Home Builder Business Plan

Irwell Custom Homes | Manchester

DOCUMENT GUIDE

Contents

Manchester contract builder | 3 October 2026 | Model 1.0

Decision document for the proposed founder and lender. All commercial values are planning assumptions. This contractor builds on client land; no company land bank or speculative house sales are forecast. Funding and contracts remain uncommitted.

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01 / BUSINESS

Executive summary

Irwell Custom Homes is a proposed Manchester main contractor for individual new homes built on clients' land. The plan supports a founder and prospective lender deciding whether to fund a January 2027 launch. The trading name, company, team, customer pipeline, site rights and finance are unconfirmed. It is an operating proposal, with no invented founder credentials or signed orders.

The planned service is one coordinated qualifying new dwelling contract, from construction mobilisation to handover. Land acquisition, speculative house sales, mortgage commissions, independently supplied design services, renovations and apartment blocks are excluded from revenue. An owner manager, foreman, two carpenters and half-time administrator are paid from launch. Two live sites require both finite paid carpenter hours and reserved external trades. The forecast distinguishes earned construction work, deposits, progress claims and retained receipts. Funding remains conditional on signed contracts, scope quotations and liquidity tests.

Verified model 1.0 forecasts 2027 revenue £1,625,000 and net profit £178,884. 2028 revenue £1,982,500 and net profit £262,779. 2029 revenue £2,022,150 and net profit £263,892. Proposed funding is £200,000; initial funding requirement including reserve is £183,576, with an initial shortfall of £0. Minimum opening or operating cash is £32,526, leaving £27,474 additional funding needed to maintain the target reserve. The Downside minimum is (£643,298) and reserve gap £703,298. These outcomes rely on uncommitted funding and unverified contracts.

02 / BUSINESS

Business details

The proposed vehicle is an English private company limited by shares. Incorporation and ownership details must be confirmed before contracts or banking. Manchester is the initial service area, with travel and supplier availability checked for each plot. A small leased office and secure materials store are assumed, rather than a showroom or land bank.

Detail	Planning status
Trading name	Irwell Custom Homes subject to name check
Geography	Manchester city; adjacent borough work requires its own planning authority review
Entity	English private limited company proposed
Forecast	January 2027 to December 2029; GBP net revenue
Customer	Private landowner commissioning a single new dwelling
Evidence outstanding	Founder identity contracts capital premises permissions and quotes

03 / STRATEGY

Business concept and objectives

A client retains land ownership and funds a clearly scoped new house. The contractor coordinates trades, procures materials, completes inspections and provides a documented handover and defects process. The proposed first-contract net price is £650,000, a tender hypothesis for a specified house rather than an advertised universal price. Site conditions, area, specification and abnormal works must be priced before agreement.

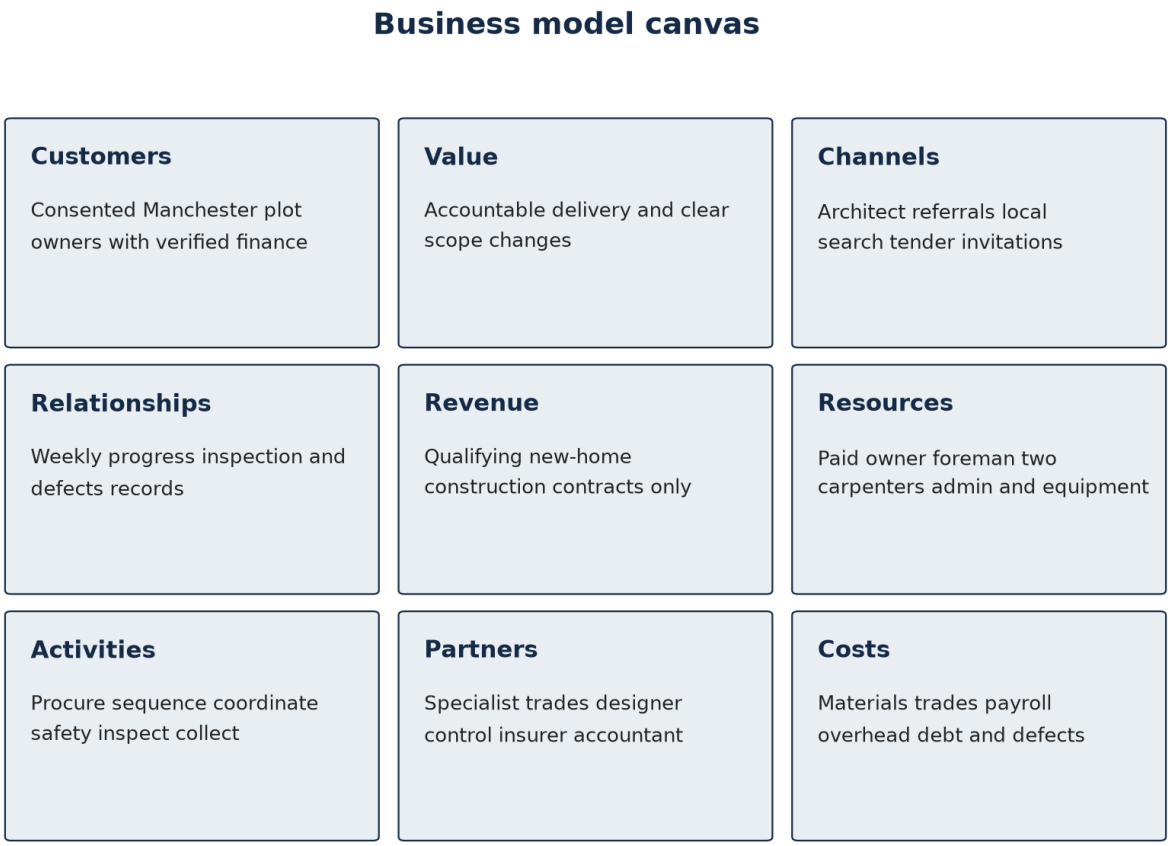
Launch gates are a costed bill of quantities, consented plot, completed drawings, verified client funds, required appointments and insurance, signed payment terms, an affordable cash programme and trade availability. The business tests execution on a small portfolio. It does not assume a national brand or automatic expansion.

Objective	Decision evidence
Before launch	Two independently costed sample scopes and qualified subcontract quotes
Before each start	Client funding plot rights permissions design and construction phase plan
First six months	Actual cost-to-complete milestone certification and cash collection
Beyond year three	Expansion only after defects track record recurring cash and management capacity

04 / STRATEGY

Business model canvas

The canvas describes an accountable construction service rather than a speculative developer. The client buys coordinated delivery and evidence of compliant work. The contractor earns contract consideration over construction under an accountant-reviewed recognition policy, while cash arrives under deposit, progress and retention terms. No demand or trade contract is represented as established.



Nine proposed canvas blocks; no orders or partner appointments claimed.

Block	Business specific choice
Customer segments	Consented Manchester plot owners with verified finance
Value proposition	One accountable delivery team and transparent changes
Channels	Architect referrals search and structured tender invitations
Customer relationships	Weekly site report milestone sign-off and defects log
Revenue streams	Qualifying new-home construction contract only
Key resources	Paid foreman two carpenters owner estimator tools and secure store

Block	Business specific choice
Key activities	Procurement sequencing safety coordination quality and cash review
Key partners	Specialist trades client designer building control accountant and insurer
Cost structure	Materials subcontractors paid payroll overhead finance and defects

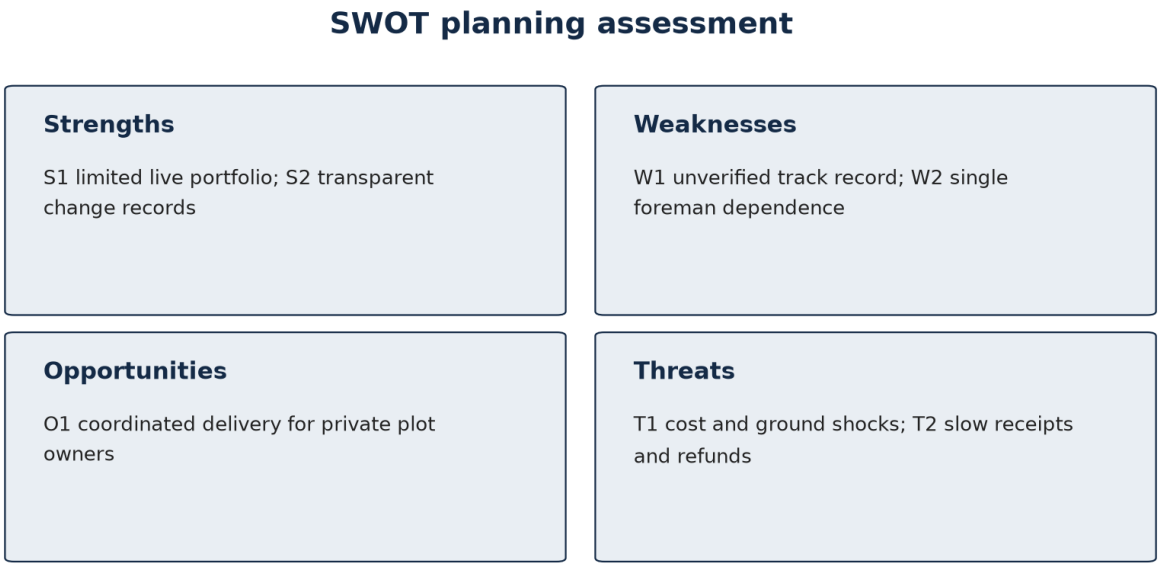
05 / STRATEGY

SWOT and longer term goals

Strength S 1 is a limited portfolio with a single accountable foreman; S 2 is transparent cost and change records. Weakness W 1 is the lack of a verified delivery history; W 2 is dependence on one foreman and a small carpenter team. Opportunity O 1 is plot owners seeking coordination rather than managing every trade. Threat T 1 is a cost or ground-condition shock; T 2 is slow certification, default or delayed VAT refunds. These are hypotheses and operational risks, not measured competitive ratings.

