dated snapshots and a freshness control. Production limits shipping; Inventory tracks 37 FIFO lots; AssetsDebt separates original and later asset lives; WorkingCapital ages actual invoice cohorts.

Interpretation and limits

Retained JavaScript regenerates the workbook and model-results.json; document and chart code integrates those results. The final package requires all-sheet and all-page visual review, saved-import and native recalculation, meaningful stresses and independent arithmetic. No website publication is included.