Pawn Shop Business Plan

Irwell Pledge Manchester

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01 / OPERATING PLAN

Executive summary

Irwell Pledge is a proposed Manchester pawnbroker seeking full FCA consumer credit permission. It would make six month loans above £75 against privately owned personal jewellery, with early redemption allowed. The lending book and customer collateral are separate from the business's revenue and assets. No licence, lease, insurance, qualified founder or capital commitment is represented as secured.

The decision is conditional: validate fair value, customer outcomes, conservative collateral values, safe custody and funded downside before signing a long lease or advancing credit. This is a proposal for investors and advisers, not a customer credit advertisement. Figures are planning assumptions dated 3 October 2026.

Launch is rejected under the present proposed capital in every case. Each case breaches its reserve, and even Upside has negative interim cash. Commit enough additional equity for the full stress period or redesign and verify the operating assumptions before launch. Eventual profit and ending cash do not cure an earlier inability to fund lending and customer obligations.

Verified pawn-v 1 Base interest revenue is £115,812, £247,864, £307,987 in 2027, 2028 and 2029. Year three net profit is (£403). Minimum unrestricted cash is (£71,283). Downside minimum cash is (£561,201), requiring £761,201 extra equity to hold its £200,000 reserve. These are conditional forecasts, not approved funding or licensed trading.

GBP calendar years	2027	2028	2029
Interest revenue	£115,812	£247,864	£307,987
Credit loss expense	£0	£0	£0
Net contribution	**£115,812**	**£247,864**	**£307,987**
Total payroll	**£133,686**	**£137,764**	**£141,965**
Total operating expense	**£269,596**	**£281,385**	**£291,487**
EBITDA	**(£153,784)**	**(£33,520)**	**£16,499**
Depreciation	£14,000	£14,000	£14,000
Profit before tax	**(£167,784)**	**(£47,520)**	**£2,499**
Tax reserve	£0	£0	£2,902
Net profit	**(£167,784)**	**(£47,520)**	**(£403)**
Closing cash	**£186,693**	**£47,173**	**(£58,175)**

02 / OPERATING PLAN

Business details

The proposed trading name is Irwell Pledge Manchester, operated by an English private limited company yet to be incorporated. One leased Manchester premises would open weekdays from 10 am to 6 pm, subject to authorisation and operational gates. Planning currency is GBP, with paid preparation in late 2026 and 36 monthly periods January 2027 to December 2029.

The founder, shareholding, registration, site, bank account and nominated regulated individuals remain unknown. No lender registration number or professional qualification has been fabricated. The owner is paid for management and compliant lending, supported by a paid valuer, custody clerk and external qualified relief.

03 / OPERATING PLAN

Business concept and objectives

Offer a transparent small secured loan against authenticated personal jewellery with a receipt, conservative appraisal, simple interest and a clear redemption route. The initial average loan is £500 in Base. The shop will exclude loans at or below £75, business-owned pledges, remittance, crypto, motor-title loans and outright retail purchases.

Before launch, demonstrate safe custody and records on test items, complete a customer vulnerability and fair-value assessment, commission legal review of agreements and obtain funding that covers capital at risk. Over three years, the aim is reliable customer outcomes and capital preservation rather than loan-volume targets at any cost.

04 / OPERATING PLAN

Business model canvas

The model links local borrowers, qualified appraisal, secure custody and regulated lending. Value comes from clear terms and control of the customer’s item. Interest is earned on redemption or capped from an authorised realisation; principal return is not sales.

External partners are a solicitor, compliance adviser, accountant, insurer, security contractor, qualified relief supplier and auctioneer. None is appointed. Costs include paid staff, relief, premises, compliance, custody and loan losses. No owned retail stock or scrap trading is included.



Figure Business model canvas. Proposed choices and evidence gaps. No observed demand or competitor ratings.

05 / OPERATING PLAN

SWOT and longer term goals

Strengths are a deliberately narrow product, transparent proposed terms and a separate customer surplus ledger. Weaknesses are absent demand evidence, unlicensed status, cash tied up in loans and an untested appraisal team.

Opportunities should be tested through ethical local research and a clear redemption experience. Threats include theft, counterfeit goods, valuation shocks, vulnerability failures and slower redemptions. Expansion requires profitable mature cohorts and an externally reviewed compliance record, not a second site assumption.

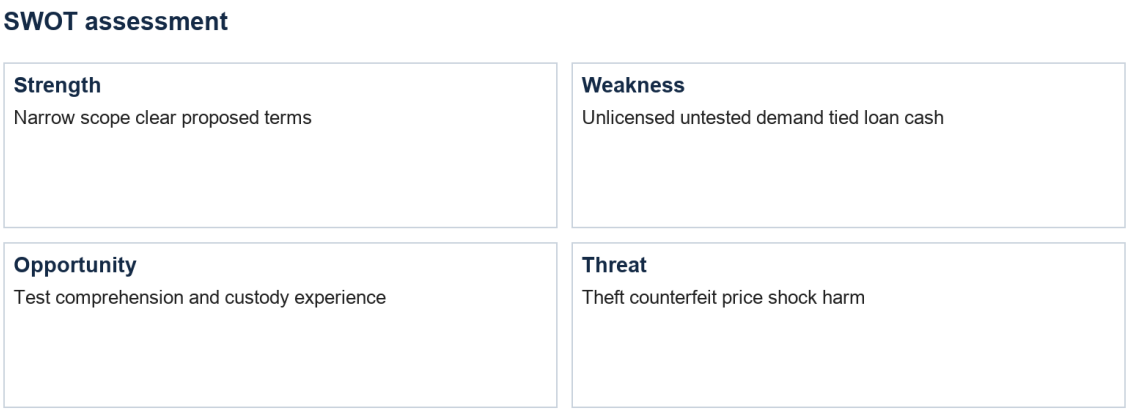


Figure SWOT and longer term goals. Proposed choices and evidence gaps. No observed demand or competitor ratings.

06 / OPERATING PLAN

TOWS strategy matrix

Use the narrow jewellery scope to create repeatable authentication and custody controls before accepting higher-value items. Match the simple interest offer to verified customer comprehension and fair-value evidence.

Address the weak demand evidence before committing fixed costs. Counter downside risk by reducing advances, requiring independent auction estimates, staggering leave and reserving capital. Do not cure cash deficits through automatic rollovers, borrower fees or imagined funding.

TOWS actions

Strength opportunity Use narrow scope for repeatable appraisal	**Weakness opportunity** Test demand and outcomes before lease
Strength threat Dual custody control and written surplus	**Weakness threat** Stress cash and bind insurance before lending

Figure TOWS strategy matrix. Proposed choices and evidence gaps. No observed demand or competitor ratings.

07 / OPERATING PLAN

Owner and management

The paid owner manager is accountable for strategy, consumer outcomes, authorisation, cash controls and daily lending decisions. The paid valuer reports to the owner and independently checks authenticity and conservative value. The paid custody clerk maintains dual-control receipts and records but cannot sign a valuation.

External advisers and suppliers support the owner through contracts, not line management. Qualified relief is funded for leave and sickness. The operational plan assumes the owner is trained and approved for the role; this has to be evidenced before trading.

