Hedge Fund Business Plan

Alder Quay | London

DOCUMENT GUIDE

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Proposed London professional fund manager | 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

Alder Quay Investment Management is a proposed London manager of a professional-only UK unauthorised unit trust pursuing liquid European equities with purchased protective options and cash. This is a conditional business plan for prospective founders and professional funders, not an invitation to invest. No permissions, investment history, seed commitment, supplier quote or founder credential is supplied.

The launch decision requires counsel to confirm the structure, full-scope external AIFM permissions, lawful professional-only marketing, an eligible depositary, an independent administrator and sufficient manager capital. Investor seed belongs to the fund; it cannot pay manager payroll. Proposed manager equity is GBP 2m, separate from GBP 15m investor seed. Base manager revenue is GBP 330,088 in 2027, with a GBP 329,414 loss. Base minimum cash is GBP 547,932; Downside requires GBP 726,092 additional capital to preserve its cash target. No funding is committed. Launch is not supported by investor demand evidence and must be withheld until legal and funding gates are met.

Launch gate	Evidence
Permissions	FCA decision and approved people
Fund structure	Trust deed tax counsel depositary and administrator
Investors	Lawful professional classification and paid seed
Manager finance	Paid equity and prudential funding through downside

02 / OVERVIEW

Business details

The proposed company is Alder Quay Investment Management Ltd; the name is an unregistered planning placeholder. A separate proposed Alder Quay European Equity Fund would be an unauthorised UK unit trust, with appointed trustee/depositary and independent administration. London is selected for access to the professional asset-management service ecosystem, not because a lease or client base exists.

Currency is GBP and the forecast covers January 2027 to December 2029. The manager proposes to opt into the full-scope UK AIFM regime even at small initial scale. Only managing this AIF is in scope; no segregated mandates, retail customers, client-money custody, crypto, private credit or cross-border distribution is assumed.

03 / OVERVIEW

Business concept and objectives

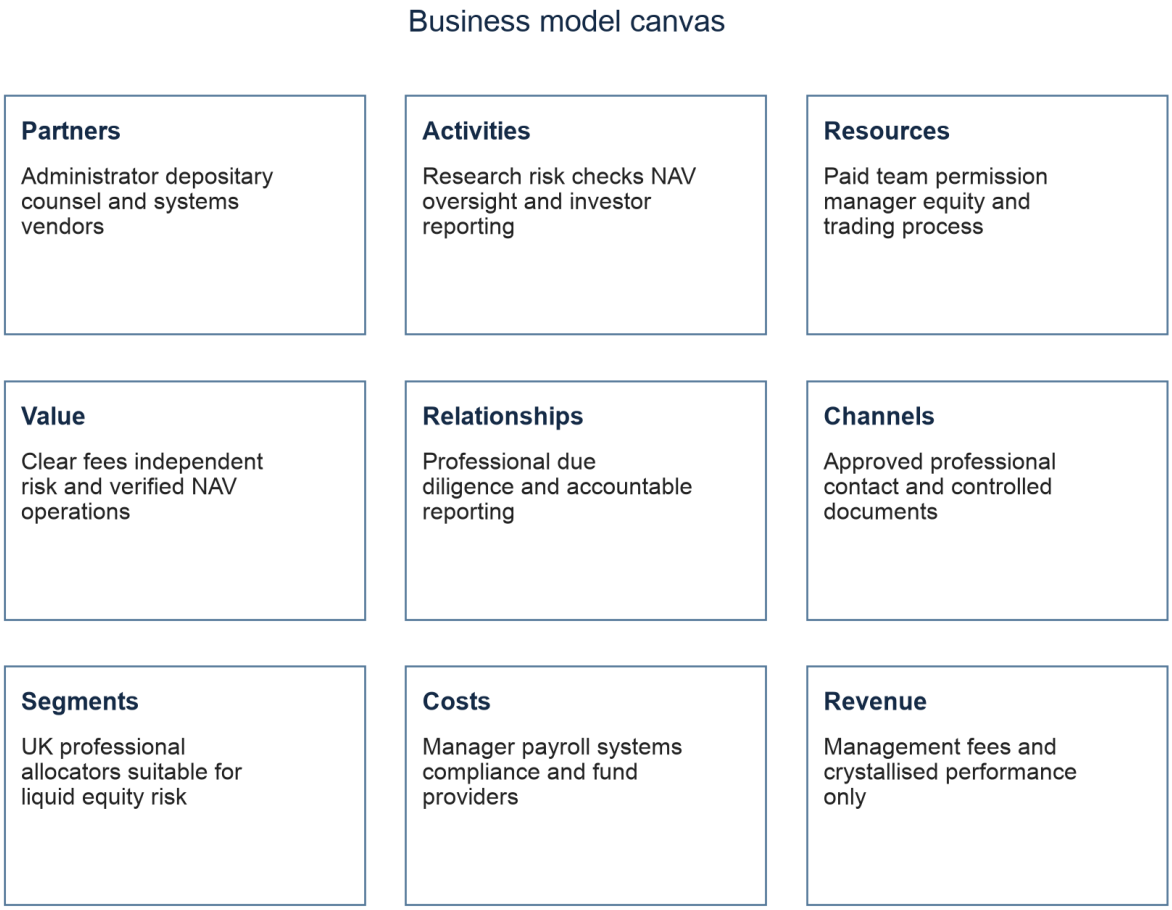
The proposed mandate holds liquid European listed equities, cash and purchased protective options. Gross exposure and issuer limits must be designed by the independent risk director and tested with real instrument data. The aggregate workbook is not a portfolio risk engine and cannot establish leverage, liquidity, diversification or option effectiveness. No borrowed cash or uncovered short sale is assumed.

The first objectives are permissions, an independently validated NAV process, tested redemption settlement and capital protection for the manager. A single inception subscription cohort avoids mixing investor high water marks. Further admissions require administrator-approved series or equalisation accounting and a revised model before they can be offered.

04 / STRATEGY

Business model canvas

Management fees are recurring income on opening investor net NAV. Performance fees become manager revenue only when crystallised annually or for redeemed units. Fund expenses and investment returns affect investors; they are not manager operating income. The nine blocks define a hypothesis to validate before any launch.



Proposed operating assumptions.

05 / STRATEGY

SWOT and longer term goals

A narrow liquid mandate and one fee class simplify the proposed operating controls. They do not demonstrate investment skill. Fixed manager payroll makes small seed scale vulnerable to fee shortfalls, redemptions and prolonged drawdowns.

Expansion is deferred until the manager can evidence lawful marketing, independently administered NAVs and adequate forward capital. No assets under management target should override a risk or capital gate.

SWOT planning hypotheses

Strengths S1 S2 Narrow liquid mandate and clear fund manager separation	**Weaknesses W1 W2** No track record or commitments and a fixed cost burden
Opportunities O1 Professional interest in transparent controls to test	**Threats T1 T2** Drawdowns redemptions provider costs and rule change

Proposed operating assumptions.

06 / STRATEGY

TOWS strategy matrix

S1 is the narrow liquid scope and S2 is clear entity separation. W1 is an absent track record and W2 is a fixed-cost burden. O1 is a possible professional allocator need for transparent downside controls; T1 is redemptions and T2 is regulatory change.

The actions link those hypotheses to paid testing, investor evidence and funding controls. They are management choices, not evidence of allocator demand.