Longer-term goals are a documented defect record, consistent trade coverage and repeat architect referrals. Do not add a third concurrent home until productive hours, supervision and external crew commitments all support it.

Verified Base reserve gap is £27,474; Downside minimum cash is (£643,298). Lack of committed liquidity is an additional weakness, requiring capital evidence before any start.



Planning assessment; evidence required before taking contracts.

Finding	Management consequence
S 1 S 2	Use weekly project cost and change logs
W 1 W 2	Verify credentials references and paid absence cover
O 1	Test paid preconstruction engagement without counting it as forecast revenue
T 1 T 2	Price exclusions and review 13-week liquidity every week

06 / STRATEGY

TOWS strategy matrix

Combine the small-portfolio strength with the coordination opportunity through a complete sample programme and transparent tender pack. Address the missing track record with verified professional references and paid trial work rather than invented testimonials. Build cost and collection resilience before accepting simultaneous sites.

TOWS management actions

SO

S1 O1 tender a costed two-site coordinated programme

WO

W1 O1 verify references and independently review scope

ST

S2 T1 quote trade packages and sign scope changes

WT

W2 T2 restrict mobilisation when claims are unpaid

Actions follow the SWOT findings rather than generic growth advice.

Pairing	Concrete action
S 1 O 1	Tender a two-site programme with named trade availability and quality gates
W 1 O 1	Require qualified references and independent scope review before first contract
S 2 T 1	Obtain fixed quoted packages and sign changes before ordering
W 2 T 2	Do not mobilise additional sites while unpaid claims exceed agreed limits

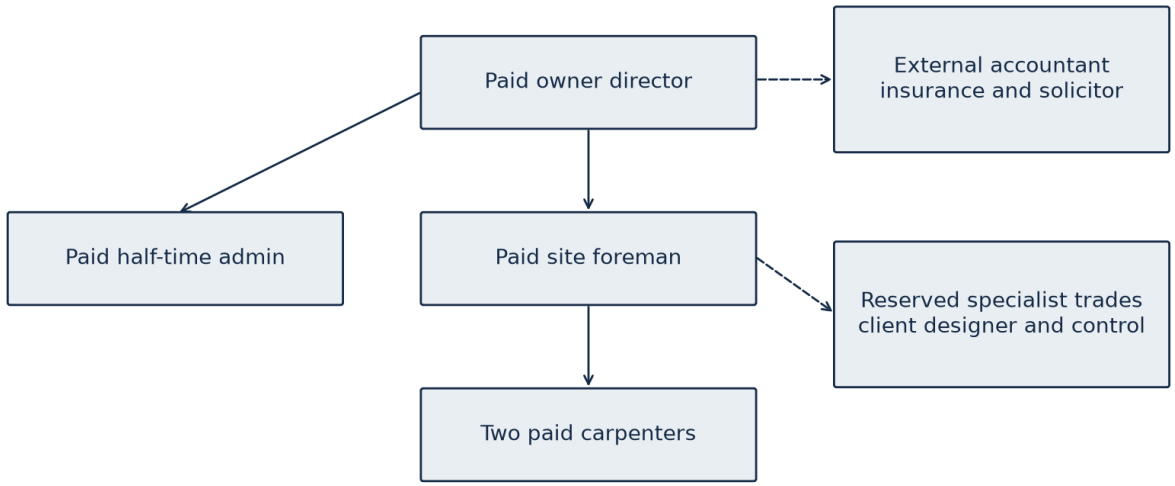
07 / PEOPLE

Owner and management

The paid owner is managing director, estimator and commercial lead. The owner signs contracts, controls bank payments, reviews cost to complete and obtains subcontract quotes. The paid foreman supervises daily safety, inspections and sequencing. Two paid carpenters report to the foreman; one half-time administrator reports to the owner and maintains payroll, invoice and document records.

Specialist trades, accountant, client-appointed designer and warranty insurer are external. Trade firms receive purchase orders and coordination, rather than employee reporting. The principal contractor and principal designer appointments must be clear for each project; no unpaid labour supports capacity.

Organisation and external coordination



Solid lines denote paid internal reporting. Dashed lines denote purchased or client-appointed external coordination.

08 / PEOPLE

Owner and key personnel profiles

No founder CV, qualifications or previous completions have been supplied. The owner must demonstrate estimating, contract administration, procurement, construction cash management and site safety competence. The foreman must demonstrate relevant site experience and the ability to coordinate multiple trades and building-control inspections. Carpenters need task-specific competency; headcount alone does not prove productivity.

Role	Paid assumption and evidence required
Owner director	One person 1.0 FTE; £72,000 annual gross; credentials unknown
Foreman	One person 1.0 FTE; £52,000 annual gross; references required
Carpenters	Two people 2.0 total FTE; £42,000 each; competency required
Administrator	One person 0.5 FTE; £32,000 full-time equivalent, £16,000 actual
External trades	Company status insurance competence availability and CIS checks
Owner household	Actual dependants commitments debts and net pay unknown

09 / MARKET

Target customers

The initial customer is a private landowner with a consented Manchester plot, a fully developed specification and verifiable funds sufficient for the construction contract plus the client's separate costs and contingency. Access, services, ground conditions and design maturity determine suitability. Buyers of completed developer homes are not this segment.

A client needing finance to be arranged, land to be found or a planning permission to be obtained may be referred to advisers but does not become a ready contract. The model calendar is a proposed flow of ready contracts, not enquiries or observed conversion.

Segment	Acceptance criteria
Consented plot owner	Land rights design finance and programme verified
Architect introduced client	Tender information complete and objective scope comparison
Deferred prospect	Funding or permissions incomplete; no mobilisation
Excluded launch work	Renovation flat blocks speculative land or turnkey finance

10 / MARKET

Segmentation targeting and positioning

Segment by plot readiness, contract size, design maturity, client funding and travel radius. Target a manageable individual new home with predictable access and enough specification detail to procure confidently. Position the service around clear accountability, recorded quality and disciplined change control. Price competitiveness must be tested against like-for-like tenders rather than generic cost per square metre.



Positioning hypothesis for structured discovery and tender comparison.

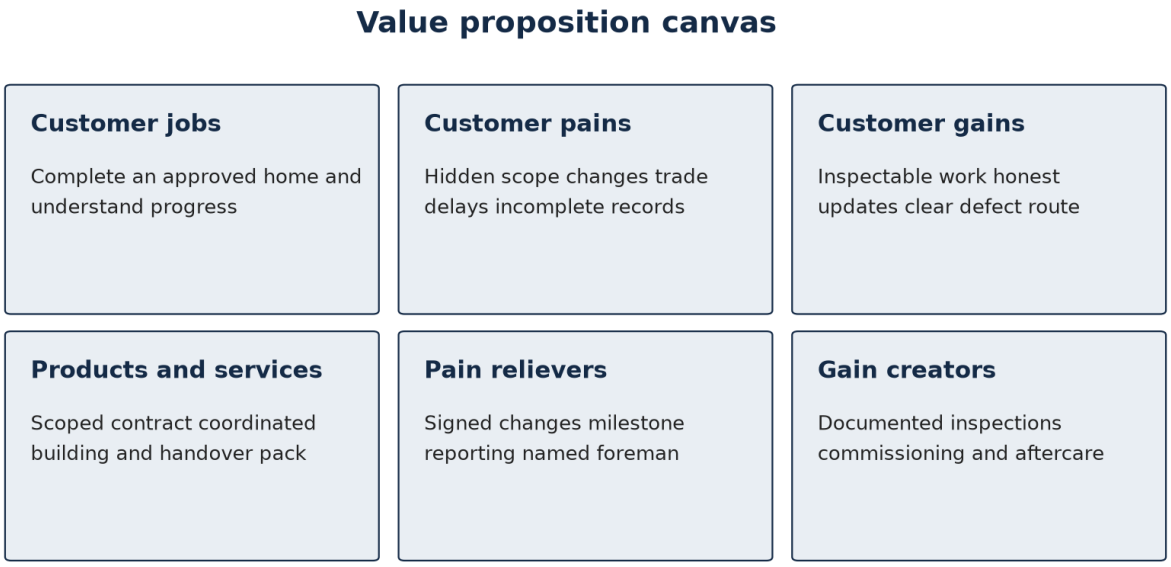
Step	Operating decision
Segmentation	Plot readiness finance specification and logistics
Targeting	Manchester private client ready to sign a scoped new-home contract
Positioning	Accountable delivery with clear progress reporting and retained quality obligations
Qualification	Pass funding permissions cost programme and cash gates

11 / MARKET

Value proposition canvas

Customer jobs are to turn an approved design into a compliant home, understand progress and protect a large personal investment. Pains are uncontrolled changes, uncertain trade attendance, hidden exclusions and incomplete handover records. Gains are predictable communication, inspectable quality and an effective defects route.

The contractor proposes a costed scope, named coordinator, milestone reports, signed change orders and a retained handover pack. These measures do not guarantee dates or costs on an uninvestigated site. Customer interviews must test which problems matter and whether clients will pay for coordinated delivery.



Customer jobs pains and gains are hypotheses; products pain relievers and gain creators are proposed operating responses.

12 / MARKET

Market size and trends

TAM is annual eligible private new-home contract expenditure in Manchester city. SAM is the portion within the chosen contract value, readiness, site complexity and travel scope. No reliable current primary city-level spend series for this precise segment has been established. Manchester housing completions or population totals would not measure this contractor's addressable custom-build expenditure. Both values remain unknown.