Reporting and external support

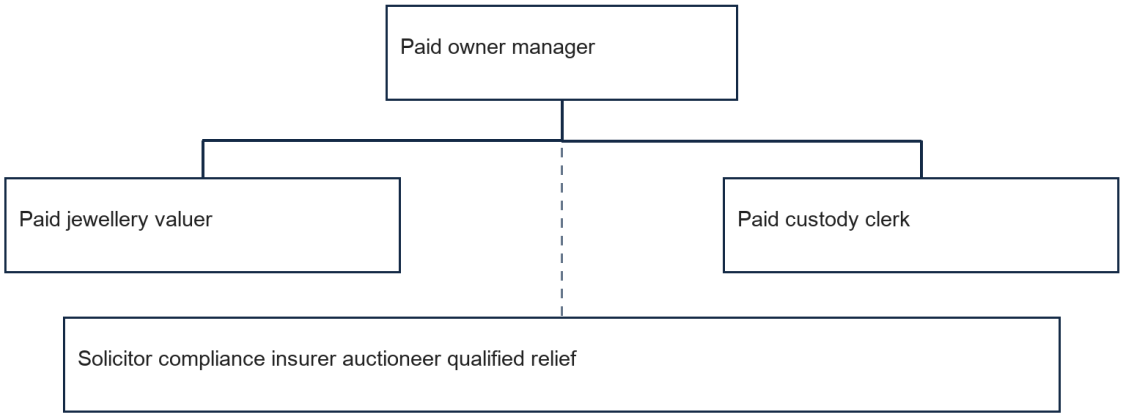


Figure Owner and management. Proposed choices and evidence gaps. No observed demand or competitor ratings.

08 / OPERATING PLAN

Owner and key personnel profiles

Founder biography, relevant experience, financial resources and fit-and-proper evidence are not supplied. The plan therefore contains role requirements rather than invented individual achievements. The proposed owner salary is £4,000 monthly gross.

Hire a qualified jewellery valuer at £3,500 monthly and a 30 hour custody clerk at £2,100 monthly. Verify references, training, conflicts, criminal history where lawful and permitted, and willingness to handle vulnerable customers respectfully. Compliance advice remains external and cannot substitute for management responsibility.

09 / OPERATING PLAN

Target customers

The proposed customer is an adult with legally owned personal jewellery who understands the cost and can choose a secured loan without pressure. Creditworthiness, ownership and vulnerability checks must follow the reviewed policy; collateral does not justify ignoring customer interests.

Exclude business pledgors, minors, unverifiable identity or ownership, suspicious goods and customers whose needs cannot be served fairly. Nobody is labelled a profitable vulnerable segment. A refusal or signpost to free independent debt advice can be the correct outcome.

10 / OPERATING PLAN

Segmentation targeting and positioning

Segment by purpose, repayment timing, item suitability and service needs. Prioritise customers whose own goods are suitable security and whose understanding and circumstances support a fair outcome. The geographic hypothesis is accessible local travel to the chosen Manchester site.

Positioning is clear appraisal, custody and redemption rather than instant unrestricted cash or a claim of lowest price. No validated segment size, conversion or repayment propensity exists. Interviews must be voluntary and must not sell credit before permission.

Segmentation targeting and positioning

Segment Purpose timing item suitability support needs	**Target** Appropriate adults who understand item loss
Position Clear terms secure custody and fair process	**Boundary** No distress targeting or guaranteed approval

Figure Segmentation targeting and positioning. Proposed choices and evidence gaps. No observed demand or competitor ratings.

11 / OPERATING PLAN

Value proposition canvas

Customer jobs include covering a temporary cash need while retaining a right to recover a valued item. Potential concerns are uncertain total cost, loss of sentimental property, opaque valuation and embarrassment; these are hypotheses, not survey findings.

The proposed response is a written appraisal, complete redemption explanation, private conversation, reminders, reasonable forbearance and prompt surplus return. These features must be tested for comprehension and outcomes. Refusal remains possible where the product is unsuitable.

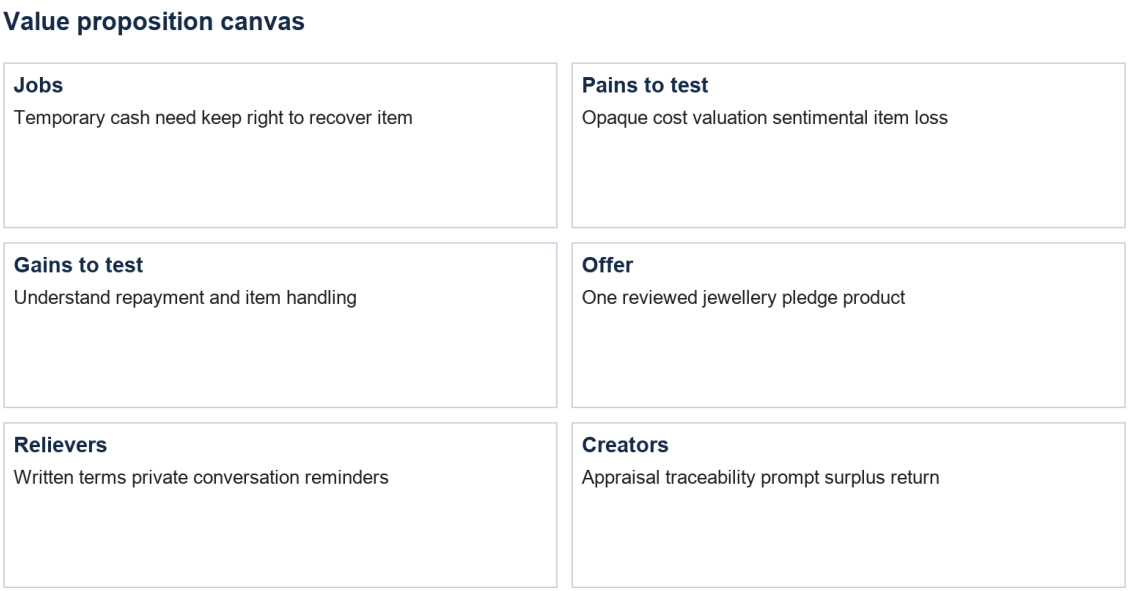


Figure Value proposition canvas. Proposed choices and evidence gaps. No observed demand or competitor ratings.

12 / OPERATING PLAN

Market size and trends

TAM is the annual appropriate secured-credit need of Manchester adults with eligible personal jewellery. SAM narrows this to a validated site catchment, suitable item values and fair-value eligibility. Both are presently unknown. UK historic sector commentary is not a current local market count.

SOM is a forecast of accepted new pledges, not observed customers or market share. Base daily requests 8,10 and 12 by year are planning inputs. Obtain lawful catchment research and matched competitors before presenting any percent age share or revenue opportunity as established.

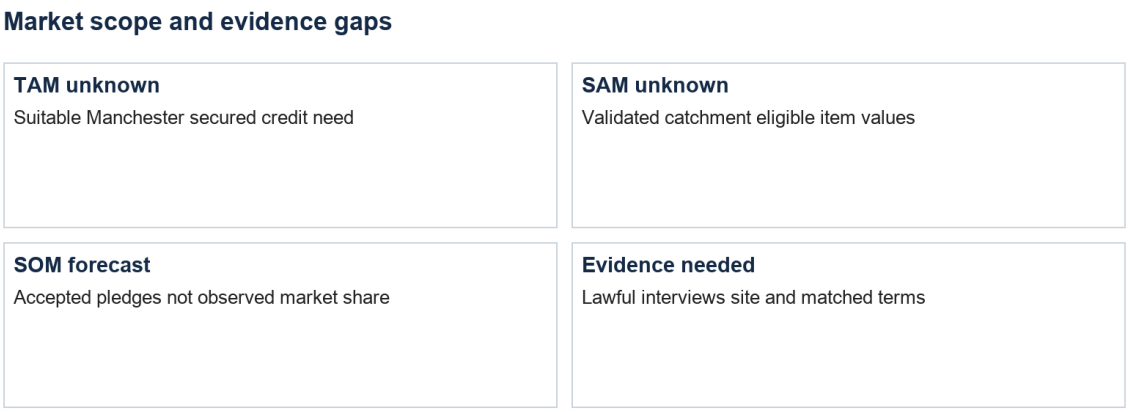


Figure Market size and trends. Proposed choices and evidence gaps. No observed demand or competitor ratings.