TOWS actions

SO S1 O1

Owner tests mandate and disclosure with professional prospects

WO W1 O1

Risk director verifies operating tests before investor diligence

ST S2 T1

Board separates investor NAV and manager capital in monitoring

WT W2 T2

Board funds downside and verifies final law before release

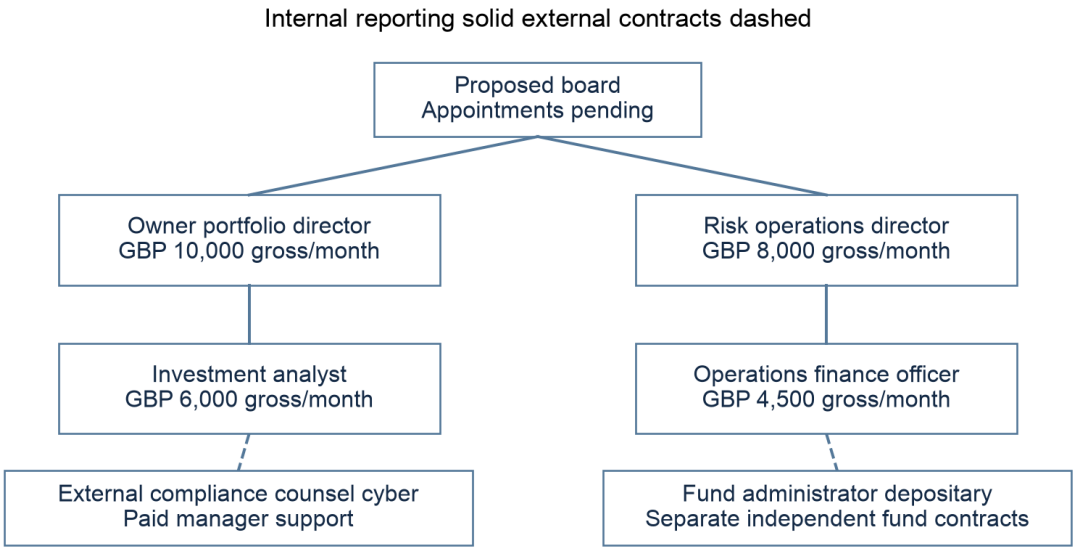
Proposed operating assumptions.

07 / PEOPLE

Owner and management

A paid working owner portfolio director leads investment decisions and manager strategy. A separately paid risk and operations director has direct board escalation and can block positions or launch. The investment analyst reports to the portfolio director; an operations and finance officer reports to the risk director.

The board must appoint suitable governance members before authorisation. External compliance, tax counsel and cyber specialists provide services; they do not replace internal responsibility. Fund administrator and depositary perform contracted independent fund functions and do not report as manager employees.



Proposed operating assumptions.

08 / PEOPLE

Owner and key personnel profiles

No CVs or track record are available. Required evidence includes investment and derivative competence for the portfolio director, independent market and liquidity risk experience for the risk director, research discipline for the analyst and NAV reconciliation competence for the officer. References, conflicts, fitness and role approval are gates.

Base gross monthly pay is GBP 10,000 owner, GBP 8,000 risk director, GBP 6,000 analyst and GBP 4,500 operations officer. A 20% employer allowance raises payroll from GBP 28,500 to GBP 34,200. This is a budget for NI, pension and benefits, not a statutory loading or compensation survey.

09 / MARKET

Target customers

Target UK professional institutional allocators and eligible professional family investment offices able to accept investment losses and conduct manager due diligence. Professional classification must follow the applicable rules; wealth or a large proposed ticket alone is insufficient.

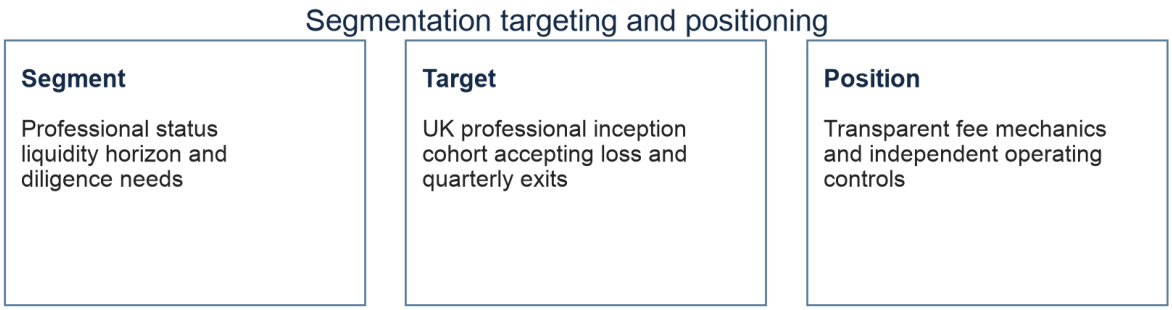
Exclude retail savers, pension members approached personally, advised individual consumers and foreign distribution without a separate legal analysis. A prospective investment committee must receive fund terms, fee examples, risk limits, valuation policy and a clear absence of investment history.

10 / MARKET

Segmentation targeting and positioning

Segment by professional status, liquidity need, operational due-diligence requirements and permitted strategy. Target an inception cohort whose investment horizon tolerates quarterly exits with advance notice. Position around transparent fund/manager economics and demonstrable operating controls.

No claim of alpha, capital preservation, superior diversification or verified low volatility is made. The proposition remains untested until actual allocators and independent service providers review it.



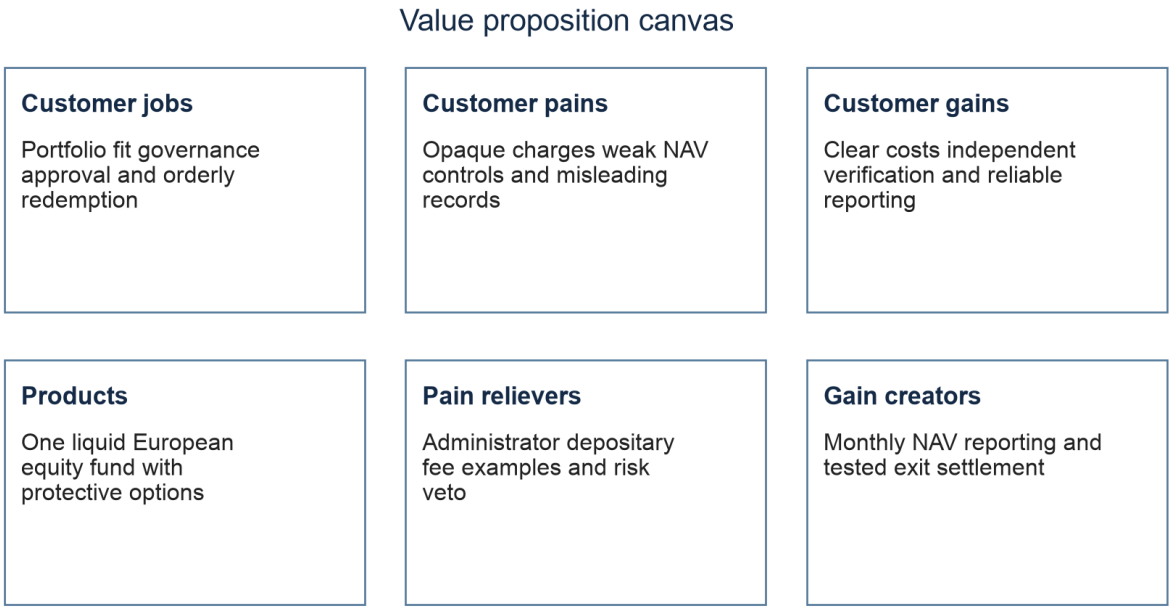
Proposed operating assumptions.

11 / MARKET

Value proposition canvas

The selected customer is a professional allocator evaluating a new liquid equity manager. Jobs include portfolio fit, governance approval and orderly access to capital. Pains include opaque fees, weak controls, unexplained drawdowns and unreliable NAVs.

Proposed independent administration, disclosed VAT-inclusive fee illustrations and accountable risk escalation address those concerns only after contracts and operating tests exist. Purchased options can lose premium and fail to offset the portfolio; they do not create a capital guarantee.