SOM is the proposed obtainable contract programme constrained by two live sites, skilled hours and trades; it is shown in homes and contract value, not as validated market share. To estimate market share, collect dated eligible project counts and comparable net construction budgets, remove duplicate planning applications and exclude speculative housing developments.

Market scope and evidence limits

TAM	Manchester eligible private new-home spend	**UNKNOWN**
SAM	Ready suitable plots within contract and travel scope	**UNKNOWN**
SOM	Finite home starts and earned revenue from model	**PLANNING ONLY**

Unknown TAM and SAM are explicit. Capacity-based forecast is not proven demand or market share.

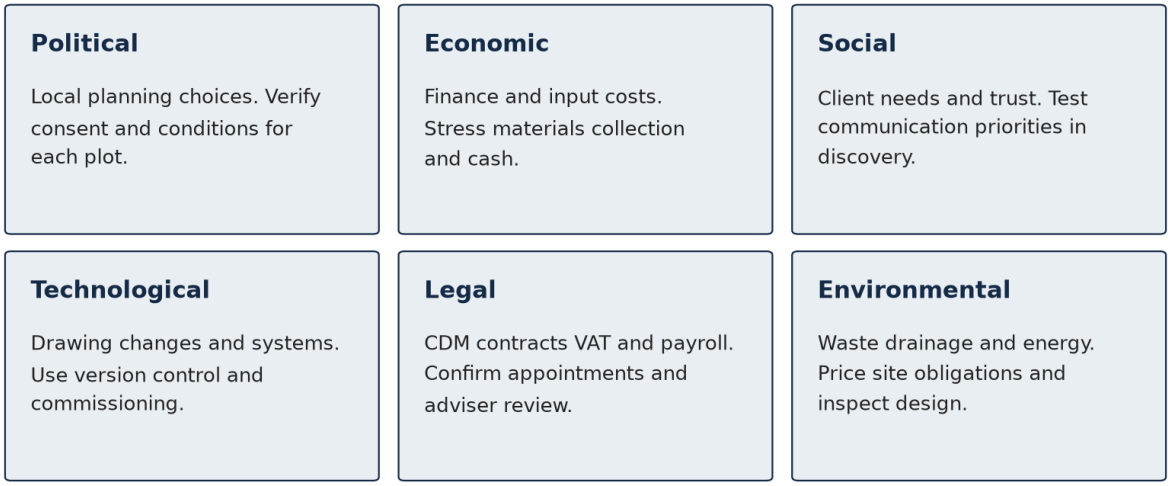
Layer	Definition and method
TAM unknown	Manchester eligible private single-home construction spend; no invented value
SAM unknown	TAM filtered by ready plots scope budget and logistics
SOM planning case	Cohort starts completions and recognised revenue from finite capacity
Required research	Planning application sampling verified scope budgets and tender invitations

13 / MARKET

PESTLE analysis

Political choices affect housing and local planning but do not secure consent for an individual site. Economic pressures affect mortgage access, materials and subcontract availability. Social preferences for energy-efficient homes and accessibility require customer validation. Technical controls include versioned drawings and documented commissioning. Legal duties concern permissions, CDM, contracts, payroll, VAT and insurance. Environmental constraints include drainage, waste and energy compliance. Each factor has a distinct action tied to programme or cash.

PESTLE and operating responses



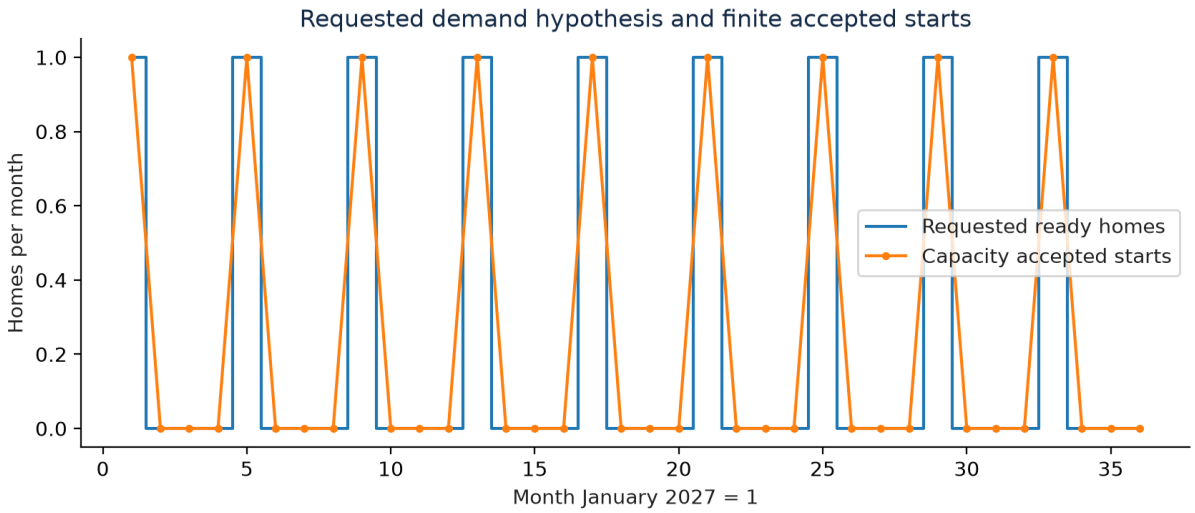
Six aligned factors with business-specific operational responses; no policy benefit assumed in revenue.

14 / MARKET

Local demand and evidence

There is no verified Manchester custom-home enquiry pipeline, observed conversion rate or signed order in this package. The proposed Base calendar requests one ready home every four months from January 2027. Downside requests one every six months with ten-month construction and slower collection. Upside requests one every three months but finite capacity delays excess requests.

Before hiring or borrowing, interview plot owners and architects about recent tenders, review permission status and finance, and obtain permission to inspect comparable completed work. Track enquiry to complete tender to signed-ready contract separately. Expressions of interest are not deposits. The demand figure shows planning calendars, not fabricated survey observations.



Editable requested-start hypotheses and modelled accepted starts; no historical observation is implied.

15 / MARKET

Competitors and positioning

Alternatives are a regional main contractor, a national frame or shell supplier plus separate trades, or client-managed subcontract packages. Their scopes, exclusions and liabilities differ. This plan makes no claim that Irwell has better quality, lower cost or stronger credentials than actual suppliers.

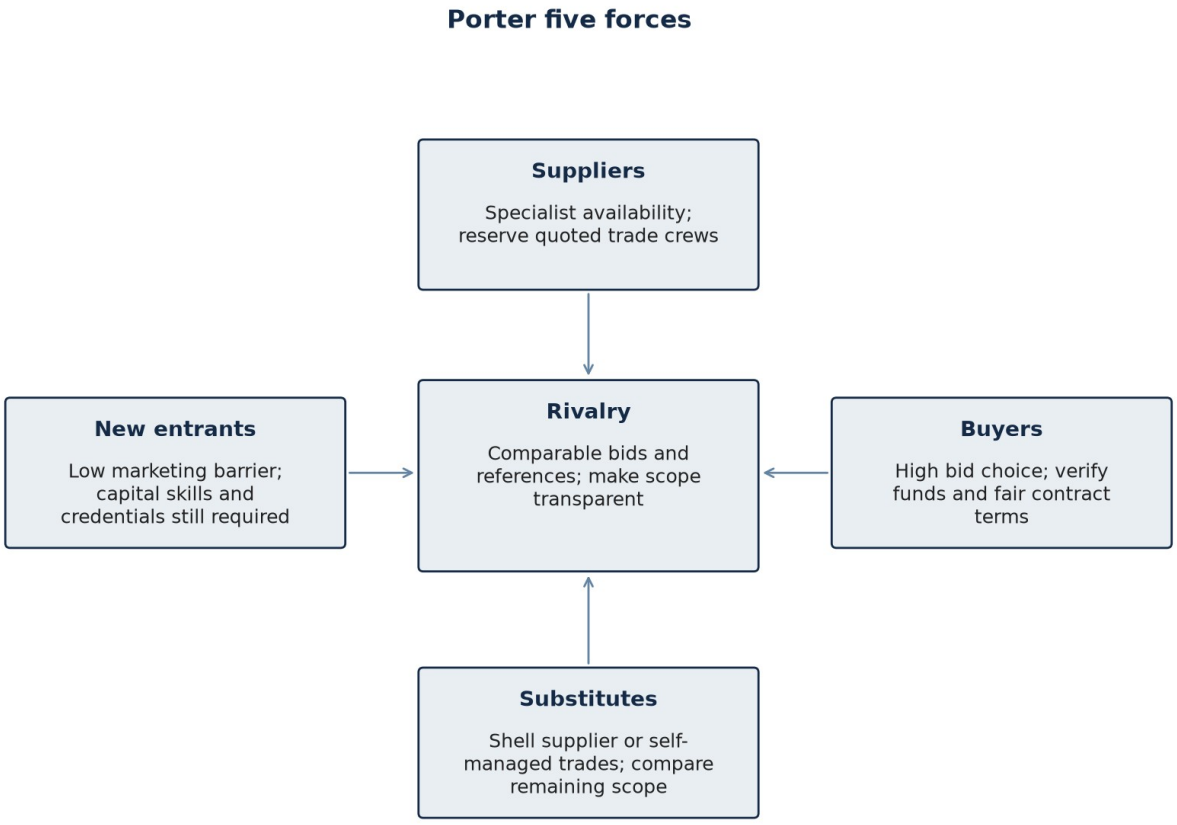
Build a dated tender comparison containing specification, groundworks, foundations, frame, MEP, finishes, design responsibility, programme, VAT, retention and warranty. A cheap shell quote cannot be compared directly with a complete main contract. The contractor should decline work where its capacity or fixed-price scope cannot be supported.

