Private Equity Fund Business Plan

Thames Partners | London | October 2026

DOCUMENT GUIDE

Contents

Thames Partners business proposal and financial model version 1.0

Decide whether to commission a proposed London private equity fund and funded acquisition diligence. The model separates six calendar years of fund, portfolio and paid manager accounts from October 2026 preparation. No subscriptions, targets, debt or permissions are secured.

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01 / OVERVIEW

Executive summary

Thames Partners is a proposed London based private equity manager seeking approval to investigate a £40 million closed end professional investor fund. The illustration acquires three equal UK recurring business service companies together in January 2027 and holds them through December 2032. No founder track record, target, subscription, debt offer or regulatory permission has been supplied.

The decision is whether to finance paid preparation and commission legal and target diligence. The six year model separates fund calls, target operations and paid manager cash. Investor returns require funded operations and a hypothetical sale; valuation cannot pay earlier bills. Base minimum portfolio cash is £40,904. Downside has no exit and a £13,641,238 portfolio reserve shortfall.

02 / OVERVIEW

Business concept and objectives

The proposed strategy is controlling share ownership of three service businesses with auditable recurring contracts and transferable management. It is a small concentrated fund with a single assumed investment cohort, not a diversified institutional product.

The working objectives are evidence based target selection, paid operating capacity, manageable debt and clear investor reporting. The model aggregates explicitly identical companies to make mechanisms auditable. It does not model different entry dates, individual company failures or correlated outcomes.

03 / OVERVIEW

Business details

The proposed fund is a UK closed end limited partnership, with a separate corporate manager and acquisition companies holding three portfolio businesses. Actual entity formation, permissions, investor eligibility and tax transparency remain conditions for counsel to verify. London is the working management base.

The proposal has no demonstrated investment record. Retain independent challenge, disclose conflicts and reject unfinanceable purchases. A negative return or an unsold asset remains visible; promotional ambitions cannot replace operating evidence.

04 / STRATEGY

Business model canvas

Investors provide illiquid risk capital to a proposed limited partnership; the manager receives a contractual fee and, only after a whole fund capital and preference waterfall, a share of excess distributions. Target companies earn service revenue and pay their own operating costs and acquisition debt.

The manager needs paid investment, analysis and finance support plus scoped external legal, audit and valuation work. Fund formation, administration and fees consume investor capital. Uncalled commitments are future capacity, never cash or guaranteed financing.

Business model canvas

Partners LP advisory committee sellers lenders paid counsel	**Activities** Diligence acquire govern report and exit	**Resources** Paid manager and called fund capital
Value Proposed concentrated owner and paid governance	**Relationships** Evidence confidentiality informed investment approval	**Channels** Reviewed introductions and direct outreach
Customers Investors sellers and future target customers	**Costs** Paid manager fund costs separate target purchase	**Economics** Fees separate from conditional portfolio exit

Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

05 / STRATEGY

SWOT and longer term goals

The proposed strengths are a clear service scope and visible financing constraints. Its weaknesses are unverified team experience, three company concentration and one cohort. Possible seller succession opportunities require actual owner evidence.

Debt, customer losses and unavailable exits can destroy value. The long term goal is a repeatable audited process; a second fund, fundraising success and multiple expansion are not assumed. The manager must survive fee step down without relying on unrealised carry.

SWOT and longer term goals

Strength Focused criteria accountable operator	**Weakness** Unverified credentials three company concentration
Opportunity Possible succession purchases require evidence	**Threat** No exit overpayment customer loss debt stress

Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

06 / STRATEGY

TOWS strategy matrix

Use a narrow diligence checklist to screen auditable customer revenue before bidding. Match the investment committee expertise to each company and obtain independent earnings, legal and environmental reviews.

Counter the proposed team knowledge gap with paid specialists and verified references. Reduce commitments when liquidity is weak rather than increase leverage to preserve a price. No transaction advances to binding completion with an unmet cash call.