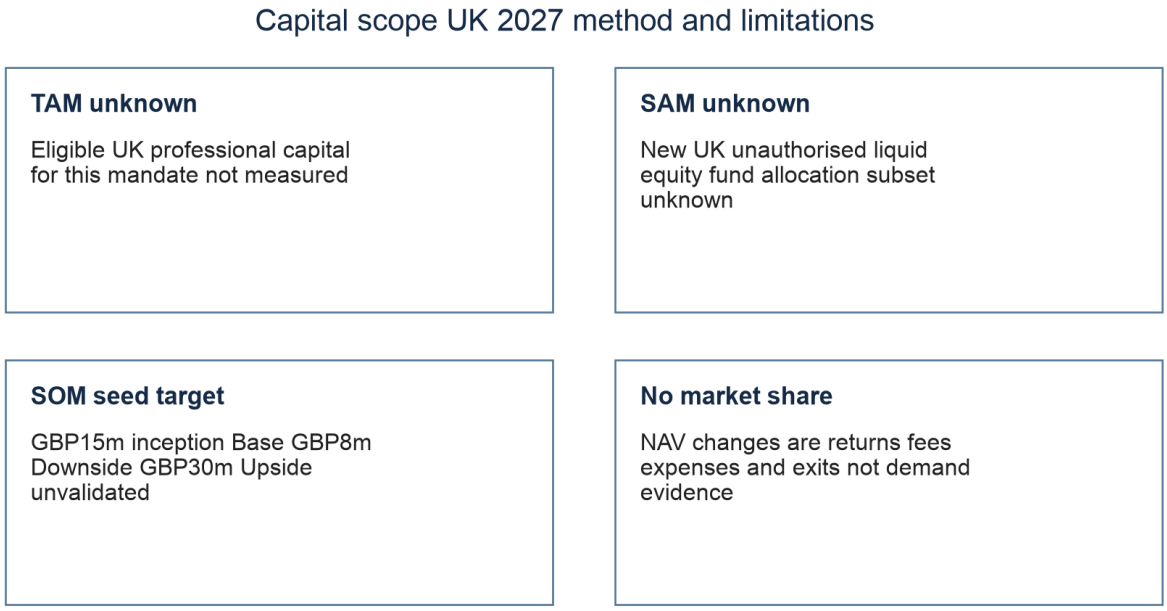
Proposed operating assumptions.

12 / MARKET

Market size and trends

TAM is GBP of UK professional capital potentially eligible for this liquid European equity mandate in 2027. SAM is the subset willing and permitted to allocate to a new unauthorised UK fund after operational due diligence. Neither denominator has been measured. The wider UK alternatives context in FCA CP26/28 does not size this strategy or London demand.

SOM is an unvalidated inception seed target of GBP 15m Base, GBP 8m Downside and GBP 30m Upside. Subsequent fund NAV changes reflect hypothetical returns, fees, expenses and redemptions, not new sales or market share. No conversion funnel is treated as observed.



Proposed operating assumptions.

13 / MARKET

PESTLE analysis

The current UK authorisation and prudential framework applies unless replaced by enacted rules. FCA CP26/28 proposes a revised regime; this plan does not assume those proposals reduce the launch burden. Economic losses and redemption requests can reduce fees while fixed staff costs continue.

The six panels connect external factors to approvals, capital, valuation, communications and specific evidence gates.



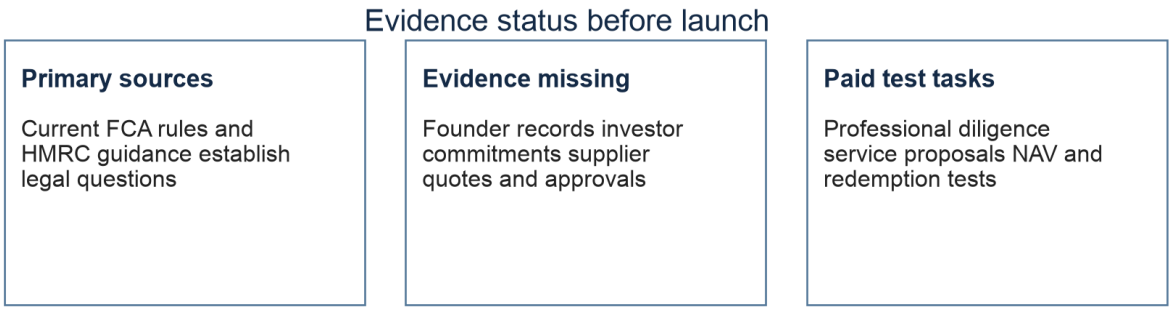
Proposed operating assumptions.

14 / MARKET

Local demand and evidence

No allocator interviews, letters of intent, seed agreement or paid subscriptions have been obtained. London location is an operating choice, not evidence of investor interest. The three seed amounts are planning assumptions. Constant monthly return paths are deliberately simple economics tests, not backtests or promised outcomes.

Paid preparation should hold twenty properly scoped professional conversations and commission three independent service proposals. Those counts are planned tasks, not historical activity. A launch requires written allocator due-diligence acceptance, professional classification and settled seed cash after permissions.



Proposed operating assumptions.

15 / MARKET

Competitors and positioning

Alternatives include established liquid equity hedge funds, long-only funds, separately managed mandates and holding cash. Compare risk-adjusted objectives, fee drag, VAT, liquidity, independent controls and verified records. The plan has no reliable competitor quote or performance comparison.

An allocator can reasonably prefer an established manager. Alder Quay must earn confidence through evidence of competence and operations before charging for an unproven investment process.

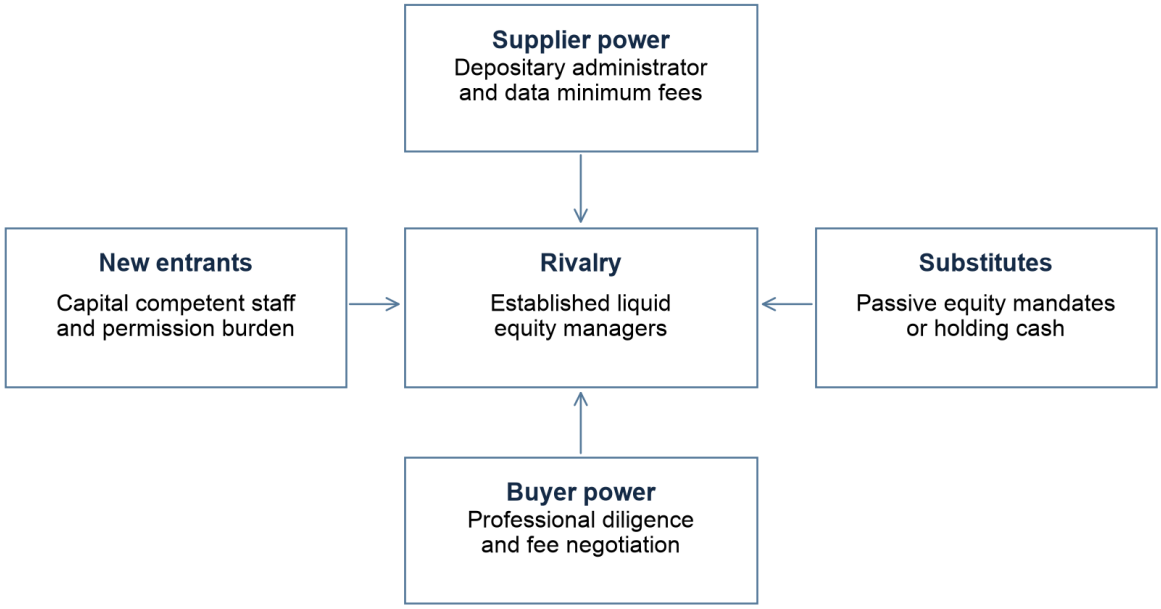
16 / MARKET

Porter five forces

Established managers compete for professional capital. Allocators have substantial bargaining power and can reject the structure, terms or team. Administrator, depositary and systems providers can impose minimum fees that burden a small fund.

Regulatory permissions and operational competence create entry costs but do not ensure demand. Passive equity exposure and cash are meaningful substitutes. These are qualitative management judgments, not forecast scores.