13 / OPERATING PLAN

PESTLE analysis

Political and legal factors include FCA permission, consumer outcomes, contract rules, payroll and tax. Economic drivers are borrower redemption timing, gold and resale values, appraisal errors, funding and fixed costs. Social factors include access, stigma and customer vulnerability.

Technology must preserve custody events and privacy with controlled access and backups. Environmental responses include efficient secure storage and electronic copies where appropriate. The model assumes no benefit from metal recycling or sustainability premiums.

PESTLE responses

Political Refresh regulator payroll and tax context	**Economic** Redemption delays appraisal cash fixed costs
Social Private accessible vulnerability support	**Technology** Protected custody ledger access backups
Legal Permission agreements surplus employment	**Environment** Secure reusable storage energy equipment

Figure PESTLE analysis. Proposed choices and evidence gaps. No observed demand or competitor ratings.

14 / OPERATING PLAN

Local demand and evidence

Verified evidence is limited to current official regulatory and tax guidance. There are no site visits, customer interviews, observed redemptions, supplier quotes or competitor audits. Proposed daily origination volumes remain unvalidated.

Before lease approval, record a site access assessment, at least thirty voluntary discovery interviews and a documented matched-term comparison. Before credit begins, pass authorisation, fair-value, custody, staff and capital gates. Research must not exploit financial distress or imply guaranteed access.

Evidence and launch gates

Verified Official FCA and HMRC scope guidance	**Unknown** Demand redemptions quotes capital credentials
Before lease Customer research matched terms downside	**Before lending** Permission safe custody trained cover capital

Figure Local demand and evidence. Proposed choices and evidence gaps. No observed demand or competitor ratings.

15 / OPERATING PLAN

Competitors and positioning

Relevant alternatives include authorised high-street pawnbrokers, jewellery buyers, affordable community lending and delaying expenditure. Names, market shares, ratings and current APRs have not been verified and are not inserted.

Compare the same loan amount, six month period, early-redemption method, extra fees, custody arrangements and surplus process. A simpler explanation may improve understanding but is not evidence of superior price or service. Record dated sources before asserting differentiation.

16 / OPERATING PLAN

Porter five forces

Rivalry and substitutes are meaningful because borrowers can compare authorised lenders, sell an item or avoid credit. Supplier power lies with scarce qualified valuers, insurers and auction partners. Switching is constrained by the customer's own item being in custody.

Entry requires permission, competent people and real capital, not merely a storefront. Customers need clear information and fair choices. Responses are matched-term comparison, independent valuation, contract review and outcome monitoring rather than invented ratings of named competitors.

Porter five forces

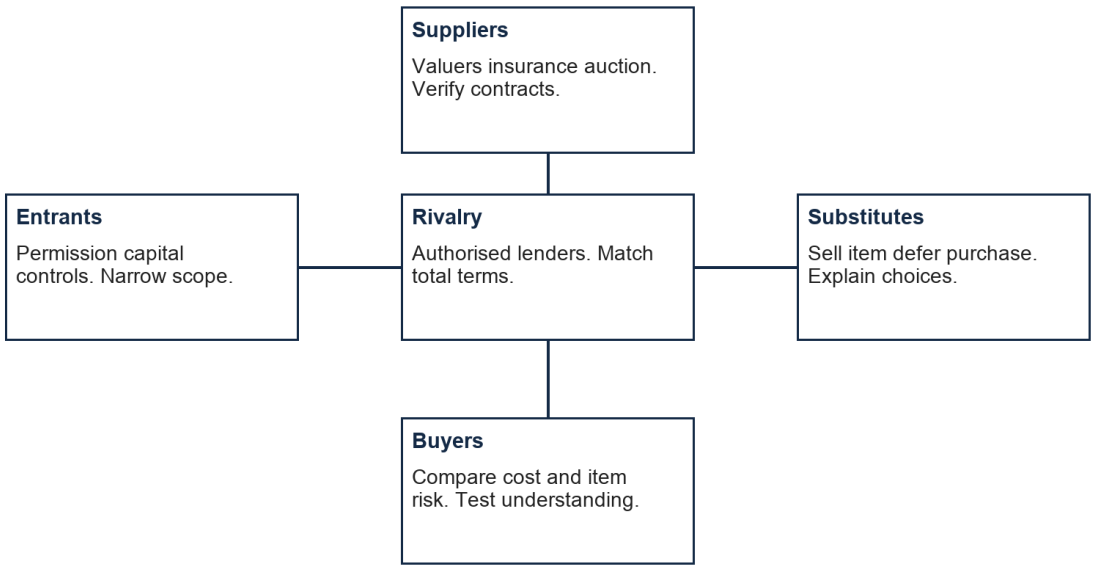


Figure Porter five forces. Proposed choices and evidence gaps. No observed demand or competitor ratings.

17 / OPERATING PLAN

Strategy canvas

The chart shows proposed internal priorities for cost explanation, custody traceability, private service, low price and product breadth. Scores are management judgments, not customer research or competitor performance.

The intended choice is a narrow jewellery product with strong explanation and secure records. Test priorities against customer comprehension and a fair-value assessment before branding them a competitive advantage. Larger range and renewal fees are excluded.

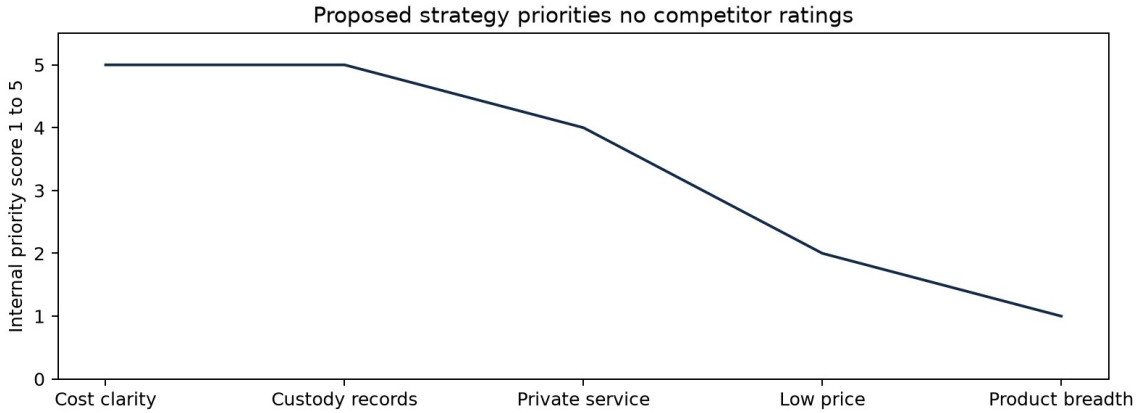


Figure Strategy canvas. Proposed choices and evidence gaps. No observed demand or competitor ratings.

18 / OPERATING PLAN

Location and premises

Seek an accessible Manchester weekday retail frontage with a private consultation space, controlled back-room access, fire-safe storage and insured secure custody. No address, lease, landlord consent or planning approval is secured. Base premises cost £4,000 monthly covers assumed £3,000 rent and £1,000 rates.