TOWS strategy matrix

Strength opportunity Screen succession fit before costly diligence	**Weakness opportunity** Verify manager skills hire paid specialists
Strength threat Limit price leverage and commitment conditions	**Weakness threat** Stop commitments before cash runs out

Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

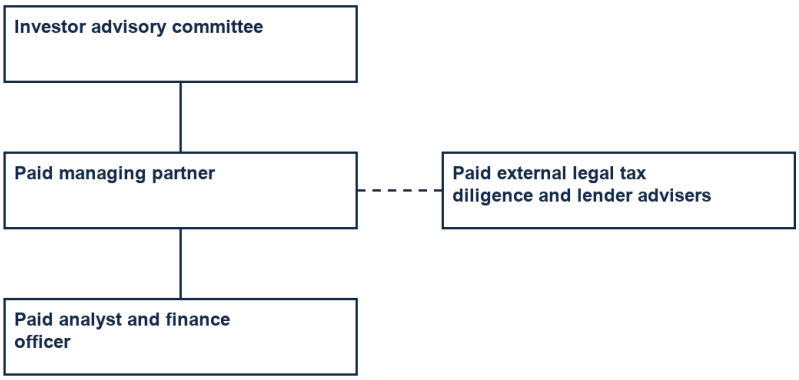
07 / PEOPLE

Owner and management

A proposed investor appointed advisory committee oversees conflicts and major exceptions. The paid managing partner leads investment decisions and portfolio oversight; the paid analyst and finance compliance officer report to the partner. Credentials remain unverified.

External counsel, fund administrator, audit and specialist diligence advisers provide contracted services. They are not assumed unpaid staff. Each target has a paid CEO and twenty paid employees; the aggregate payroll has three CEOs and sixty employees. Manager staff cannot substitute for target delivery hours.

Fund management and paid external support



Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

08 / PEOPLE

Owner and key personnel profiles

No biographies or performance records have been supplied. The managing partner specification requires verified transaction and operating experience, references, conflicts declarations and suitability for the actual authorisation route.

The analyst needs diligence and model competence; finance compliance needs reporting and control competence. Outsourcing does not remove manager accountability. Hire or appoint only after reference checks, contractual role mapping and adequate professional cover.

09 / MARKET

Target customers

The fund serves experienced professional investors able to evaluate illiquid risk capital. Sellers are UK owners with suitable recurring business service companies. Target customers are existing contracted businesses whose service continuity and collections support cash flow.

No investor demand, seller mandate or customer retention study exists. The proposal assumes an aggregate £9 million first year revenue in Base. This is a modelling input, not evidence that three companies with these results are for sale.

10 / MARKET

Segmentation targeting and positioning

Segment potential investments by contract recurrence, customer concentration, management transfer, regulatory burden and capital intensity. Target three companies that can supply reconciled accounts, payroll records and assignable contracts.

Position the fund as a proposed focused owner with measured diligence and clear investment conditions. No claim of superior returns, financing certainty or customer endorsement is made. Target sectors and named investments need approval after actual evidence.

Segmentation targeting and positioning

Segment	Target	Position
UK recurring B2B service businesses	Willing sellers auditable earnings manageable capital	Proposed accountable owner operator evidence first

Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

11 / MARKET

Value proposition canvas

Investors need credible reporting and disciplined risk limits; sellers need an accountable buyer and a workable transition. Customers and employees need dependable paid service delivery and clear responsibilities.

The proposed offer combines verified cash earnings, funded operating capacity and a transparent whole fund waterfall. It does not guarantee investor capital, a sale date or seller valuation. The absence of a team record and committed capital must remain visible.

Value proposition canvas

Seller jobs Transfer company and sustain customer continuity	**Seller pains** Unfunded buyer uncertain diligence disruption	**Investor gains** Evidence governance and explicit risk limits
Offer Three hypothetical companies and paid CEOs	**Pain relief** Funded calls independently verified closing	**Employee gains** Paid delivery plan clear reporting

Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

12 / MARKET

Market size and trends

TAM means UK recurring business service companies meeting the investment scope; SAM means willing sellers with acceptable diligence and affordable financing. No defensible company count, eligible enterprise value total or current transaction dataset has been supplied.

SOM is three completed acquisitions, an execution goal rather than validated market share. The scope diagram explicitly marks market size unavailable. Broad national business counts would overstate eligible willing sellers and are not used as conversion evidence.

Market size and trends

TAM UK definition	SAM feasible sellers	SOM proposed purchases
Eligible recurring service enterprise value unavailable	Willing affordable verified target count unavailable	Three acquisition goal not measured market share