Alternative	Comparison needed
Regional main contractor	Actual full-scope tender references and programme
Frame or shell supplier	What finishes groundworks and coordination remain with client
Client managed trades	Client time interfaces insurance and cash sequencing
Irwell proposed position	Single contract accountable coordination and documented changes

16 / MARKET

Porter five forces

Rivalry is central because a small new entrant competes on tender credibility and delivery history. Buyers have high bargaining power when they can obtain comparable complete bids; reducing scope ambiguity is the response. Skilled specialist suppliers can constrain programme and margin, so packages need written availability. Entrants can market easily but still need competence, capital and references. Substitutes include shell supply and client-managed trades, each transferring coordination risk differently.



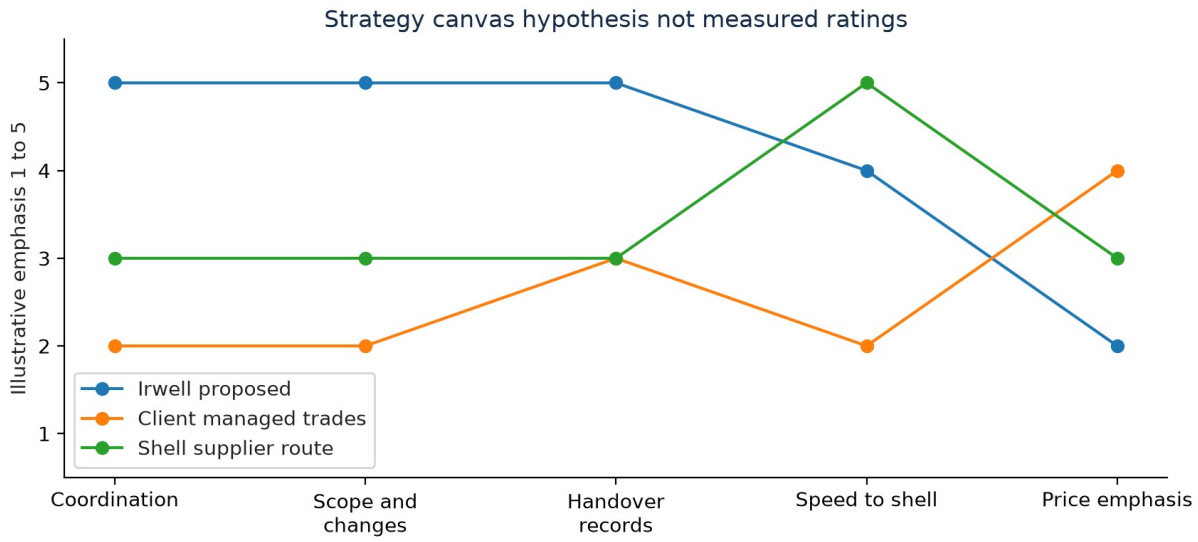
Rivalry sits at the centre; the four surrounding forces link to specific bid procurement and capacity responses.

17 / MARKET

Strategy canvas

The canvas describes intended relative emphasis, with illustrative scores from one to five. It is an internal positioning hypothesis, not a survey or competitor rating. Irwell emphasises integrated coordination, written scope and change control, inspections and handover documentation. It does not claim the lowest tender price.

Client-managed trades can offer direct package choice but require substantial client coordination. A shell supplier can emphasise speed to weatherproof structure but leaves scope to other contractors. Replace hypothetical scores with documented tender evidence before using them in external marketing.



Illustrative unmeasured positioning scores 1 low emphasis to 5 high emphasis; no measured competitor data.

18 / OPERATIONS

Location and premises

A small office and secure stock store within the Manchester service area is assumed at £1,500 net rent per month and a £4,500 refundable deposit. There is no lease or selected address. Storage access, permitted use, security, fire arrangements, insurance and delivery space must be reviewed before commitment.

Each customer plot is a separate workplace with its own site constraints. Ground investigation, utilities, drainage, access, neighbours and working hours belong in preconstruction review. The owner must verify the correct local authority for plots outside Manchester city. Premises cost is part of monthly overhead, not a land-development budget.

19 / OPERATIONS

Equipment and resource plan

The equipment budget is a planning allowance of £65,000 net before launch. It comprises a van £28,000, carpenter tools £18,000, mobile site equipment £12,000 and IT £7,000. Capital assets are depreciated over an editable 60-month life. Specialist plant is assumed inside subcontract packages, avoiding a duplicated plant fleet. A £12,000 net renewal allowance is scheduled in January 2029.

Owned opening materials of £15,000 net are working inventory, not equipment or expense. Material purchases are driven by consumption and unused-stock cover. Training, tender preparation and legal work are startup expenses. Quotes, warranties, useful lives and tax classification must be confirmed.

Resource	Net GBP planning amount
Van	28,000
Tools	18,000
Mobile site equipment	12,000
IT	7,000
Total initial PPE	**65,000**
Opening materials asset	15,000
January 2029 equipment renewal	12,000

20 / OPERATIONS

Contract scope and service strategy

The launch contract covers a qualifying new dwelling construction package on a client-owned plot. A bill of quantities must state the design, area, groundworks, frame, envelope, mechanical and electrical systems, finishes and commissioning. Planning applications, independent architect or surveyor services, land, finance and client furnishings are separately funded outside contractor revenue. Independently supplied professional services are generally standard-rated and are not silently bundled into zero-rated turnover [S1].

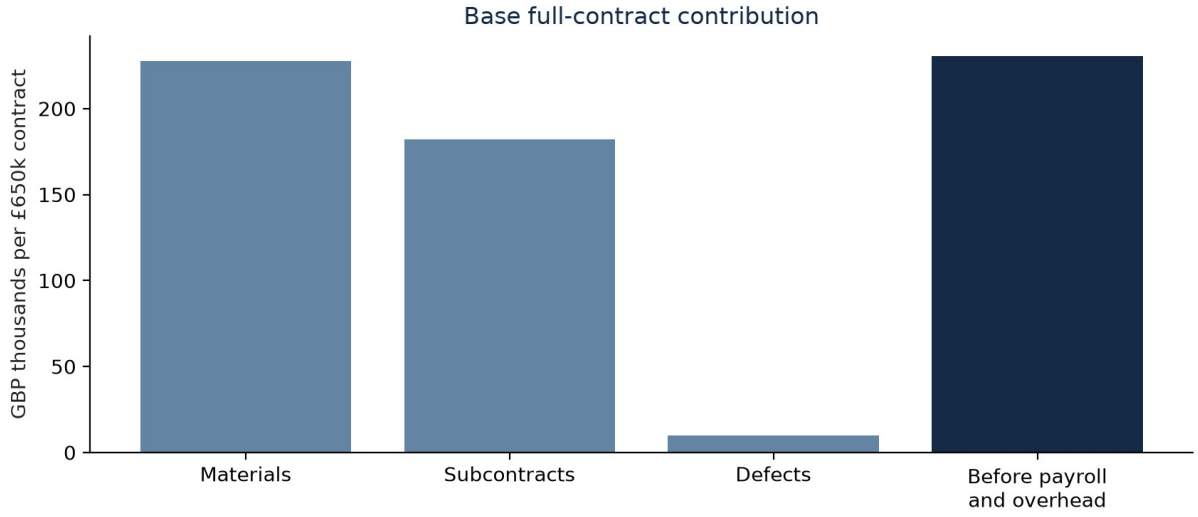
Programme phases are mobilisation and foundations, structure and weatherproofing, first fix, finishes and commissioning. Specialist groundwork, roofing, electrical, plumbing and plastering packages supply skills the two carpenters do not provide. Their reserved availability is an unmet launch gate; the eight-month linear model is a smoothing assumption that must be replaced by a quoted milestone programme for a real tender.

21 / OPERATIONS

Pricing and contract economics

The proposed first-year contract value is £650,000 net, excluding land and separate professional fees. Qualifying new dwelling construction is assumed zero-rated only after supply-specific assessment [S1]. Ordinary renovations would normally be 20%, with narrowly qualifying reduced-rate work at 5%; these contracts are excluded. New homes are zero-rated, not VAT exempt.

Materials consume 35% of net earned revenue, subcontracted services 28% and defects provision 1.5% in Base. This leaves 35.5% before paid payroll, overhead, depreciation, interest and tax. Price is fixed for each cohort; 2% annual price growth affects only newly signed homes. The forecast uses uniform monthly earned work across eight months, subject to accountant review. A tender must price irregular phase costs and contingency rather than assume all work occurs evenly.



Base full-contract planning economics; paid payroll and company fixed costs remain below contribution.

Opening contract GBP	Base
Net contract value	650,000
Materials provision	227,500
Subcontract packages	182,000
Defects provision	9,750
Contribution before payroll and overhead	**230,750**

22 / MARKET

Competitor tender comparison

No like-for-like regional contractor quotation has been obtained. Published home prices include land, margin, location and tax differences and cannot validate this £650,000 construction tender. Per-square-metre averages also conceal foundations, services, area definitions and specification.

Obtain three dated bids against the same bill of quantities, ask which items remain with the client and compare payment terms. Record exclusions and changes separately. The comparison table deliberately retains unknowns rather than inventing quotes or ratings.

Item	Irwell proposal	External tender evidence
Complete construction net	£650,000 hypothesis	Unknown
Land and independent design	Excluded	Scope to confirm
VAT	Conditional qualifying zero rate	Supply review required
Advance and retention	10% deposit 5% retention	Actual contract terms unknown
Time on site	Eight months hypothesis	Quoted crew programme required

23 / SALES

Brand and customer experience

Use a factual identity and a clear tender pack. Marketing must not claim completed projects, awards, memberships or warranty approval that have not been verified. Ask permission before using any customer name or site photographs. Explain what the price covers, what can change and who decides.