Commission a physical security and accessibility review, obtain lawful use confirmation and insurer approval of safes and alarm response. Refundable deposit £18,000 is restricted cash. No rate relief or VAT recovery is assumed; rent treatment and actual council bill require adviser review.

19 / OPERATING PLAN

Equipment and resource plan

Budget £70,000 gross for fitout £40,000, safes and CCTV £20,000 and IT £10,000. All external VAT is unrecovered because the scoped lending service is exempt. Equipment is capitalised and depreciated over 60 months from January 2027.

Require appraising equipment, calibrated scales, safe compartments, dual-control tags, protected records and documented access. The aggregate independently appraised custody ceiling is £1,600,000, an unquoted insurance assumption. Stop new acceptance at the ceiling; never treat customer jewellery as owned shop inventory.

Gross equipment budget	GBP	Life months
Fitout	£40,000	60
Safes CCTV	£20,000	60
IT	£10,000	60
Capital gross	**£70,000**	**60**

20 / OPERATING PLAN

Pledge loan product strategy

The sole initial product is a six month personal jewellery pledge loan above £75. Early redemption after three months is a modelled cohort assumption rather than a fixed prohibition on other dates. Contract interest must be calculated accurately for actual redemption dates.

No outright jewellery purchases, pawn ownership forfeiture below £75, retail margin sales, business collateral, remittance or renewal income appear. Extending scope needs fresh FCA permission analysis, VAT treatment, safety duties, inventory schedules and customer-outcome review.

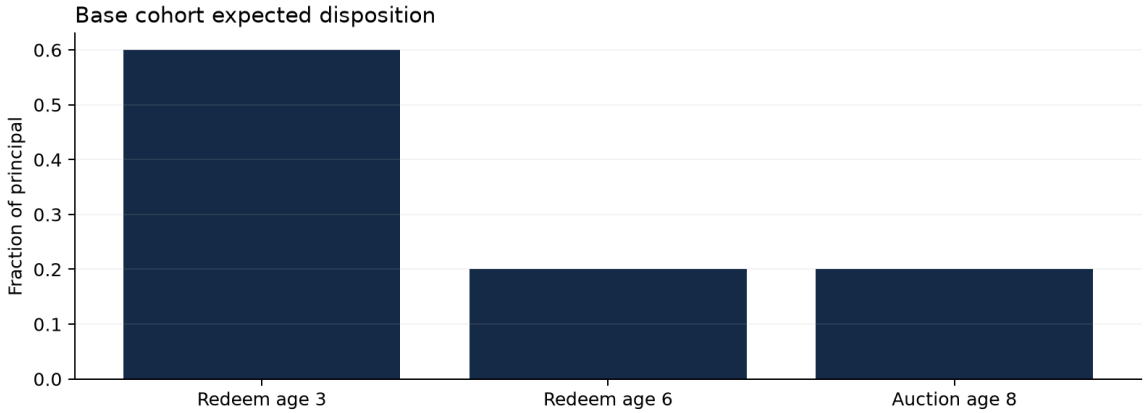


Figure Pledge loan product strategy. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.

21 / OPERATING PLAN

Pricing and loan economics

Base proposed interest is 4.5 percent simple monthly with no separate origination, valuation, late or renewal fees. For a £500 loan, illustrative three month redemption is £567.50 and six month redemption £635. The illustrative six month effective annual rate is 61.29 percent; compliant APR and promotion disclosures require legal calculation using real dates.

A £500 loan at 50 percent LTV corresponds to £1,000 appraised collateral. Base auction gross £800 less 8 percent (£64)cost leaves £736. At age 8, £500 principal plus £180 interest is covered and £56 must be returned to the customer. The gross auction receipt and the £500 principal are not revenue.

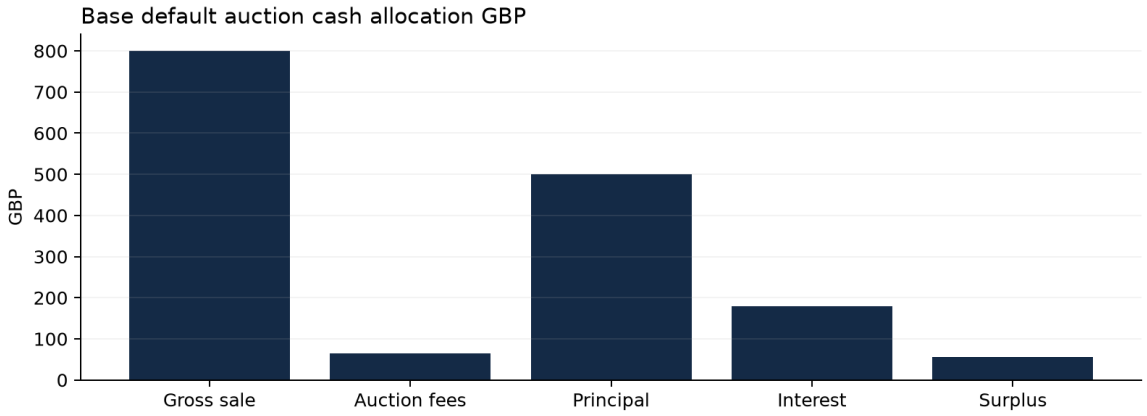


Figure Pricing and loan economics. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.

22 / OPERATING PLAN

Competitor price comparison

No competitor quotation is supplied. The comparison worksheet therefore remains an evidence task, with columns for verified lender permission, loan amount, date, contract period, total payable, early redemption, fees and customer surplus.

Before publishing price claims, collect actual matched terms through public authorised lender information and legal review. Avoid comparing a monthly simple rate to an annual APR or an outright gold-purchase offer. The proposed 4.5 percent monthly rate is not represented as the market norm.

23 / OPERATING PLAN

Brand and customer experience

Use factual language: independent appraisal, terms explained, item held securely and redemption recorded. Do not promise approval, protection from every loss, free borrowing, guaranteed renewal or a misleading regulated badge. Branding is a proposal subject to permission.

Provide a private conversation, accessible information, written complaint route and a plain explanation of losing the item. Test comprehension before signature. Staff have no origination commission in the model. Consider vulnerability without turning it into a sales trigger.

24 / OPERATING PLAN

Sales channels and process

Origination is in person after identity, ownership, authentication, valuation, eligibility and explanation checks. Digital contact only arranges a visit or supplies permitted information; no website build, publishing or remote credit offer is part of this package.

Create a unique agreement and pledge receipt, record the item under dual control, transfer agreed principal and remind the borrower of redemption. Redemption returns the original item after cleared payment. Defaults follow notices and forbearance before an authorised auction, with sale proceeds reconciled and surplus paid.

25 / OPERATING PLAN

Launch marketing

Other preparation £35,000 gross includes £25,000 for legal/application/compliance readiness and £10,000 for launch/training/recruitment. These are budgets, not quoted regulatory fees. Ongoing marketing and utilities total £1,200 monthly gross in Base.

Marketing cannot begin as a live credit promotion before suitable permission and approved wording. First test comprehension and access through non-selling research. Avoid targeting known financial distress, high-pressure time limits or claims that renewal is automatic.

26 / OPERATING PLAN

Retention and ongoing sales

Retention means good service and the customer recovering their own item, not encouraging repeated borrowing. Monitor clear disclosure, complaints, surplus return time, refusal outcomes and vulnerability support. No repeat-loan or referral conversion is assumed in revenue.