Porter five forces qualitative judgments



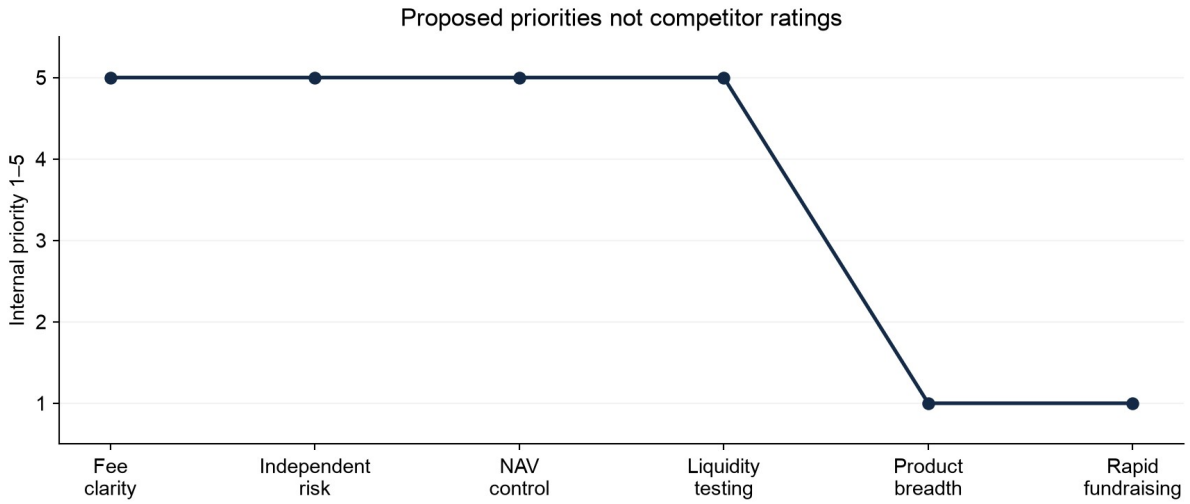
Proposed operating assumptions.

17 / MARKET

Strategy canvas

The one-to-five values show proposed internal priorities only: fee clarity, independent risk, NAV control and liquidity testing rank above product breadth and rapid fundraising. They do not rate competitors, predict returns or represent investor survey results.

A more complex share class, additional investor admission or new product needs a fresh operating and capital assessment.



Proposed operating assumptions.

18 / OPERATIONS

Location and premises

A modest controlled London office is proposed, with restricted devices, private meetings and disaster-recovery capability. The model includes rent and admin within monthly VATable manager overhead; a GBP 12,000 refundable deposit is budgeted Base. No landlord, lease or VAT option has been verified.

Remote access requires managed endpoints, dual approval for bank changes and tested recovery. The manager must not commingle its bank account with fund assets. Fund service-provider records, custody and cash monitoring are separate contractual arrangements.

19 / OPERATIONS

Equipment and resource plan

Manager IT starts at GBP 40,000 net Base, with a separate GBP 20,000 incremental systems purchase in January 2029. Each cohort has its own 36-month book life; shortened-life tests must cap depreciation at the original cost. No investment portfolio is classified as manager equipment.

The GBP 15,000 net monthly overhead Base includes data and order systems GBP 6,500, rent/admin GBP 3,500, compliance/legal GBP 3,000 and marketing/travel GBP 2,000. These are unquoted allowances. Contract scope, security, reporting and service continuity need written verification.

20 / OPERATIONS

Fund mandate and product strategy

One GBP fee class, one inception cohort and no later subscriptions are modelled. The portfolio concept uses liquid European listed equities, purchased protective options and cash without borrowed cash or uncovered shorts. Fund counsel must approve the investment powers and prospectus; the risk director must establish actual issuer, gross/net exposure and derivative limits.

Quarterly redemption opportunities are proposed with 90-day notice. The forecast includes a requested unit fraction each quarter, including December. It assumes sufficient liquidity to meet exits and does not exercise a gate. Suspension and exceptional-liquidity powers require counsel and administrator design; they cannot be used to make the manager forecast look solvent.

21 / OPERATIONS

Pricing and fee economics

Base terms are a 1.25% annual management fee on opening investor net NAV, accrued monthly, plus a 20% performance fee on positive per-unit gain above the high water mark. A 20% VAT allowance is added to each manager fee for the proposed taxable non-SIF structure. That tax treatment must be confirmed under current HMRC guidance before documents are issued.

Performance accrual reduces investor NAV, may reverse after a loss and is not manager revenue until December or a redeemed unit crystallises. An inception GBP 100 unit that reaches GBP 110 before performance accrual has GBP 2 net fee plus GBP 0.40 VAT reserved; investor unit NAV is GBP 107.60. At annual crystallisation its new high water mark is GBP 107.60, subject to prior maximum. This illustration is a fee example, not a return forecast.

Fee example hypothetical GBP100 unit

Before performance	Accrual reserve	Investor net NAV
GBP110 after management VAT fund expenses and portfolio costs	GBP2 net performance fee plus GBP0.40 VAT above GBP100 HWM	GBP107.60 unit value; annual HWM resets only after crystallisation

Proposed operating assumptions.

22 / OPERATIONS

Competitor price comparison

No competitor term sheets have been obtained. Compare management rate and basis, performance rate and hurdle, VAT, high water mark, crystallisation on exits, fund expense caps and liquidity together. A nominal performance percentage without those terms cannot establish relative cost.

Comparison item	Current evidence
Management and performance rates	Alder Quay planning terms only
VAT and fund expense caps	Counsel and supplier proposals pending
Competitor net investor economics	No like-for-like offers obtained

23 / SALES

Brand and investor experience

The working name and navy presentation are placeholders. Investor materials should use plain fee examples, dated risk disclosures and a prominent absence of track record. Any performance illustration must be identified as hypothetical and reviewed by compliance.

Provide a secure due-diligence room, controlled document versions and an accountable contact for valuation or redemption queries. No public retail investment button or open subscription funnel is proposed.

24 / SALES

Sales channels and process

The sole route is controlled contact with properly classified UK professional prospects after counsel confirms the lawful promotion and marketing path. Compliance approves the material, classification and record; the full-scope manager requires FCA approval to market this UK AIF under the domestic route in FUND 3.12 before marketing [S8]. A professional label does not remove all promotion restrictions.

Before inception the process is documented interest, diligence, approved onboarding, source-of-funds review, signed fund documents and settlement directly into the fund account. Manager equity is raised and documented separately. No later subscription income appears in the forecast.

25 / SALES

Launch marketing

Base monthly manager overhead includes GBP 2,000 for compliant professional communications and travel. Preparation includes legal and operational testing, not unapproved retail advertising. No paid social acquisition, influencer campaign or performance promise is budgeted.

The owner leads prospect meetings; compliance reviews every substantive financial promotion. Stop outreach if classification, approved disclosures or permission status is unresolved. A meeting count is not a signed subscription and cannot replace funded launch evidence.

26 / SALES

Retention and ongoing sales

Retention depends on accurate reporting, responsive operations and honest drawdown explanations, not guaranteed returns. After launch provide administrator-confirmed monthly NAV and risk reporting, quarterly due-diligence availability and clear notice calendars.

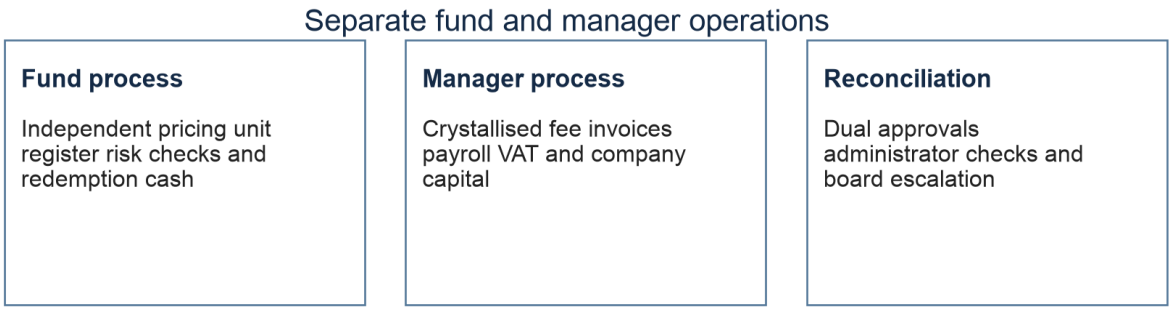
Quarterly redemptions reduce units and fund assets. They cannot increase manager fee income by lowering an aggregate high water mark. The per-unit model preserves the continuing investor high water mark and crystallises the redeemed units' eligible performance fee.