Weekly reports should include work completed, next-stage tasks, photographs, change decisions and payment status. The handover pack contains inspections, certifications, manuals, warranties and a defects reporting route. Client satisfaction cannot substitute for compliant work or paid receipts.

24 / SALES

Sales channels and process

Architect referrals, local search and direct tender invitations are proposed channels. The owner qualifies plot rights, design readiness, funding, permissions and scope before estimating. The administrator records leads and document versions. The owner signs a written scope and payment programme only after a cost-to-complete and cash review.

Requested-ready contracts enter an editable monthly calendar. The model starts them only if foreman capacity, productive carpenter hours and reserved specialist trade slots allow it; excess requests remain queued. Deposits are forecast as paid at start, not as automatic revenue. The real pipeline needs expiry and withdrawal reviews; queued contracts in the model are optimistic planning availability, not secured backlog.

25 / SALES

Launch marketing

The £15,000 startup expense allowance includes £3,000 for basic identity, website content and tender materials, £5,000 for legal and formation support, £4,000 for recruitment and training, and £3,000 for estimating and prelaunch administration. In addition the owner's three months at 0.25 FTE are separately paid and costed at £5,075.70 with employer contributions and no VAT. These are unquoted allowances. Ongoing marketing of £600 per month sits inside the £5,500 overhead budget, so it is not added again.

The launch campaign seeks complete tender invitations and verified referrals, not social engagement. Track paid qualified contracts and the cost of estimating lost bids. No conversion rate is assumed to prove demand.

Activity	Net GBP budget	Measurement
Identity and tender materials	3,000	Completed factual scope and contact material
Ongoing marketing per month	600	Qualified ready tenders and paid contracts
Owner estimating time	Included in paid salary	Hours per tender and conversion
Client evidence	Not yet obtained	Funding permissions and written scope

26 / SALES

Retention and ongoing sales

Future orders depend on a documented completion history and architect relationships. Record programme variance, change causes, defects response time and referrals after each handover. Obtain explicit client permission before sharing work. Do not offer incentives that compromise inspection or tender independence.

Financial retention means 5% of earned work is initially unbilled, released six months after practical completion and then collected with the ordinary one-month lag in Base. It is distinct from customer loyalty. Defects expense is accrued at 1.5% of work and paid six months after completion in the planning model. Insurance or ten-year structural warranty arrangements must be separately quoted; the six-month cash assumption does not end legal obligations.

27 / OPERATIONS

Site operations and suppliers

The foreman holds a daily coordination meeting and records work fronts, deliveries, permits, lifting arrangements and safe access. Carpenters undertake the planned internal scope; specialist crews perform regulated and specialist packages. Before procurement the owner checks subcontract scope, competence, insurance, availability, employment status and CIS verification.

The model assumes every construction subcontractor has verified gross-payment status. This is a supplier eligibility gate, not an assertion that CIS disappears. If deduction status applies, gross subcontract cost stays unchanged but labour withholding and HMRC remittance timing need a separate schedule [S11]. Materials are bought against work consumption; the one-month payable fraction is unapproved credit. No supplier balance finances the forecast automatically beyond this explicit assumption.

Stage	Crew and control
Foundation and services	Reserved groundworker drainage and utility coordination
Structure and envelope	Two paid carpenters with contracted roofing and lifting
First fix	Reserved qualified electrical and plumbing firms
Finishes	Contracted plastering decoration and joinery interfaces
Commission and handover	Inspection certificates snag log manuals and client sign-off

28 / OPERATIONS

Sustainability practices

Specify only designed and verified energy, ventilation and water performance. Compliance with relevant Approved Documents, including structure, energy and ventilation, requires a competent design and inspections; this plan does not certify a standard [S13]. Do not advertise a fabric or carbon performance unsupported by testing.

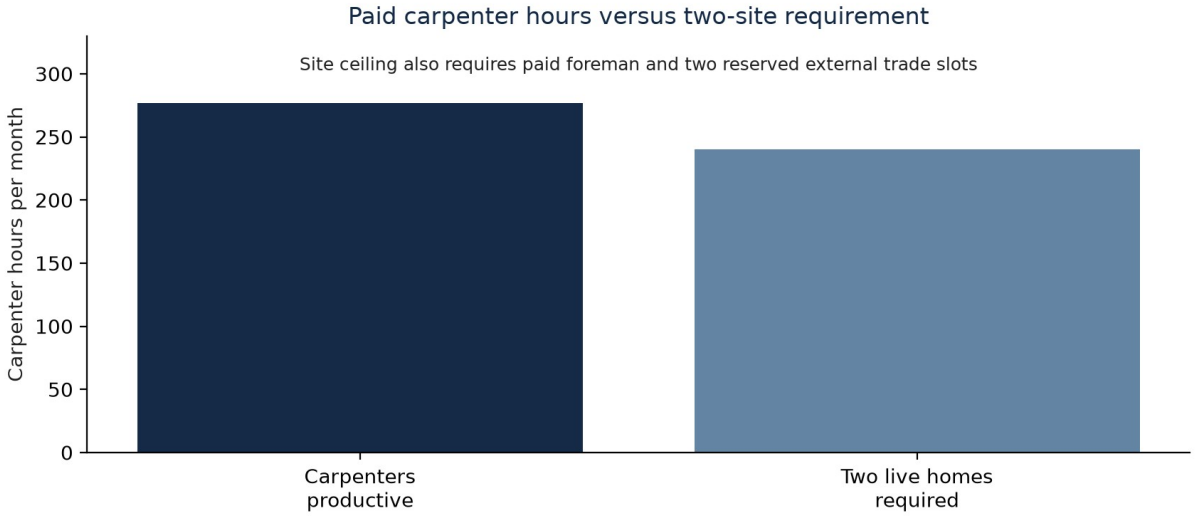
Order material quantities from drawings, protect stock and segregate waste with authorised contractors. Track transport, waste tickets, damage and rework. Drainage, contamination, biodiversity and site-specific conditions must be resolved by appointed advisers. Subcontract and material allowances include ordinary waste handling; unusual remediation must be separately priced.

29 / PEOPLE

Staffing and training

Five actual employees provide 4.5 total paid FTE: owner one, foreman one, carpenters two and administrator half-time. Base annual gross payroll is £224,000 before 3% annual increases. Employer NI is based on actual aggregate role pay less one £5,000 threshold per actual employee; the half-time administrator earns £16,000, giving £1,650 NI per year at 15%. Employer pension uses actual per-person pay within the qualifying band; the administrator's employer pension is £292.80 per year. Employment Allowance savings are not claimed [S 2 S 3].

Each full-time carpenter has 173 paid hours monthly with an 80% productive allowance for leave, training and other time: two carpenters provide 276.8 productive hours. A live home requires 120 carpenter hours monthly, allowing two sites. This is a scope assumption dependent on externally reserved specialist crews; supervision alone does not establish capacity.



Paid hours and finite live-site limit. Foreman carpenter and reserved trade constraints all cap starts.

30 / PEOPLE

Staff skills and fair work

Hire against verified task competency and references. Give staff written contracts, induction, safe-work training, paid leave and clear reporting. Use payroll software to calculate employee deductions and employer contributions, with owner director treatment reviewed. The paid salary expense includes leave and nonproductive time rather than relying on free overtime.

The model uses 40 weekly hours for full-time staff and 20 for the administrator. The administrator salary is a planning pay allowance. Statutory wage rates must be checked before each April and each hiring. Trade firms must meet their own legal obligations; paying an invoice does not prove self-employment. Qualified electrical, gas and other regulated work must be assigned appropriately.

31 / RISK

Legal and insurance requirements

Before each new dwelling, verify plot title, planning consent and conditions, approved design, separate building-control arrangements and necessary inspections [S 7 S 8]. Record building-regulations dutyholder appointments and competence. On domestic projects, CDM responsibilities may pass to the contractor or principal contractor; written appointments and construction phase planning remain essential [S 9 S 10].

Use a solicitor-reviewed consumer contract stating scope, deposits, changes, certification, retention, suspension, termination, defects and dispute routes. Deposit handling and client safeguards must be agreed before receipt; no escrow, bond or statutory protection is claimed here. Obtain employers' liability cover of at least £5 million where applicable [S12], plus quoted public liability, contract works, vehicle and professional cover for actual responsibilities. A structural warranty accepted by the client's lender is a prestart condition, not an assumed approval. Future taxes and payroll rates require adviser review.

32 / IMPLEMENTATION

Opening roadmap

October–December 2026 preparation is paid: the owner works 0.25 FTE (10 hours weekly) for three months at £1,500 gross monthly. Startup cash includes £4,500 gross pay, £487.50 employer NI and £88.20 employer pension, £5,075.70 total with no VAT. Employer costs use monthly annualised planning allowances over the three months; director annual and appointment rules need payroll review. Professional setup services remain a separate £15,000 net allowance. During late 2026, verify the founder and paid-team credentials, prepare a scoped sample tender, obtain firm trade quotes and confirm premises and insurance. The owner must document available equity and a lender offer before equipment orders. Signed-ready client work requires permissions, funding, design and a reviewed contract.

December purchases and setup costs form the opening balance sheet. January 2027 is conditional on all gates; forecast payroll starts then even if volume is weak. If gates fail, shift the demand calendar and re-cost idle payroll, premises and debt interest before launch. The model does not insert approval or finance to keep the target date.

When	Accountable gate
October November 2026	Founder skills tender scope and trade capacity
Before committing funds	Equity evidence loan offer lease cover and liquidity
December 2026	Equipment store stock payroll and controls
Before first site	Plot funding permissions appointments contract and safety plan
Monthly thereafter	Cost-to-complete collections cash and defects review

33 / RISK

Risks and management actions

A fixed tender can become loss-making if ground conditions, specification or trade costs differ from assumptions. Review risk ownership before signing and require approved change orders for scope changes. The contractor still bears ordinary execution and pricing risk. A cost-to-complete forecast matters more than recognising a smooth monthly margin.