The model creates distinct new cohorts and no automatic refinancing. Any future renewal must be separately approved under the legal and customer-interest policy and freshly funded. A borrower who no longer needs credit is a positive outcome.

27 / OPERATING PLAN

Daily operations and suppliers

Reconcile cash, bank transfers, principal balance, interest receipts, physical pledge inventory, customer surplus and dual-control records each day. Separately review exceptions, overdue items, auction notices and privacy incidents. Never spend money owed to customers as business income.

Proposed suppliers include an independent auctioneer, insurer, security contractor, compliance adviser and qualified relief bank. All terms remain unagreed. Modelled auction timing is age 8 months, allowing time after the minimum redemption period and required notices; real cases may need longer forbearance.

28 / OPERATING PLAN

Sustainability practices

Maintain calibrated reusable storage, digital records with required retention and responsible repair or recycling of owned equipment. Customer property remains identifiable and protected, so environmental goals do not override custody controls.

No scrap-sale revenue or verified emissions reduction is assumed. Request environmental information from security and IT suppliers, track energy use and document disposal. Future jewellery purchasing or refining is outside the scoped product and needs separate review.

29 / OPERATING PLAN

Staffing and training

Core paid staff are owner 40 hours, valuer 40 hours and clerk 30 hours weekly. Qualified capacity after 12.5 percent absence is 70 hours plus 20 funded relief = 90; the 85 hour requirement includes 40 counter, 25 appraisal, 15 admin and 5 break/overlap. Peak leave cover is one 40 hour core person plus 45 callable relief = 85.

The clerk provides 26.25 usable hours against 25 required and cannot replace a qualified valuer. Base payroll is £9,600 gross plus role-based employer NI and 3 percent pension, giving £11,140.50 monthly. Paid relief is £2,704 monthly gross. Secure signed bank coverage and stagger core leave; any cover failure blocks new lending while existing obligations remain funded.

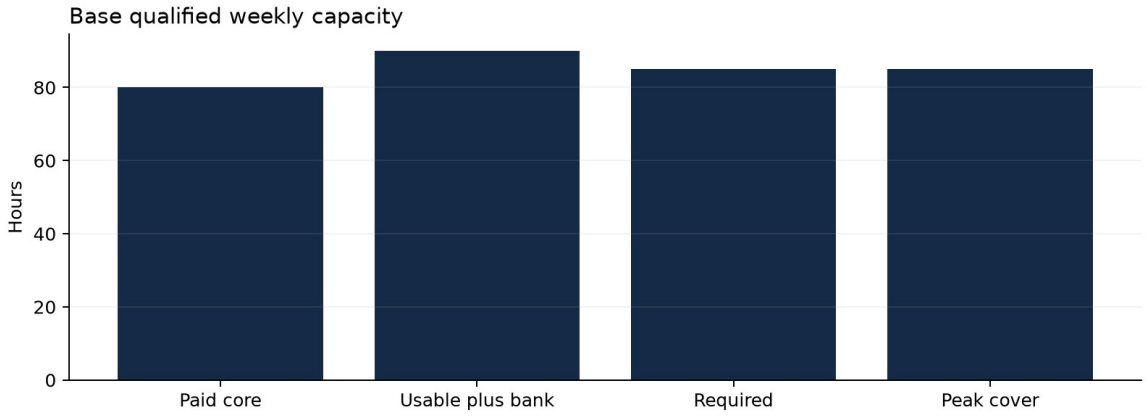


Figure Staffing and training. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.

Base opening monthly payroll	GBP
Owner gross	£4,000
Valuer gross	£3,500
Clerk gross	£2,100
Employer NI	£1,252
Employer pension	£288
Total payroll	**£11,140**
Gross relief bank	£2,704

30 / OPERATING PLAN

Staff skills and fair work

Require jewellery authentication, conservative valuation, legal disclosure, custody controls, vulnerable-customer communication, complaint handling and financial crime awareness. The owner and valuer qualifications are unknown and must be evidenced.

Pay preparation and training. Base owner preparation is 3 months, valuer 2 and clerk 1. Forecast NI is 15 percent above annual £5,000 per role, pension 3 percent full gross, with no employment allowance. Pay and operating costs rise 3 percent annually; review minimum wage and statutory rules at hiring and every tax year.

31 / OPERATING PLAN

Legal and insurance requirements

Suitable full FCA consumer credit permission is a hard launch gate. FCA lender guidance explicitly expects pawnbroker LTV, agreements, safe custody, true valuation, customer surplus and financial crime controls[R1]. CONC6.6 prescribes records[R2]; arrears and forbearance policy requires current legal review[R10].

Interest is exempt VAT. For this scope only, loans above £75 against private personal goods do not transfer ownership on expiry, so auction realisation is not a shop retail sale[R3]. Exclude business pledgors and owned stock. Confirm consumer-credit agreements, fair value, AML/sanctions scope, UK GDPR, insurance, premises and employment duties with advisers before launch.

32 / OPERATING PLAN

Opening roadmap

October to December 2026 Base preparation is paid. Complete founder due diligence, permission application, contracts, capital proof and site conditions first. Recruit and train the valuer in November and clerk in December; test physical and financial custody using mock items.

January 2027 is a conditional planning date. Delay if permission, competent staffing, insurance, appraisal controls or downside capital are absent. Downside delays new lending 3 months while fixed costs continue. No stated application timetable is guaranteed and no fees are represented as an FCA quotation.

33 / OPERATING PLAN

Risks and management actions

The leading risks are unlicensed trading, unsafe custody, stolen or counterfeit goods, flawed valuation, borrower harm, unpaid customer surplus and cash shortfall. Stop new lending for permission or control failures; preserve resources to return items and settle obligations.

Stress lower collateral values, weaker redemptions, qualified relief loss and a smaller insured ceiling. Require external legal/accounting review, binding insurance and proof of capital. No general borrowing cap from unsecured payday lending is mechanically substituted for pledge-specific law.

34 / OPERATING PLAN

Research and evidence

Sources R1 to R12 are current official references accessed 3 October 2026. They establish regulatory/tax context rather than customer demand, approved pricing, insurance quotations, permission or founder qualifications. Historic sector review findings do not measure present Manchester adoption.

Commercial unknowns are recorded explicitly. Future tax and employment rules need refresh, including the announced NI threshold freeze. Recheck the relevant FCA Handbook timeline when the application or product changes.

R1 FCA consumer credit lender authorisation: https://www.fca.org.uk/firms/authorisation/consumer-credit-lenders-hirers

R2 FCA CONC 6.6 pawnbroking records: https://handbook.fca.org.uk/handbook/conc6/conc6s6

R3 HMRC pawnbroking VAT: https://www.gov.uk/hmrc-internal-manuals/vat-finance-manual/vatfin3180

R4 FCA pawnbroking sector review: https://www.fca.org.uk/publications/multi-firm-reviews/pawnbroking-sector-review

R5 FCA secured pledge exclusion from HCSTC definition: https://handbook.fca.org.uk/glossary/G3328

R6 Employer rates 2026 to 2027: https://www.gov.uk/guidance/rates-and-thresholds-for-employers-2026-to-2027

R7 Corporation tax rates: https://www.gov.uk/corporation-tax-rates

R8 Paid annual holiday: https://www.gov.uk/holiday-entitlement-rights/entitlement

R9 Working rest breaks: https://www.gov.uk/rest-breaks-work

R10 FCA arrears and forbearance: https://handbook.fca.org.uk/handbook/conc7/conc7s3

R11 HMRC pawnbroker income: https://www.gov.uk/hmrc-internal-manuals/business-income-manual/bim63151

R12 Budget 2025 NI threshold costing: https://assets.publishing.service.gov.uk/media/6926e0849c1eda2cdf034098/Budget_2025_policy_costings_-_revised.pdf

35 / OPERATING PLAN

Quotes and assumptions

No supplier, insurer, valuer, landlord, investor or auctioneer quote is secured. Every salary, cost, loan volume, redemption fraction, collateral value and sale expense is an editable planning assumption. Gross VAT-inclusive supplier estimates are not net quotations.