27 / OPERATIONS

Daily operations and suppliers

The portfolio director proposes trades; the risk director checks limits and escalation; the operations officer reconciles independent administrator, broker and custody records. Dual approval is required for manager payments and fund bank-instruction changes. No trader can approve and reconcile their own cash release.

The administrator independently prices assets, accrues fees, verifies units and produces NAV. The depositary provides its contracted oversight, cash monitoring and safekeeping responsibilities. Written scopes, valuation exceptions, NAV error correction, reporting and business-continuity tests are release gates.



Proposed operating assumptions.

28 / OPERATIONS

Sustainability practices

The proposed manager does not market a sustainable investment label or claim measurable portfolio emissions reductions. If such claims are later proposed, obtain appropriate data, methodology and compliance review before use.

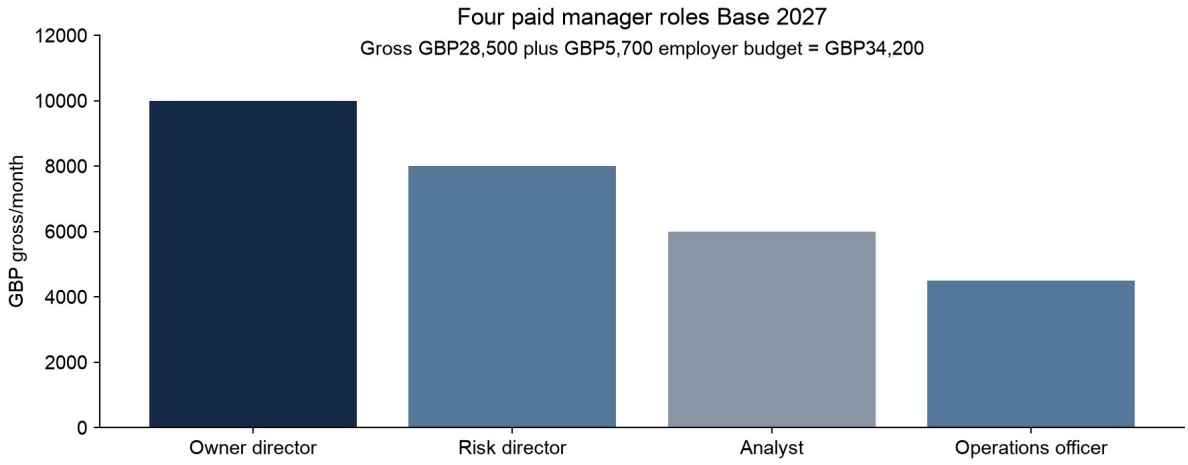
Reduce unnecessary travel, retain secure digital records, repair IT where practical and dispose through verified channels. These operating intentions are not an impact investment strategy or measured environmental outcome.

29 / PEOPLE

Staffing and training

Four internal full-time roles are funded from launch, including the paid owner. Preparation funds the owner and risk director for six months before revenue. The analyst and officer begin in January 2027 even if a launch delay prevents fees. No unpaid work is assumed.

Train staff in valuation controls, personal dealing, conflicts, market conduct, incident response, fee calculation, redemption settlement and source-of-funds review. External compliance is support to the director’s accountable function, not a replacement for competence.



Proposed operating assumptions.

30 / PEOPLE

Staff skills and fair work

Employment budgets must be checked against actual hours, employer NI, pension duties and current statutory rates. The researched April 2026 National Living Wage is GBP 12.71 for ages 21 and over; 2027 rates must be checked before hiring. The planned professional salary budgets are assumptions, not legal pay compliance evidence.

Require documented responsibilities, leave coverage, professional training and a route for risk objections without retaliation. Personal-dealing and outside-business conflicts need registers and approval. No founder biography or team certification has been invented.

31 / COMPLIANCE

Legal and insurance requirements

Before launch obtain counsel confirmation of the unauthorised unit trust, full-scope external AIFM permission and current professional marketing path. The fund itself is not described as FCA authorised. Obtain appropriate trustee/depositary and administration agreements, approved people, AML and sanctions controls, privacy, valuation and liquidity policies, and reporting arrangements. FCA authorisation is not an investment endorsement.

Current full-scope CPM own funds are the greater of EUR 125,000 plus 0.02% of relevant AIF assets above EUR 250m, or one quarter of relevant annual expenditure, plus negligence capital or an appropriate insurance-related amount. Liquid-asset rules also apply. The model uses an indicative conservative spend screen and 0.01% of NAV negligence allowance; it is not the formal regulatory calculation. Counsel must verify rule scope, qualifying capital, relevant expenditure and liquidity. CP26/28 remains consultation, so no reform relief is assumed [S1–S3].

32 / IMPLEMENTATION

Opening roadmap

July–December 2026 is six paid preparation months conditional on manager equity already settled. The owner and risk director commission counsel, application, supplier proposals, valuation and redemption tests. January 2027 is an aspirational launch date, not a permission timetable.

The board releases launch only after permissions, qualified staff, independent service contracts, lawful documents, paid investor seed and adequate manager prudential resources exist. Delaying launch keeps payroll and overhead running in the forecast; the investor subscription is postponed rather than spent on manager preparation.



Proposed operating assumptions.

33 / CONTROL

Risks and management actions

Investment drawdowns reduce investor NAV and fee income. Redemption, provider minimum fees, NAV errors, people gaps, derivative settlement and regulatory delays can occur together. A constant-return model does not capture tail risk. No observed volatility, Sharpe ratio or correlation is claimed.

The risk director maintains live exposure, liquidity and capital monitoring. Manager reserve or prudential breach triggers a board plan to recapitalise, reduce costs lawfully or wind down; investor capital is never the remedy. Suspend new trading if independent NAV or custody reconciliation is unresolved.

Risk	Trigger and accountable response
Manager funding	Forward cash or own funds screen breach; board funds or stops
Portfolio liquidity	Stress exits not covered; risk director revises positions before dealing
NAV or fees	Unreconciled price or units; administrator corrects and board controls release
Permissions	Any missing approval; no launch or regulated activity

34 / CONTROL

Research and evidence

Sources were checked on 3 October 2026. FCA authorisation, depositary and consultation materials support the legal gates; HMRC guidance and rates support the tax questions and conservative planning treatment. They do not validate the seed target, performance, suppliers or team.

The proposed full-scope route avoids treating a non-property external securities manager as eligible for a simple small-registered route. No FCA threshold relief, retail permission, service approval or tax exemption is inferred. The proposed mixed professional cohort does not satisfy the exempt UUT investor conditions automatically. No exempt fund status is assumed [S10–S11]. Portfolio return inputs are after any fund portfolio tax and trading costs; no separate fund tax return or statutory fund balance sheet is modelled. Tax counsel must validate that net-return convention and fund treatment. Professional promotion scope and formal capital calculations remain counsel work.

S1 FCA authorised AIFM current prudential requirements https://www.fca.org.uk/firms/aifmd/apply-authorised-aifm

S2 FCA CP26/28 consultation not final rules https://www.fca.org.uk/publications/consultation-papers/cp26-28-uk-aifm-regime

S3 FCA depositaries https://www.fca.org.uk/firms/aifmd/depositaries

S4 HMRC fund VAT guidance GfC20 https://www.gov.uk/government/publications/help-with-vat-on-fund-management-services-gfc20/help-with-vat-on-fund-management-services-gfc20

S5 UK VAT rates https://www.gov.uk/vat-rates

S6 UK corporation tax rates https://www.gov.uk/corporation-tax-rates

S7 UK wage rates https://www.gov.uk/national-minimum-wage-rates

S8 FCA domestic marketing approval FUND3.12 https://handbook.fca.org.uk/handbook/fund3/fund3s12

S9 FCA risk and liquidity requirements FUND3 https://handbook.fca.org.uk/handbook/fund3

S10 HMRC UUT tax structure https://www.gov.uk/guidance/unauthorised-unit-trusts-and-pension-fund-pooling-schemes

S11 HMRC UUT VAT https://www.gov.uk/hmrc-internal-manuals/investment-funds/ifm10600

S12 HMRC VAT deadlines https://www.gov.uk/submit-vat-return

35 / CONTROL

Quotes and assumptions

No suppliers or investors have supplied written terms. Model assumptions include seed amounts, 1.25% management and 20% performance fees, fee VAT, payroll, administrator/depositary costs, gross expenses, quarterly exits and hypothetical return paths. Funding sources are proposed only.