A slow payer, cancelled queue or refund delay can exhaust cash before reported profits turn negative. Pause additional mobilisation when agreed payment conditions fail, subject to contract rights. Monitor foreman absence and subcontract gaps; paid backup and resequencing must be costed. Retention, defects and tax obligations outlive handover and the December 2029 forecast.

Verified Downside minimum cash is (£643,298), leaving a reserve funding gap of £703,298. This case is not launchable without genuine additional funding, renegotiated scope or a reduced fixed commitment. Base also needs £27,474 to maintain the reserve.

Risk	Trigger and response
Cost overrun	Reforecast committed and remaining packages weekly
Slow client payment	Chase certification and review suspension rights before extra work
Crew shortfall	Reduce starts and procure qualified paid cover
VAT refund delayed	Extend refund lag and maintain actual cash buffer
Defects or warranty	Log safety-critical defects immediately and retain cost provision
Unfunded opening	Do not order assets against unapproved funding

34 / EVIDENCE

Research and evidence

Primary sources reviewed on 3 October 2026 establish tax, employer, safety and permission context. They do not prove demand, contractor capability, a plot approval or a supplier price. Citations identify the exact source page; reviewed 2026/27 rates are future planning inputs, not guarantees for all later tax years.

VAT Notice 708 separates qualifying new dwelling construction from ordinary renovation and independently supplied professional services [S1]. HMRC provides current employer NI [S2], corporation tax [S 4 S 5] and repayment context [S6]. HSE describes domestic client and principal contractor responsibilities [S 9 S 10]. Manchester explains local planning and building control routes [S 7 S 8]. Remaining research needs genuine tenders, plot budgets, client finance and crew commitments.

S1 https://www.gov.uk/guidance/buildings-and-construction-vat-notice-708

S2 https://www.gov.uk/guidance/rates-and-thresholds-for-employers-2026-to-2027

S3 https://www.thepensionsregulator.gov.uk/employers/new-employers/im-an-employer-who-has-to-provide-a-pension/choose-a-pension-scheme/understanding-your-costs/making-contributions-to-your-pension-scheme

S4 https://www.gov.uk/corporation-tax-rates

S5 https://www.gov.uk/pay-corporation-tax

S6 https://www.gov.uk/vat-repayments

S7 https://www.manchester.gov.uk/planning-and-regeneration/planning

S8 https://www.manchester.gov.uk/planning-and-regeneration/building-control

S9 https://www.hse.gov.uk/construction/cdm/2015/domestic-clients.htm

S10 https://www.hse.gov.uk/construction/cdm/2015/principal-contractors.htm

S11 https://www.gov.uk/what-is-the-construction-industry-scheme

S12 https://www.gov.uk/employers-liability-insurance

S13 https://www.gov.uk/government/collections/approved-documents

S14 https://assets.publishing.service.gov.uk/media/6926e0849c1eda2cdf034098/Budget_2025_policy_costings_-_revised.pdf

35 / EVIDENCE

Quotes and assumptions

Every contract price, material and trade fraction, wage, rent, equipment amount, deposit and retention term, pipeline calendar and finance term is an author-selected planning assumption. No supplier quote, founder employment arrangement, permission, signed contract or funding approval is claimed. Obtain written evidence, change the editable inputs and refresh all outputs before decisions.

Accounting assumptions need accountant review: earned work is linear over each build; retention remains a contract asset until invoiced; deposits amortise with work. This requires an appropriate recognition policy and enforceable contract rights. Material stock is the only inventory, because clients retain land and homes. Statutory tax computations may differ from the book-profit proxy. Recoverability of VAT on the mixed setup allowance requires invoice and supplier review; the model assumes standard-rated eligible invoices rather than confirmed recovery.

Assumption	Validation needed
£650,000 contract	Detailed drawings specification bill of quantities and comparable bids
Eight months two sites	Phase programme productive crew hours and trade reservations
Deposits and retention	Signed fair consumer contract and lender payment requirements
VAT and tax	Invoice-level assessment and adviser-reviewed returns
Funding £200,000	Proof of £100,000 equity and approved £100,000 loan
Warranty and insurance	Quoted cover certificate requirements and lender acceptance

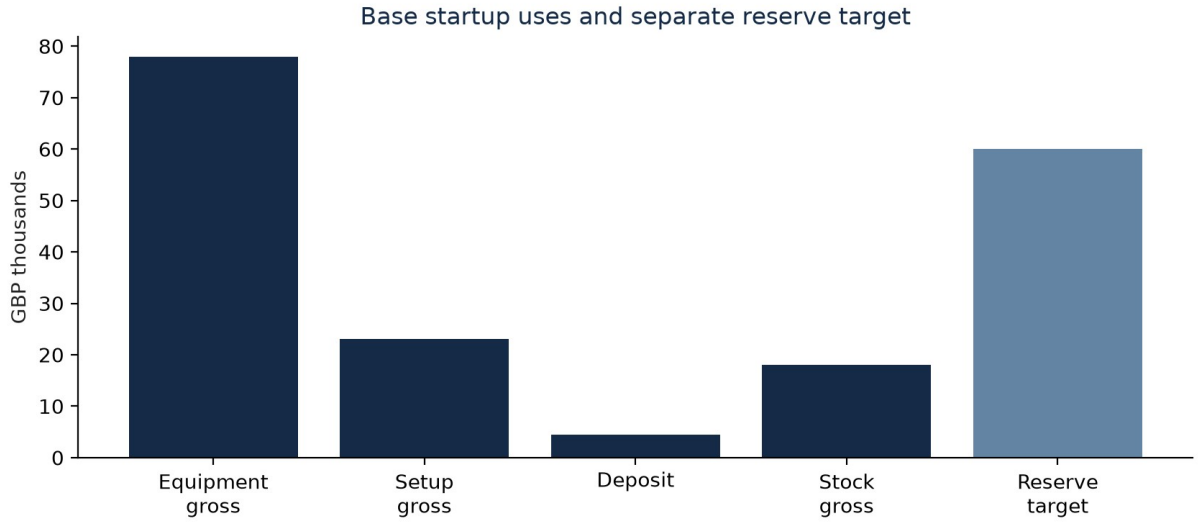
36 / FINANCE

Startup costs and funding

The Base prelaunch cash uses comprise £65,000 equipment, £15,000 startup expenses, £4,500 refundable premises deposit and £15,000 opening materials, plus applicable input VAT and £5,075.70 paid preopening owner salary and employer costs with no VAT. The £60,000 target cash reserve is a minimum liquidity threshold, not an expense or a balancing plug. Proposed sources are £100,000 owner equity and £100,000 loan, neither committed.

Initial coverage alone is insufficient: review the lowest opening or operating cash under each case, customer collections and refund timing. Any reserve or negative-cash gap remains visible and needs genuine additional funding or revised commitments before launch.

Verified gross startup spending is £123,576; opening cash is £76,424. Initial reserve shortfall is £0; Base minimum cash including the opening balance is £32,526 and reserve gap £27,474.



Base startup gross cash uses from verified model 1.0; reserve shown separately as a funding target.

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Itemized startup costs

Startup cash uses are separated from profit recognition. Equipment, refundable deposit and unconsumed materials remain assets. Setup expenses create an opening retained loss. Recoverable input VAT is an asset until refund cash arrives, not a reduction in prelaunch cash payment. No asset quote or VAT repayment is guaranteed. The workbook's Startup sheet links each case to editable inputs.

GBP	Base	Downside	Upside
Equipment net	65,000	71,500	65,000
Recoverable equipment VAT	13,000	14,300	13,000
Setup and preopening payroll net	20,076	23,076	20,076
Recoverable startup expense VAT	3,000	3,600	3,000
Premises deposit	4,500	4,500	4,500
Opening material inventory net	15,000	15,000	15,000
Opening material VAT	3,000	3,000	3,000
Total startup cash spending	**123,576**	**134,976**	**123,576**
Target reserve	60,000	60,000	60,000
Funding requirement	**183,576**	**194,976**	**183,576**
Proposed funding total	**200,000**	**200,000**	**200,000**
Opening cash	**76,424**	**65,024**	**76,424**
Initial funding shortfall	**–**	**–**	**–**
Preopening owner gross salary	4,500	4,500	4,500
Preopening employer NI	488	488	488
Preopening employer pension	88	88	88
Total preopening payroll	5,076	5,076	5,076

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Owner personal survival budget

The illustrative monthly household budget is £3,700: housing and utilities £1,800, food £550, transport £300, insurance and personal £550, and contingency and savings £500. Reliable other income is assumed zero. At 68% illustrative net retention, a £72,000 gross annual owner salary indicates £4,080 monthly take-home and £380 surplus. These are planning examples, not the founder's actual finances or a personal tax calculation.

The corporate model pays and expenses the owner salary plus applicable employer costs; it does not fund the business through unpaid labour. Verify household commitments, director payroll treatment, pension and actual net pay. Do not replace wages with unmodelled dividends.

GBP monthly	Illustrative amount
Housing and utilities	1,800
Food and household	550
Transport	300
Insurance health and personal	550
Contingency and savings	500
Other reliable net income	–
Required take home	**3,700**
Modelled estimated take home	4,080
Estimated surplus	**380**

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Financing terms and security

The proposed loan is £100,000 at 7.5% annual interest in Base and Upside, 9% in Downside, with three months of principal grace and equal principal over a 60-month repayment term after grace. Interest is paid on opening monthly debt throughout the operating forecast. Proposed equity is assumed available in October 2026 to fund paid preparation. The loan is assumed drawn on 31 December 2026 and equipment and material invoices paid that day; there is no preopening loan interest under this timing assumption. An earlier bank draw or arrangement fee requires a separately quoted cost and revised startup budget. The forecast ends with outstanding debt; principal is not an income-statement expense.