Collect evidence for the site, security design, appraiser, relief availability, auction process, application fees and capital source before final investment. Where observed data differs, update the source assumptions first, rebuild cases, then refresh Word figures and the decision.

36 / FINANCE

Startup costs and funding

Proposed equity £900,000 is uncommitted. There is no debt, overdraft, capital top-up or guarantee assumed. Startup uses comprise gross capital, refundable deposit and paid preparation; the remaining unrestricted cash funds lending principal and operating obligations.

Do not confuse the £150,000 Base policy reserve with a source of funds or assume pledge assets are immediately liquid. Any negative forecast cash is an unfunded shortfall. Launch approval needs sufficient capital for stressed redemption and collateral values as well as the actual FCA financial resource assessment.

The proposal is not currently funded for launch: all three cases breach their policy reserve, including the stronger Upside. No final positive cash balance authorises an interim cash deficit.

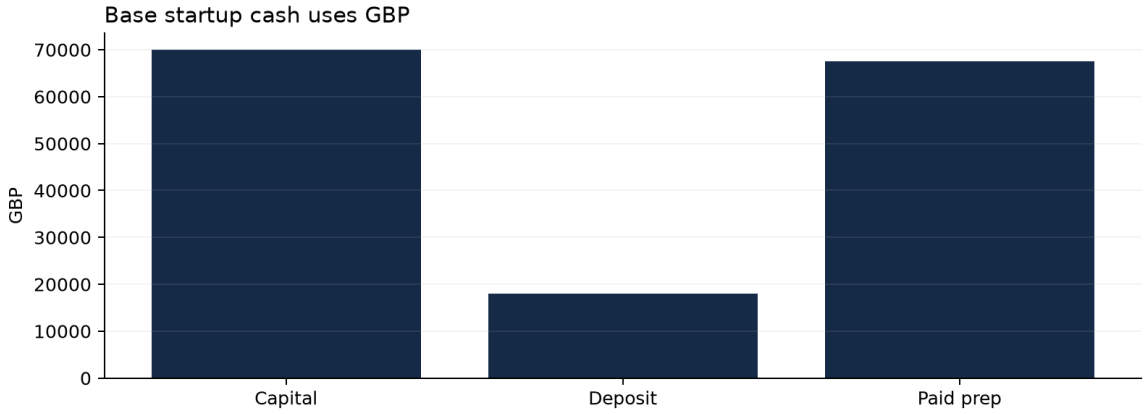


Figure Startup costs and funding. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.

37 / FINANCE

Itemized startup costs

Startup costs are derived from input-driven gross budgets and role-by-role preparation. All external VAT is unrecovered. Capital is an asset, deposit is restricted and preparation creates a retained loss rather than an inventory asset.

The proposal contains no supplier quotation. Application/compliance preparation is a gross planning allocation and must be reconciled to actual permission and adviser requirements. No lending takes place during preparation, so the opening pledge loan book is zero.

Startup cash use	GBP
Capital gross	**£70,000**
Landlord deposit	£18,000
Preparation expense	**£67,523**
Total startup cash uses	**£155,523**
Proposed equity funding	**£900,000**
Opening unrestricted cash	**£744,477**
Paid preparation expense	**GBP**
Owner three months	£12,000
Valuer two months	£7,000
Clerk one month	£2,100
Employer NI	£2,790
Pension full gross	£633
Premises two months	£8,000
Legal application launch	£35,000
Total preparation expense	**£67,523**

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Owner personal survival budget

The owner is paid £4,000 monthly gross. Assuming illustrative 70 percent personal retention produces £2,800 net against £2,600 household costs, leaving £200. This is not an individual PAYE calculation, supplied household budget or evidence of founder affordability.

Founder proof of personal runway, tax position and contingency remains outstanding. Personal wages are already charged to the company in preparation and operations; no duplicate drawings or unpaid founder subsidy are assumed.

Illustrative monthly budget	GBP
Gross owner pay	£4,000
Net at assumed 70 percent	**£2,800**
Household costs	£2,600
Personal balance	**£200**

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Financing terms and security

The model uses equity only. Ownership percent ages, investor rights, subscription terms and source-of-funds checks are unknown. There is no bank debt repayment, lender collateral or invented facility. Customer jewellery cannot be treated as freely owned security for investor borrowing.

Before accepting money, agree governance, conflicts, capital restrictions and wind-down funding with advisers. Lending and custody continue to require resources even if the shop stops new originations. A sale of the company or terminal valuation is not counted as operational cash.

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Revenue forecast and capacity

Only realised interest is revenue. Loan advances, returned principal, gross auction proceeds and customer surplus are tracked separately. Cohorts redeem 60 percent at age 3 and 20 percent at age 6 in Base; 20 percent is realised at age 8. Interest receivables are not accrued in this cautious management model.

Loans are limited by requested demand, 16 new pledges per open weekday, qualified/clerk staffing and the £1,600,000 appraised custody ceiling. Whole-month cohort timing and fractional expected loans are forecast conventions. Real agreements require daily dates and item-level records.

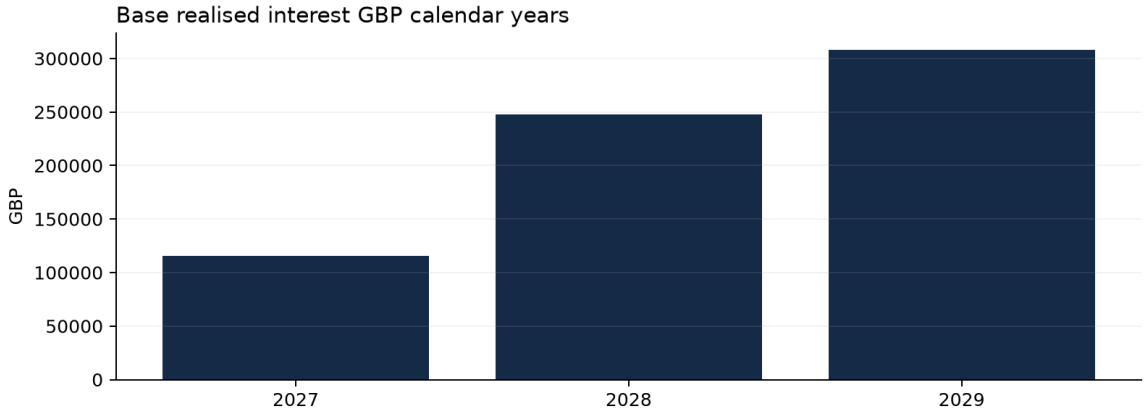


Figure Revenue forecast and capacity. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.

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Costs and projected profit

Operating costs include paid owner, valuer, clerk, employer NI, full gross pension, qualified relief, premises, custody/insurance, compliance/IT/accounting and marketing/utilities. All invoices are paid in the same month; no favourable supplier credit is assumed.