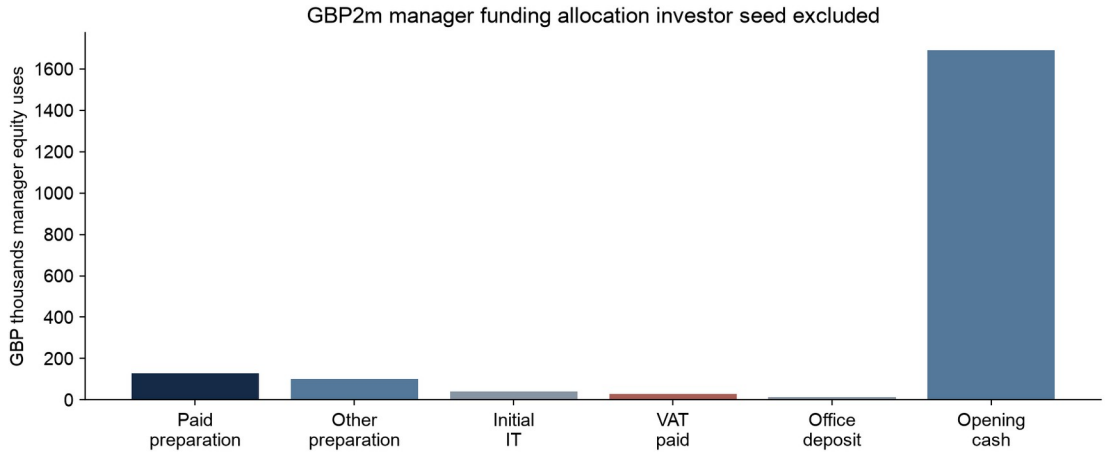
Required evidence includes three service scopes, two office/system quotes, actual founder CVs, regulator permissions and investor settlement. The financial reference was inspected and rebuilt deliberately: monthly per-unit HWM replaces its aggregate annual AUM approach; no workbook was imported as the final model.

36 / FINANCE

Startup costs and funding

GBP 2,000,000 manager equity is proposed paid before July 2026 preparation. Six months of owner and risk-director payroll cost GBP 129,600; other preparation expense is GBP 100,000 net. Initial IT is GBP 40,000 net, input VAT paid is GBP 28,000, and deposit GBP 12,000. Opening cash is GBP 1,690,400.

Investor GBP 15m seed is subscribed separately to the fund at launch and never enters manager cash or equity. The forecast has no debt, revolver, distributions or rescue injections. No sources are committed. Base funding covers the modelled cash target but does not establish permissions or demand.



Proposed operating assumptions.

Manager funding GBP	Proposed
Paid manager equity	2,000,000
Opening manager cash	1,690,400
Investor seed separate not manager funds	15,000,000

37 / FINANCE

Itemized startup costs

These manager uses occur before forecast revenue. Preparation payroll is a real funded expense, not unpaid founder work or an asset. VAT is paid to suppliers and carried as a credit without a cash refund assumption. Initial IT is paid immediately and depreciated from January.

The fund separately bears administrator/depositary/audit/counsel expense in the ongoing Fund schedule; no fund setup charge is silently removed from investor seed at inception. Counsel must confirm whether a separate fund establishment charge is required before proceeding.

Manager uses GBP	Amount
Paid preparation payroll	129,600
Preparation nonpay expense net	100,000
Initial IT net	40,000
Preparation input VAT paid	28,000
Refundable deposit	12,000
Manager opening cash	**1,690,400**
Total manager funding uses	**2,000,000**

38 / FINANCE

Owner personal survival budget

Owner gross salary is GBP 10,000 per month, paid for all six preparation months and each operating month, with employer loading borne by the manager. A 65% net-retention illustration gives GBP 6,500 take-home. Planned monthly household spending is GBP 5,000 and surplus GBP 1,500. These personal assumptions need actual tax and household evidence.

No dividend or performance fee is distributed to the owner. Manager revenue belongs to the company, and investor seed belongs to the fund. A household budget cannot cure a manager regulatory capital deficit.

Monthly household GBP	Amount
Illustrative owner take-home	6,500
Housing	2,500
Living	1,500
Transport	500
Other	500
Illustrative surplus	1,500

39 / FINANCE

Financing terms and security

The proposed manager has GBP 2m ordinary equity and no debt. No subscription agreement, shareholder terms, paid balance or external finance has been obtained. Founder capital and any recapitalisation must settle into the manager account with appropriate controller approvals before expenditure or regulated operations.

Investor fund units confer fund rights, not ownership of the manager. The manager does not invest its own equity in the fund in this model. Regulatory capital and liquidity must be assessed separately using qualifying resources and current rules. The indicative own-funds screen includes expenditure and negligence allowances; it is not an FCA compliance certificate.

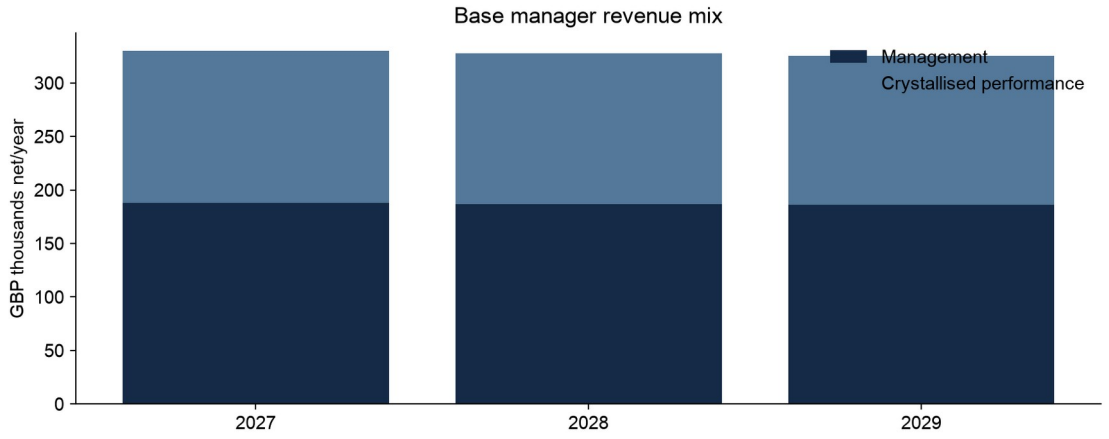
Funding item	Planning treatment
Manager equity	Fixed proposed cash source before preparation
Debt and rescue injections	None
Investor units	Separate inception fund assets
Security	No pledge or guarantee assumed

40 / FINANCE

Revenue forecast and capacity

Management fees use opening investor net NAV. Annual and redeemed-unit performance fees are recorded only on crystallisation. Accrued uncrystallised performance fees reduce investor NAV and can reverse; they are never manager receivables or income. This prevents hypothetical interim gains from financing payroll.

One inception cohort has no subsequent admissions; quarterly exits reduce units. Annual fee revenue depends on hypothetical return paths, expense drag and per-unit high water marks. Staff capacity and liquidity require real portfolio tests. Fund NAV is a separate scale metric, not revenue or manager cash.



Proposed operating assumptions.