No lender, collateral value, personal guarantee, covenant or grace approval has been obtained. Equipment may be offered subject to title and valuation, but clients' land and houses are not company collateral. There are no automatic revolver draws, cash plugs, dividend distributions or refinancing proceeds. Review downside liquidity and any security requirements before borrowing.

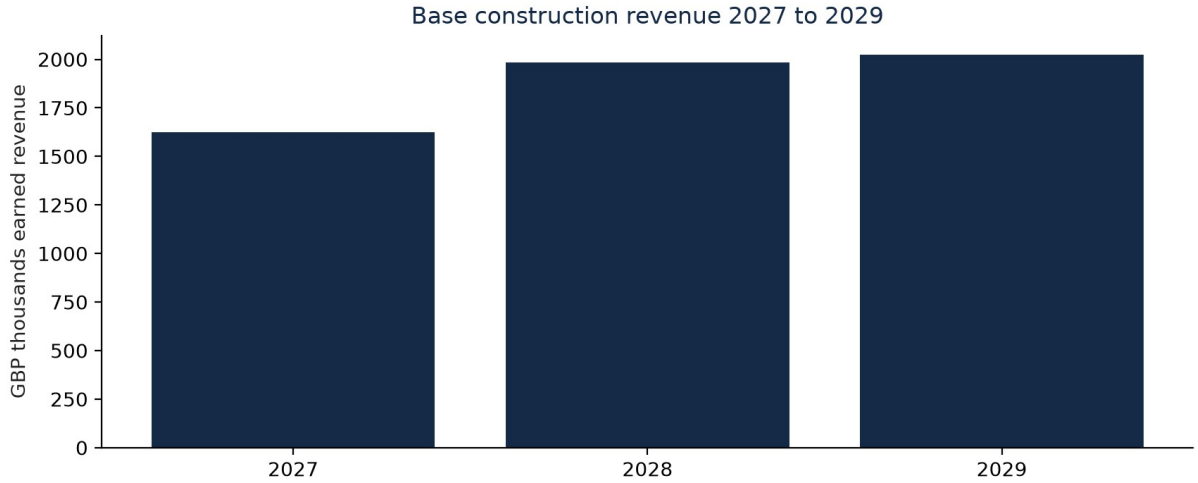
GBP	2027	2028	2029
Interest paid	7,125	5,687	4,187
Principal paid	15,000	20,000	20,000
Closing debt	85,000	65,000	45,000

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Revenue forecast and capacity

Revenue is earned construction work, not deposits or the sale price of client land. Each start creates a fixed-price cohort, with equal earned revenue over its scenario build duration. Capacity restricts accepted starts using paid foreman, carpenter productivity and external trade slots. Requested but deferred jobs stay in an optimistic planning queue without recognised revenue.

The Base calendar requests nine homes over three years, starting every four months. An eight-month build means later cohorts and retention extend beyond December 2029. The Downside 75% productive allowance and 135 carpenter hours per live home permit only one site: 259.5 available hours cannot support two homes requiring 270 hours. The Upside request calendar is denser but the two-site ceiling prevents unsupported output. A real tender should replace linear revenue and cost smoothing with certified phase quantities.



Annual recognised construction revenue and starts from verified model 1.0; cash receipts are scheduled separately.

Base	2027	2028	2029
Starts	3	3	3
Completions	2	3	3
Year end queued projects	–	–	–
Revenue	1,625,000	1,982,500	2,022,150
Peak live homes	2	2	2

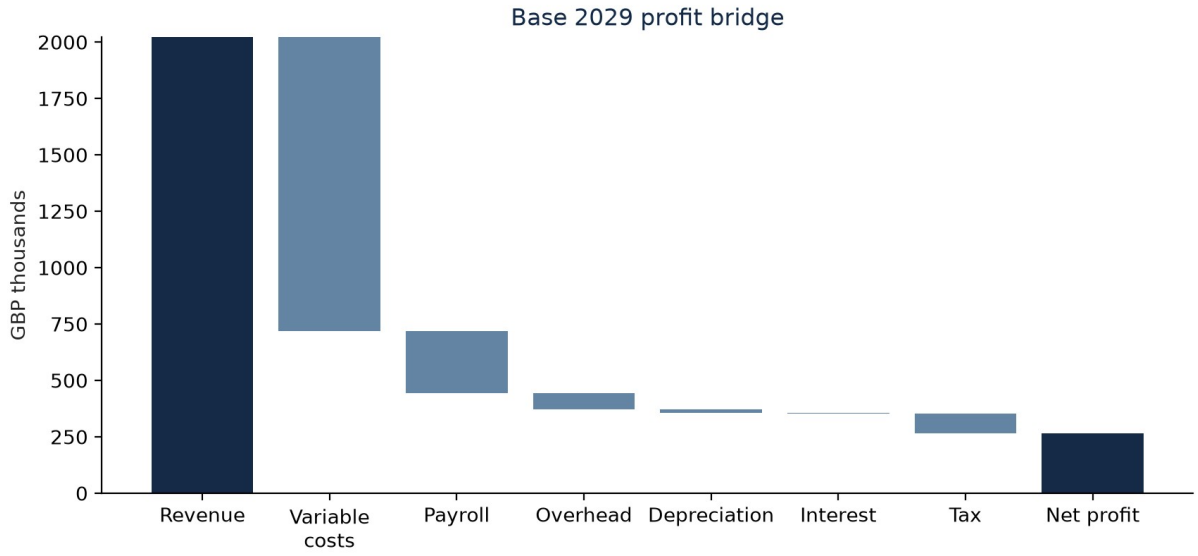
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Costs and projected profit

Base materials, subcontract services and defects provisions consume 64.5% of earned construction revenue. Paid payroll, including owner pay and employer costs, continues when demand is zero. Overheads begin at £5,500 net monthly and inflate separately from contract prices. Payroll increases 3% annually; employer contribution thresholds are explicit future assumptions.

Depreciation is noncash and capped at asset cost, including positive fractional useful lives. Interest follows actual fixed debt outstanding. Corporation tax uses a 25% planning book-profit proxy after opening book losses. It excludes capital-allowance and non-deductible-cost adjustments; setup-cost deductibility requires review. Small-profit and marginal-relief calculations are not claimed. The monthly provision can reverse within a tax year as the annual estimate changes.

Base 2027 paid payroll and employer costs total £258,930; overhead totals £66,000. Annual EBITDA is £251,945, £369,059, £373,043 across 2027–2029.



Base 2029 bridge from revenue to net profit from the verified linked statements.

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Profit and loss forecast

The annual P&L sums all twelve monthly earned-work periods for each calendar year. Materials consumed and subcontract services are expenses; material purchases can differ because inventory and supplier terms change. Defects are expensed with work and remain a liability until spent. Paid payroll is shown separately from subcontract labour.

All figures are GBP net of recoverable VAT. Startup expense loss sits in opening retained earnings, so operating 2027 P&L and opening loss are separate. No deferred tax asset or dividend is forecast. Annual tax provision is an estimate rather than a filed statutory return.

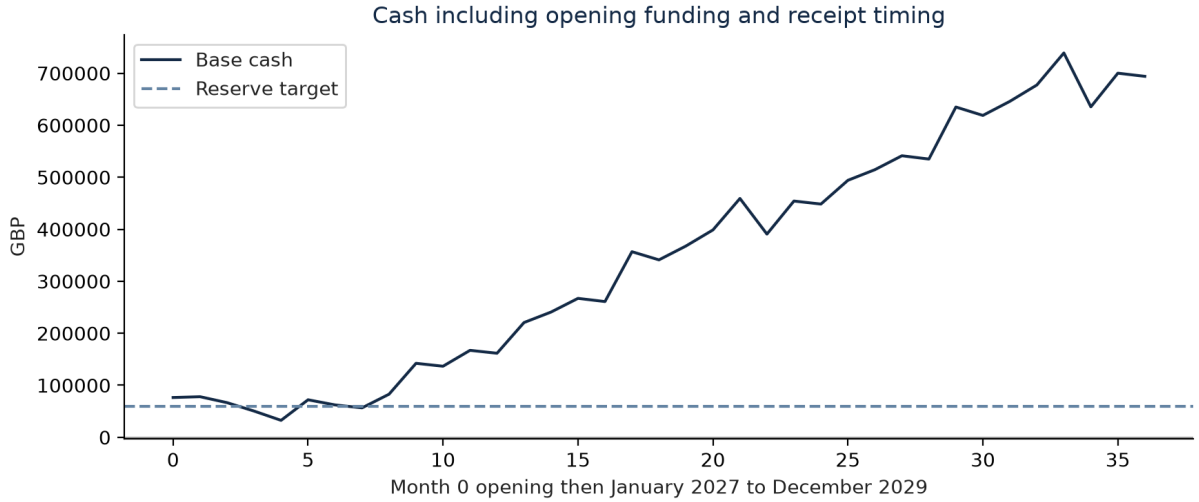
GBP	2027	2028	2029
Revenue from earned work	**1,625,000**	**1,982,500**	**2,022,150**
Material consumed net	568,750	693,875	707,752
Subcontract services net	455,000	555,100	566,202
Defects expense provision	24,375	29,738	30,332
Gross profit before payroll	**576,875**	**703,787**	**717,863**
Total payroll expense and cash	**258,930**	**266,748**	**274,801**
Overheads net	66,000	67,980	70,019
EBITDA	**251,945**	**369,059**	**373,043**
Equipment depreciation	13,000	13,000	17,000
Loan interest cash and expense	7,125	5,687	4,187
Corporation tax provision	52,936	87,593	87,964
Net profit or loss	**178,884**	**262,779**	**263,892**

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Cash flow and financial position

Cash collections follow a 10% deposit at start, progress billing of 85% of earned work and a 5% retained amount in Base. Ordinary progress and released-retention invoices collect one month later. The deposit remains a client advance liability and is amortised pro rata as work is earned. Retention is a separate contract asset until release six months after completion.