The model reserves expected collateral shortfalls on new cohorts and releases the allowance as actual defaults are written off. Capital depreciation is separate from cash purchase. Gross auction costs reduce realised proceeds before principal, interest and customer surplus; they are not duplicated as company operating expense.

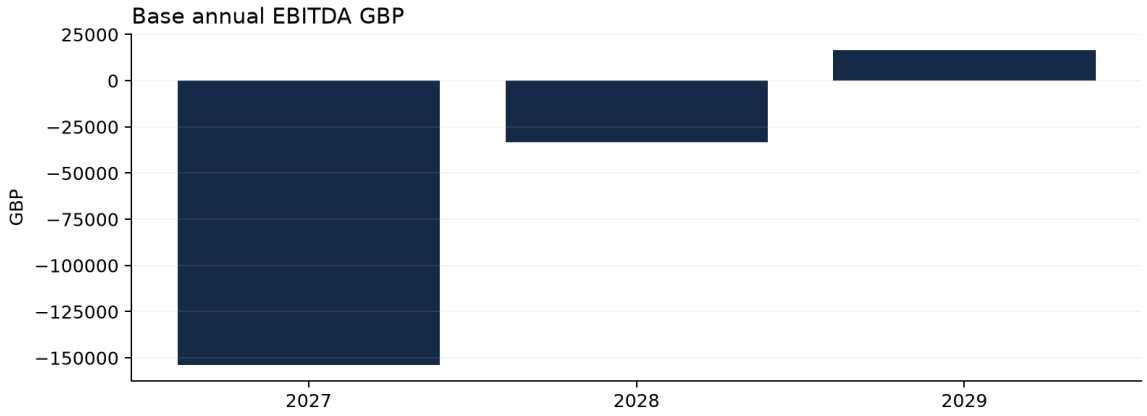


Figure Costs and projected profit. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.

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Profit and loss forecast

Interest less credit loss expense is contribution. Deduct payroll and gross overhead to EBITDA, then depreciation and a 25 percent reserve on positive monthly pretax profit. No interest expense arises because equity is the only business funding.

The tax reserve is a conservative planning simplification, paid next month. Statutory 19/25 percent rates, marginal relief, accounting-period allocation, loss relief and payment dates require an accountant's forecast. This schedule is not a filed statutory financial statement.

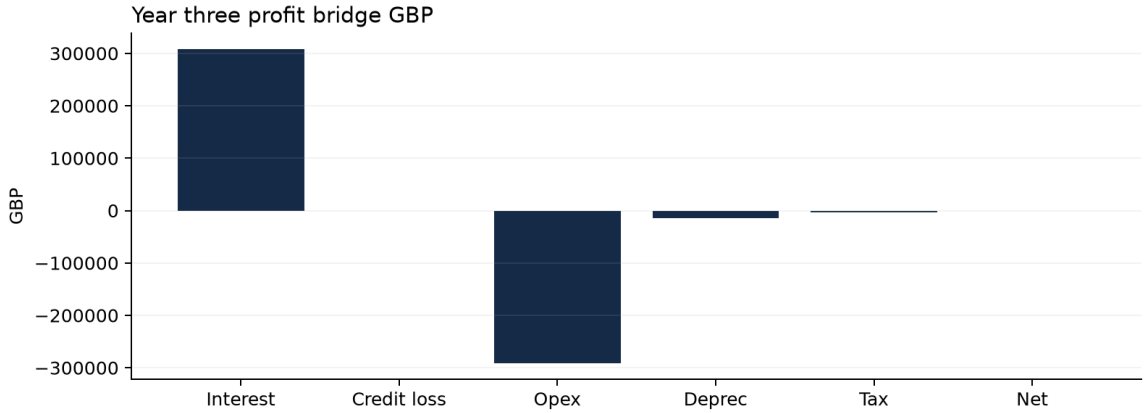


Figure Profit and loss forecast. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.

GBP calendar years	2027	2028	2029
Interest revenue	£115,812	£247,864	£307,987
Credit loss expense	£0	£0	£0
Net contribution	**£115,812**	**£247,864**	**£307,987**
Total payroll	**£133,686**	**£137,764**	**£141,965**
Total operating expense	**£269,596**	**£281,385**	**£291,487**
EBITDA	**(£153,784)**	**(£33,520)**	**£16,499**
Depreciation	£14,000	£14,000	£14,000
Profit before tax	**(£167,784)**	**(£47,520)**	**£2,499**
Tax reserve	£0	£0	£2,902
Net profit	**(£167,784)**	**(£47,520)**	**(£403)**
Closing cash	**£186,693**	**£47,173**	**(£58,175)**

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Cash flow and financial position

Customer receipts contain principal and interest, and auctions include cash owed to the customer. Deduct auction expenses and immediate surplus, new principal advances, paid overhead and tax to reach monthly cash. There is no automatic lending halt that invents additional funds; negative cash discloses an unexecutable gap.

The balance sheet carries cash, gross loan principal less expected loss allowance, landlord deposit and net equipment. Customer jewellery is custody information, not owned stock. No terminal sale or release of customer collateral adds equity.

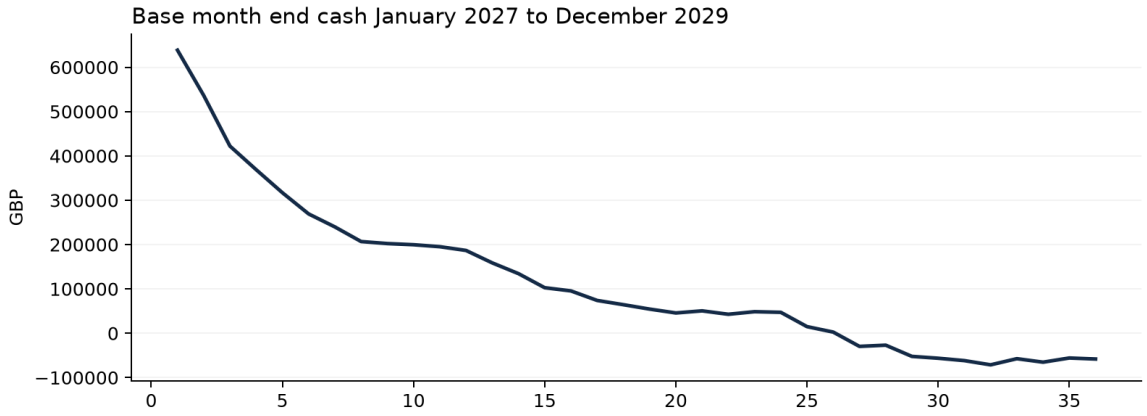


Figure Cash flow and financial position. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.

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Cash flow forecast months one to six

The table shows January to June 2027 Base in GBP. Interest initially lags origination because the first expected redemptions occur at age 3. New advances continue to consume cash before mature cohorts return principal.

All wages, preparation already spent, gross overhead and principal funding are included. Principal receipts and advances are shown as cash flows, not sales. Actual daily timing and customer circumstances can create a deeper intra-month funding requirement than these monthly closes.

GBP	Jan	Feb	Mar	Apr	May	Jun
Opening cash	744,477	638,332	536,188	422,044	368,817	316,880
Gross receipts	0	0	0	57,204	54,480	62,652
Fees surplus	0	0	0	0	0	0
Advances	84,000	80,000	92,000	88,000	84,000	88,000
Payroll opex	22,144	22,144	22,144	22,431	22,417	22,458
Tax paid	0	0	0	0	0	0
Net cash change	**(106,144)**	**(102,144)**	**(114,144)**	**(53,227)**	**(51,937)**	**(47,806)**
Closing cash	**638,332**	**536,188**	**422,044**	**368,817**	**316,880**	**269,074**

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Cash flow forecast months seven to twelve

The table shows July to December 2027 Base in GBP. Age 6 redemptions begin in July and age 8 auction cash in September for January cohorts. A slower sale or additional forbearance keeps principal at risk longer.