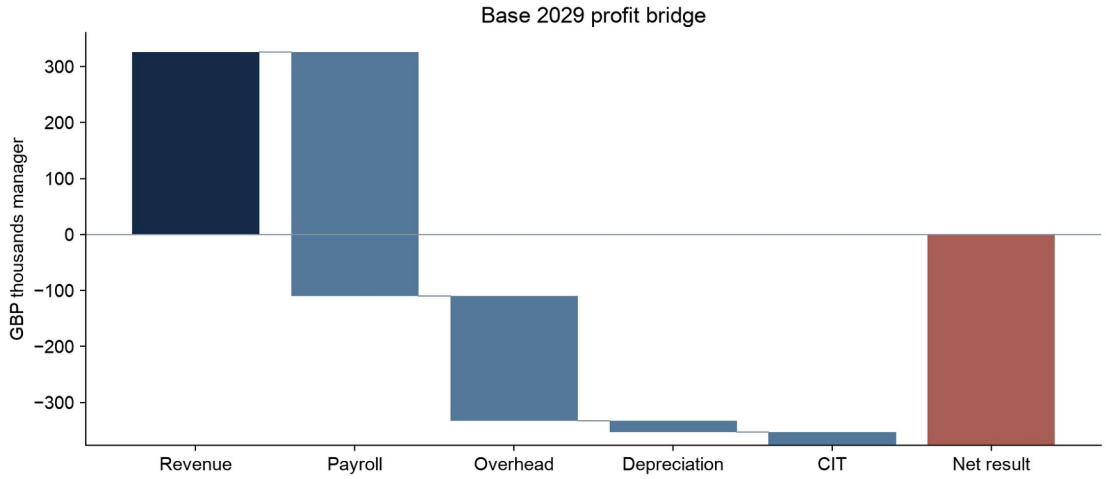
GBP annual	2027	2028	2029
Management fees net	187,755	186,941	186,091
Performance fees crystallised net	142,333	140,886	139,385
Manager total revenue	**330,088**	**327,827**	**325,476**
Investor fund net NAV separate	14,936,439	14,870,020	14,800,654

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Costs and projected profit

Manager Base payroll is GBP 34,200 per month before annual inflation. VATable net overhead is GBP 15,000 and nonVAT insurance/rates GBP 2,500 monthly. Fund provider expenses are deducted from fund NAV and are excluded from manager overhead. No cost is counted in both entities.

Initial IT and the January 2029 incremental cohort depreciate on separate capped lives. No bonus, carried distribution or founder dividend is modelled. Any bonus scheme would require remuneration policy and revised funding.



Proposed operating assumptions.

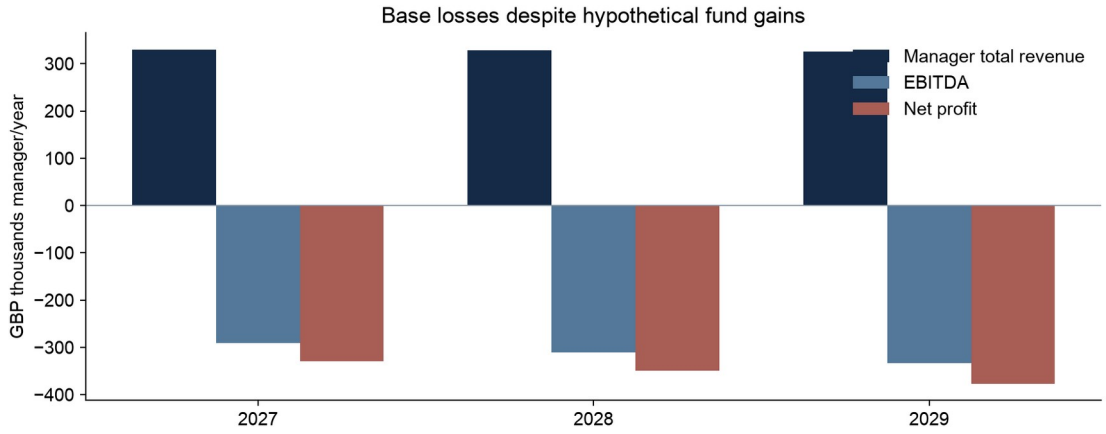
Manager GBP annual	2027	2028	2029
Paid payroll	410,400	422,712	435,393
Manager overhead	210,000	216,300	222,789
Depreciation	13,333	13,333	20,000

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Profit and loss forecast

The manager loses money in all Base annual periods. Positive December performance crystallisation can produce a taxable month despite an annual loss. The model pays a conservative 25% provision on positive monthly book profit; it excludes loss relief, allowances, marginal relief and statutory tax due dates. It is a financing proxy, not a tax return.

Fund investment returns and redemptions never appear in manager profit. Fund tax and execution costs are embedded in the hypothetical portfolio-return input; separate provider expenses and fees then reduce investor NAV. No exempt UUT status is assumed.



Proposed operating assumptions.

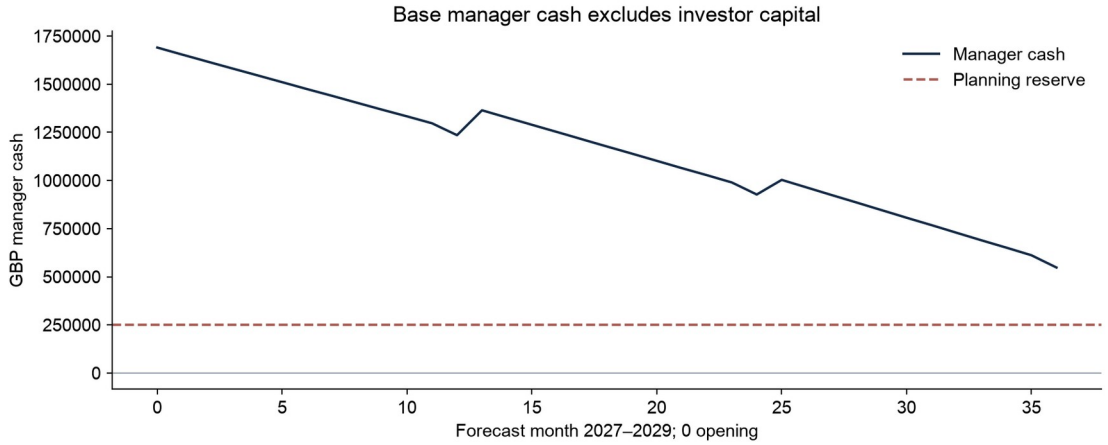
Manager GBP annual	2027	2028	2029
Manager total revenue	**330,088**	**327,827**	**325,476**
Paid payroll	410,400	422,712	435,393
Manager overhead	210,000	216,300	222,789
EBITDA	**(290,312)**	**(311,185)**	**(332,706)**
Depreciation	13,333	13,333	20,000
CIT provision paid	25,769	25,007	24,081
Net profit	**(329,414)**	**(349,525)**	**(376,787)**

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Cash flow and financial position

Base minimum manager cash is GBP 547,932 against a GBP 250,000 target. Downside minimum is GBP -376,092 and cash gap to its GBP 350,000 target is GBP 726,092. Upside minimum is GBP 1,271,589. These outcomes depend on uncommitted equity and hypothetical returns.

The model continues analytically through a deficit; operations cannot. Recapitalise or stop before breach. Manager gross invoice receivables use issued cohorts under a disclosed uniform 30-day-month convention. Performance invoices enter at annual/redemption crystallisation; default 30 days collects them in the following period. No accrued uncrystallised fee is collected.



Proposed operating assumptions.

Manager GBP annual	2027	2028	2029
Operating cash flow	**(455,127)**	**(308,087)**	**(355,254)**
Manager capex gross	–	–	24,000
Net cash movement	(455,127)	(308,087)	(379,254)
Closing manager cash	1,235,273	927,186	547,932

Cash flow forecast months one to six

Manager receipts are gross of fee VAT and follow actual invoice cohorts; annual performance accrued to investors is not billed before crystallisation. Payroll continues during a delayed or unfunded launch. Capex is paid immediately; operating invoices follow supplier cohorts.

Signed VAT credits carry forward and offset later output VAT, with no credit cash refund. Positive prior VAT is remitted the following planning month. Actual UK VAT returns are normally quarterly and due one month plus seven days after period end; this simplified monthly lag must be replaced for a bank forecast [S12].

2027 month	Fee collections gross	Operating cash flow	Closing cash
Jan	–	(36,700)	1,653,700
Feb	18,750	(35,950)	1,617,750
Mar	18,806	(35,894)	1,581,856
Apr	19,287	(35,413)	1,546,443
May	18,729	(35,971)	1,510,472
Jun	18,785	(35,915)	1,474,557

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Cash flow forecast months seven to twelve

Manager receipts are gross of fee VAT and follow actual invoice cohorts; annual performance accrued to investors is not billed before crystallisation. Payroll continues during a delayed or unfunded launch. Capex is paid immediately; operating invoices follow supplier cohorts.