Materials cash follows purchases and the explicit one-month supplier credit fraction. VAT on materials, taxable overhead and assets is accrued as recoverable credit; quarterly claims are paid two months after quarter-end in Base, four in Downside. HMRC checks can take longer [S6]. Corporation tax is paid in October after the December year-end under the normal nine-month-and-one-day deadline [S5]. Cash never receives a balancing overdraft.



Opening funding and monthly cash are distinct. Negative balances or reserve gaps remain funding requirements.

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Cash flow forecast months one to six

The first six months distinguish deposits and progress receipts from revenue and input VAT accruals. Prelaunch cash is already net of setup purchases. The first modelled VAT refund occurs in May 2027 under the Base two-month post-quarter lag; this is a planning receipt, not an approved claim. Interest is paid during principal grace; equal principal begins in April. Tables below use the verified monthly Base cash schedule.

GBP	2027-01	2027-02	2027-03	2027-04	2027-05	2027-06
Opening cash	**76,424**	**77,984**	**66,543**	**50,368**	**32,526**	**72,081**
Client cash receipts	65,000	69,062	69,062	69,062	134,062	138,125
VAT refund cash	–	–	–	–	36,464	–
Materials cash paid gross	12,328	29,391	34,125	34,125	55,453	72,516
Subcontract cash paid	22,750	22,750	22,750	22,750	45,500	45,500
Defects cash paid	–	–	–	–	–	–
Total payroll expense and cash	**21,578**	**21,578**	**21,578**	**21,578**	**21,578**	**21,578**
Overhead cash gross	6,160	6,160	6,160	6,160	6,160	6,160
Loan interest cash and expense	625	625	625	625	615	604
Corporation tax paid	–	–	–	–	–	–
Operating cash flow	1,559	(11,441)	(16,175)	(16,175)	41,222	(8,232)
Investing cash flow	–	–	–	–	–	–
Financing cash flow	–	–	–	(1,667)	(1,667)	(1,667)
Closing cash	**77,984**	**66,543**	**50,368**	**32,526**	**72,081**	**62,182**

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Cash flow forecast months seven to twelve

The first Base home completes in August 2027 and another in December. Completion itself does not immediately pay retention: the six-month release delay and ordinary collection lag continue. Modelled defects cash is also scheduled six months after completion. Year-end cash must therefore be read alongside receivables, client advances, retention, debt, tax and defects balances rather than profit alone.

GBP	2027-07	2027-08	2027-09	2027-10	2027-11	2027-12
Opening cash	**62,182**	**56,559**	**82,786**	**142,184**	**136,592**	**167,116**
Client cash receipts	138,125	138,125	203,125	138,125	138,125	138,125
VAT refund cash	–	31,839	–	–	36,105	–
Materials cash paid gross	68,250	68,250	68,250	68,250	68,250	68,250
Subcontract cash paid	45,500	45,500	45,500	45,500	45,500	45,500
Defects cash paid	–	–	–	–	–	–
Total payroll expense and cash	**21,578**	**21,578**	**21,578**	**21,578**	**21,578**	**21,578**
Overhead cash gross	6,160	6,160	6,160	6,160	6,160	6,160
Loan interest cash and expense	594	583	573	562	552	542
Corporation tax paid	–	–	–	–	–	–
Operating cash flow	(3,956)	27,894	61,065	(3,925)	32,190	(3,904)
Investing cash flow	–	–	–	–	–	–
Financing cash flow	(1,667)	(1,667)	(1,667)	(1,667)	(1,667)	(1,667)
Closing cash	**56,559**	**82,786**	**142,184**	**136,592**	**167,116**	**161,545**

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Financial position summary

The balance sheet includes cash, invoiced receivables, unbilled retention, unused materials, VAT receivable, refundable premises deposit and depreciated equipment. Liabilities comprise material supplier payables, unearned client deposits, defects provisions, corporation tax payable and fixed loan debt. Retained earnings begin with the startup expense loss and roll with monthly net profit.

No company-owned land, speculative home inventory, client mortgage receivable or unexplained balancing account exists. At December 2029, in-progress work, deferred requests and retention can continue. A terminal cash programme is required before distributions or closure; remaining debt and tax cannot be ignored.

December 2029 Base holds £84,532 of unbilled retention, £33,813 of unearned deposits and £25,360 of defects liability. One Base cohort remains unfinished after its fourth work month. Its remaining four construction months are January–April 2030 under the eight-month assumption; its final retention would release in October 2030 and collect in November 2030 under current terms. The ordinary 36-month model retains the balances and does not pretend these later obligations have been settled.

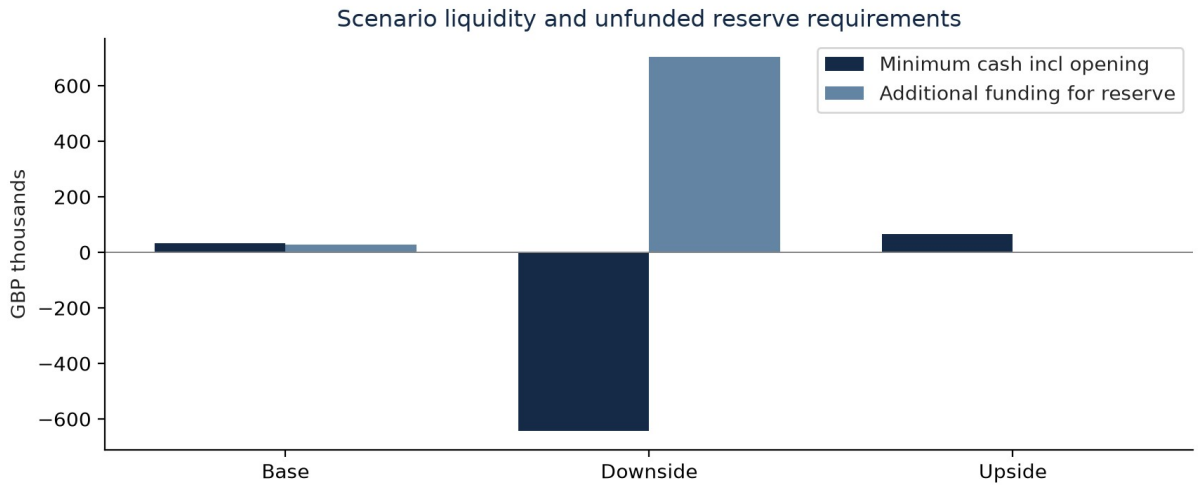
GBP at year end	2027	2028	2029
Cash	161,545	448,387	693,984
Receivables	138,125	140,888	143,705
Retention contract asset	81,250	82,875	84,532
Unused material inventory	14,219	14,503	14,793
VAT receivable	36,105	36,847	37,604
Refundable premises deposit	4,500	4,500	4,500
Net equipment PPE	52,000	39,000	34,000
Total assets	**487,744**	**767,000**	**1,013,119**
Supplier payables	34,125	34,807	35,504
Client advance liability	32,500	33,150	33,813
Defects provision	24,375	24,862	25,360
Tax payable	52,936	87,593	87,964
Loan debt	85,000	65,000	45,000
Total liabilities	**228,936**	**245,413**	**227,640**
Contributed equity	100,000	100,000	100,000
Retained profit or loss	158,808	421,587	685,479
Total equity	**258,808**	**521,587**	**785,479**
Liabilities and equity	**487,744**	**767,000**	**1,013,119**

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Break even and scenarios

Operational EBITDA break-even divides annual payroll and overhead by the net contribution of a full newly priced home. It is an equivalent annual earned-work threshold, not a promise that whole-home completions arrive evenly. Cash break-even also depends on deposits, inventory, collection delays, VAT, tax, assets and debt. Do not equate it with the EBITDA threshold.

Base, Downside and Upside each have native recalculating monthly schedules. Downside combines fewer ready jobs, ten-month builds, higher material and subcontract cost, weaker advance terms, slower receipts and VAT refunds. Its carpenter hour constraint reduces capacity to one live home and queues the excess ready-job hypothesis. Upside increases requested jobs and price but is still capacity constrained. Captured comparison values show a stale warning when any numeric input changes, including inactive cases, calendars, paid people, FTE or household inputs.



Case minimum cash includes opening cash and all 36 months. Additional funding uses each case's own reserve target.

GBP except homes	Base	Downside	Upside
2027 revenue	1,625,000	741,000	1,791,562
2029 net profit	263,892	(189,735)	339,069
Minimum cash incl opening	32,526	(643,298)	66,496
Reserve funding gap	**27,474**	**703,298**	**–**
2029 EBITDA threshold homes	1.44	2.23	1.26

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Model guide and completion

Edit blue numeric cells on Inputs, including case assumptions, actual paid people, FTE, salaries and requested-start calendars. Use selector 1 Base, 2 Downside or 3 Upside for Summary. Every named case has its own live native schedule. Blank, text or out-of-range active values raise an error; blank inactive values leave the selected valid case usable and mark the captured comparison stale. Positive fractional asset lives are supported.

Cases holds captured comparison figures and a type-sensitive complete input snapshot. Refresh model-results.json, captured values, charts and this plan together after changes. The retained build_model.mjs and inputs.json reproduce the workbook; native Excel charts use cell ranges. Complete the founder, tender, permission, client funds, trade capacity, warranty and financing evidence gates before treating this plan as investable. No website publication or lender submission has been performed.