The model pays customer surplus in the sale month and assumes no proceeds become free shop income by remaining unclaimed. Confirm auction dates, statutory notices and banking settlement before treating the expected monthly receipt as available liquidity.

GBP	Jul	Aug	Sep	Oct	Nov	Dec
Opening cash	269,074	239,787	206,779	202,228	199,584	195,174
Gross receipts	81,264	77,524	110,176	107,880	110,704	110,440
Fees surplus	0	0	4,032	3,840	4,416	4,224
Advances	88,000	88,000	88,000	84,000	88,000	92,000
Payroll opex	22,551	22,532	22,695	22,684	22,698	22,697
Tax paid	0	0	0	0	0	0
Net cash change	**(29,287)**	**(33,008)**	**(4,551)**	**(2,644)**	**(4,410)**	**(8,481)**
Closing cash	**239,787**	**206,779**	**202,228**	**199,584**	**195,174**	**186,693**

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Financial position summary

Loans remain an asset until principal redemption or realisation; the expected credit loss allowance is a separate deduction. Equipment depreciates from its planned in-service date and the lease deposit is restricted. Retained earnings include paid preparation losses.

Equity and income-tax reserve are the only financing/accounting liabilities in this narrow schedule. No owned jewellery inventory, VAT credit or customer surplus balance is fabricated. The zero month-end surplus payable relies on immediate payment and must be changed if real bank timing leaves a liability.

Closing GBP December	2027	2028	2029
Cash	£186,693	£47,173	(£58,175)
Gross loan principal	£404,000	£510,000	£629,234
Expected loss allowance	£0	£0	£0
Net loan book	**£404,000**	**£510,000**	**£629,234**
Landlord deposit	£18,000	£18,000	£18,000
Net fixed assets	£56,000	£42,000	£28,000
Total assets	**£664,693**	**£617,173**	**£617,059**
Tax payable	£0	£0	£289
Total liabilities	**£0**	**£0**	**£289**
Paid equity	£900,000	£900,000	£900,000
Retained earnings	(£235,307)	(£282,827)	(£283,230)
Total equity	**£664,693**	**£617,173**	**£616,770**
Liabilities plus equity	**£664,693**	**£617,173**	**£617,059**
Balance difference	0.00	0.00	0.00

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Break even and scenarios

Cases are dated snapshots. Base tests the proposed request ramp and collateral recovery; Downside combines weaker volume, less redemption, poorer collateral values, more costs and an opening delay; Upside tests stronger demand and valuation with the same control structure.

No single volume break-even is credible without mature cohorts, custody capacity, capital and customer outcomes. Use the annual interest-versus-overhead comparison and live stresses. Changing any case input makes captured cases stale; selected-case monthly calculations remain live.

All three cases breach their policy reserve. Even Upside requires additional committed capital or a revised verified operating plan before launch. Review minimum cash and its timing, not only December profit or the final loan book.

Year three Base interest income £307,987 compares with operating expense £291,487 and credit loss expense £0. Base net profit is (£403). A favourable final cash balance does not establish profitability or replace FCA permission and downside resources.

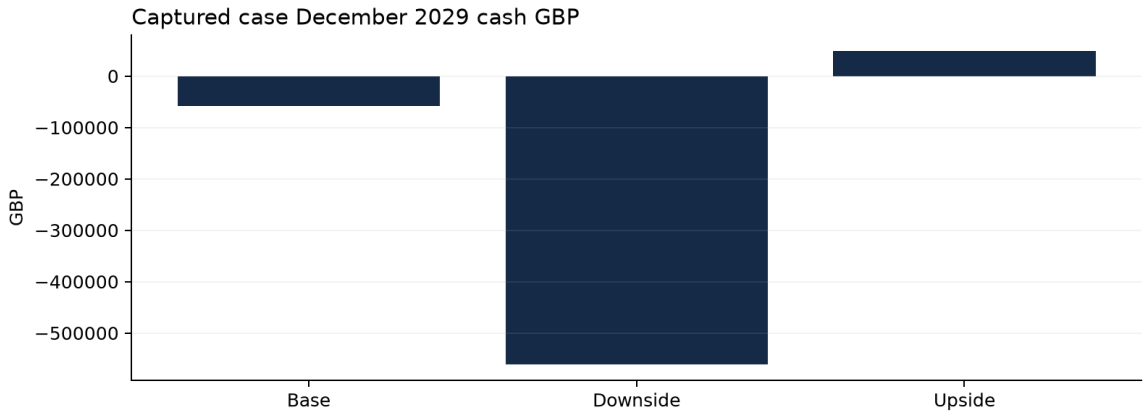


Figure Break even and scenarios. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.

Snapshots pawn-v1	Y3 interest GBP	Y3 cash GBP	Minimum cash GBP
Base	£307,987	(£58,175)	(£71,283)
Downside	£79,150	(£561,201)	(£561,201)
Upside	£384,580	£48,677	(£23,256)

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Model guide and completion

The retained financial JavaScript creates the seven-sheet pawn-v 1 workbook and exports three-case model-results.json. Selected-case outputs are live formulas; Word figures and Cases are snapshots. An exact per-input freshness check catches offsetting edits, blanks and nonnumeric values across all three cases.

To preserve edits, FIRST save the workbook and either copy desired Inputs F10:H56 values into working/input-assumptions.json drivers or run build_model.mjs --import-inputs with the saved file path. A default rebuild replaces workbook inputs with retained source values and resets selection to Base. Refresh Word, figures and native TOC from the new results, recalculate and inspect the saved files before reuse.

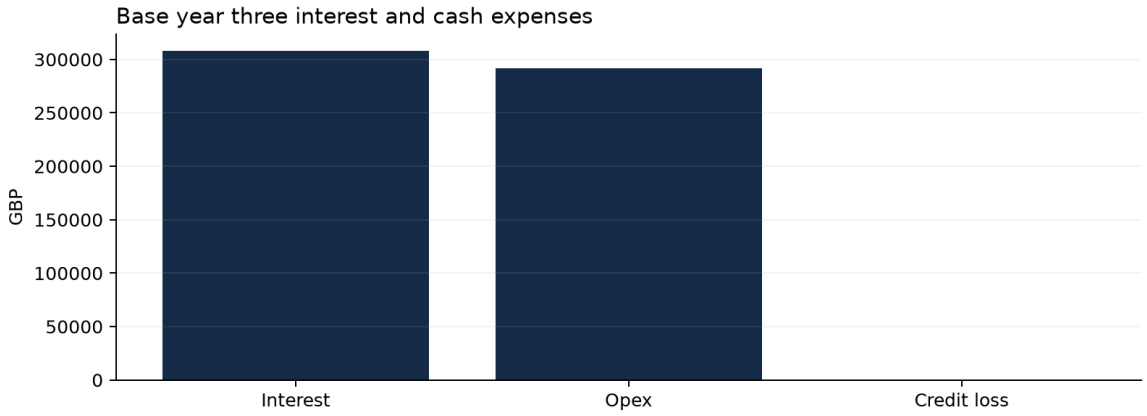


Figure Model guide and completion. Source pawn-v1 GBP January 2027 to December 2029. Base unless labelled snapshots.