Signed VAT credits carry forward and offset later output VAT, with no credit cash refund. Positive prior VAT is remitted the following planning month. Actual UK VAT returns are normally quarterly and due one month plus seven days after period end; this simplified monthly lag must be replaced for a bank forecast [S12].

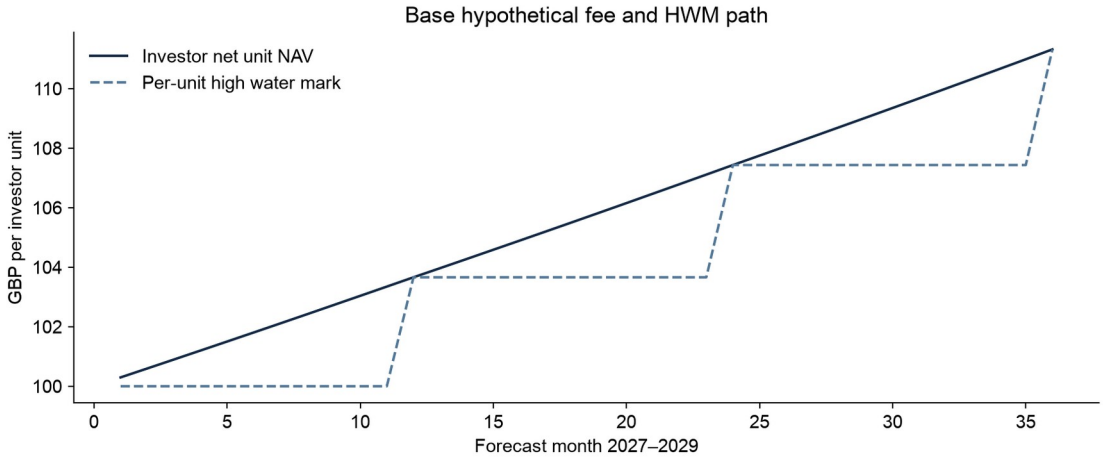
2027 month	Fee collections gross	Operating cash flow	Closing cash
Jul	19,689	(35,011)	1,439,545
Aug	18,709	(35,991)	1,403,554
Sep	18,765	(35,935)	1,367,619
Oct	20,088	(34,612)	1,333,007
Nov	18,689	(36,011)	1,296,996
Dec	18,746	(61,723)	1,235,273

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Financial position summary

Only manager assets and liabilities appear below. Fund investor NAV, securities, options and redemption cash are excluded. Manager receivables comprise invoiced crystallised fees and management fees; the uncrystallised reserve remains an investor-fund deduction.

Fund NAV before uncrystallised fee is an economic NAV subtotal after other accrued/crystallised charges, not gross custody assets or a fund statutory balance sheet. Settlement payables for crystallised fees are already deducted economically; manager collection timing affects only manager cash. No portfolio holdings or fund bank balance is modelled.



Proposed operating assumptions.

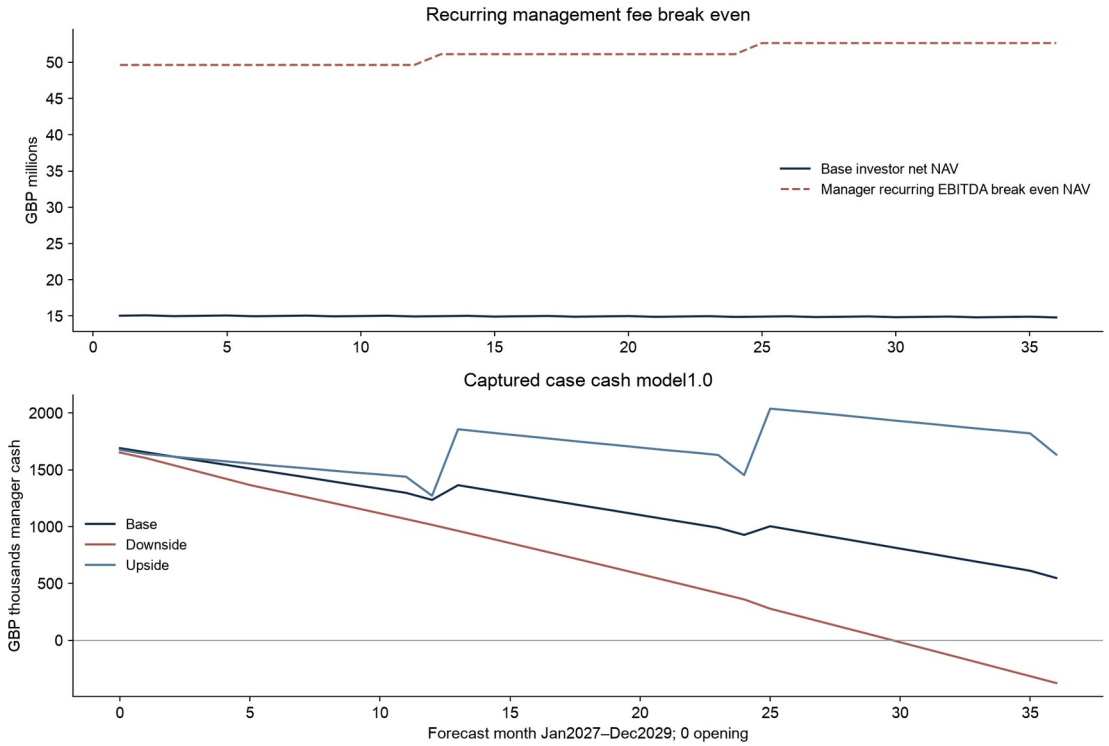
Manager GBP year end	2027	2028	2029
Closing manager cash	1,235,273	927,186	547,932
Gross fee receivables	187,064	185,269	183,408
VAT credit	–	–	–
Refundable deposit	12,000	12,000	12,000
Manager PPE net	26,667	13,333	13,333
Total manager assets	**1,461,004**	**1,137,789**	**756,673**
Total manager liabilities	**20,018**	**46,328**	**41,999**
Manager paid equity	2,000,000	2,000,000	2,000,000
Retained earnings	(559,014)	(908,539)	(1,285,326)
Total manager equity	**1,440,986**	**1,091,461**	**714,674**
Total manager liabilities and equity	**1,461,004**	**1,137,789**	**756,673**

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Break even and scenarios

With no performance income, Base first-year recurring EBITDA break even requires GBP 49,632,000 opening investor net NAV at 1.25%, compared with a GBP 15m seed target. It is a cost/fee threshold, not forecast demand or a promise of viable investment results.

Downside has a three-month delay, smaller seed, monthly losses and higher costs; its maximum indicative book-equity screen deficit is GBP 395,604. Screens are planning warnings, not regulatory calculations. Case comparisons are captured model 1.0 results. Inputs can recalculate the active build; any edited case driver flags snapshots stale and requires regeneration of model results and Word.



Proposed operating assumptions.

Case	2027 manager revenue	Minimum manager cash	Cash gap to target
Base	330,088	547,932	–
Downside	67,765	(376,092)	726,092
Upside	998,024	1,271,589	–

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Model guide and completion

The workbook separates Fund NAV economics, crystallised Fees, paid Costs, Assets, WorkingCapital and manager Statements. Summary links to three annual totals or year-end stocks; Cases stores explicitly captured assumptions and flags edits. Inputs selector 1/2/3 controls the same monthly model. Active blank inputs make outputs unavailable; an inactive blank preserves the active build but flags captures stale.

Retained build_model.mjs reproduces the workbook and model-results.json. Per-unit HWM, December and redeemed-unit crystallisation, long invoice terms, drawdown/recovery, zero seed, delay, asset lives and missing inputs are verified in disposable native and saved-import workbooks. Visual checks cover all document pages, workbook tabs and native charts. Launch still requires all permissions, paid capital, legal/tax conclusions, real supplier terms and investor evidence. No website publication is included.

Completion item	Status
Operating draft and all48 topics	Saved
Live three-case monthly model	Verified
Fund manager separation and fee controls	Verified planning mechanics
Launch evidence and permission	Pending human legal and funding evidence