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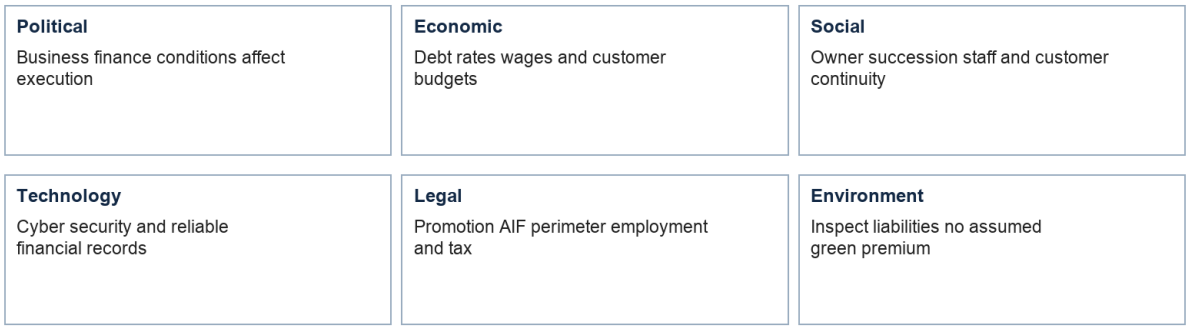
13 / MARKET

PESTLE analysis

Financing conditions influence leverage and exit timing. Wage and customer budget pressure influence target margins. Data reliability and cybersecurity affect contract diligence. Seller succession and employee continuity require direct evidence.

AIFM classification, financial promotions, employment, pensions, VAT and tax require current specialist advice. FCA CP26/28 remains a proposal at the review date with envisaged 2028 reforms; refresh the legal route before launch. Environmental liabilities require target specific inspection. [S1 S2 S6]

PESTLE analysis



Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

14 / MARKET

Local demand and evidence

London is the proposed management base and access point for advisers, not proof of capital demand. Plan fifteen investor diligence interviews and twenty seller or intermediary conversations during preparation. Record date, source, permission and decision maker.

No interviews or letters of intent have occurred in supplied evidence. Separate a response from a qualified seller or an investor commitment. Target cash flow assumptions must be replaced with verified financial and operating records before a binding bid.

Local demand and evidence

Seller research	Investor research	Decision gate
20 future discussions no current target mandates	15 future discussions no committed capital	Validate target pool team legal route and funding

Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

15 / MARKET

Competitors and positioning

Seller alternatives include trade buyers, independent sponsors, larger buyout funds and retaining ownership. Investor alternatives include diversified funds and direct investments. Compare governance, transaction certainty, cost and operating involvement.

No named competitor multiple, realised return or service score is asserted. Thames Partners should compete through evidence and an accountable paid process. Raising the bid merely to win an auction can leave returns unsupported by target cash generation.

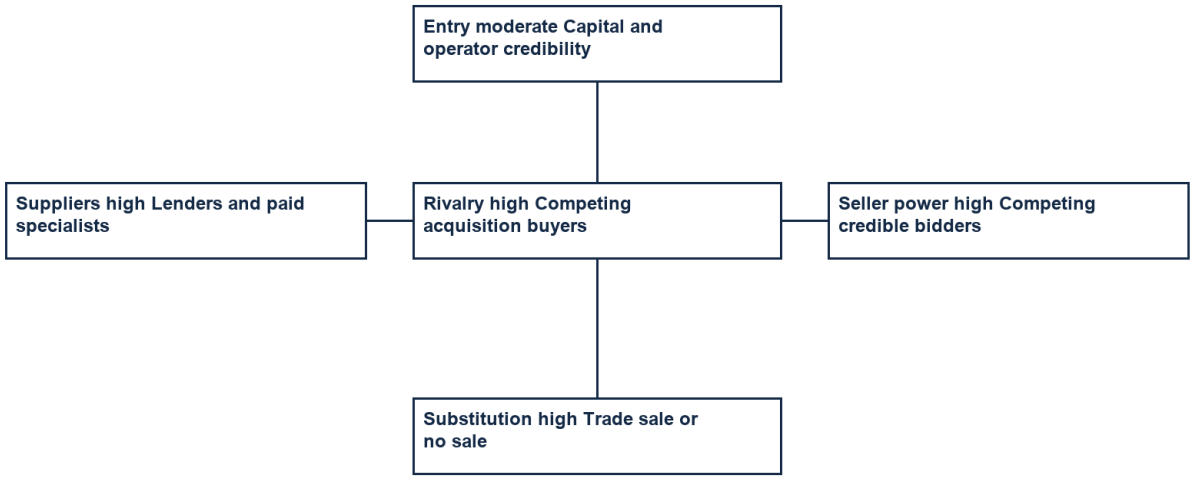
16 / MARKET

Porter five forces

Rivalry for auditable targets can increase prices; sellers can negotiate across credible bidders. Lenders and specialist advisers can constrain timing. New entrants need capital, operating credibility and permission to conduct relevant activities.

Substitutes include no sale and strategic buyers. Respond with price discipline, funded diligence and a willingness to abandon a deal. The forces diagram is an author assessment, not a measured ranking of actual companies.

Porter five forces author assessment



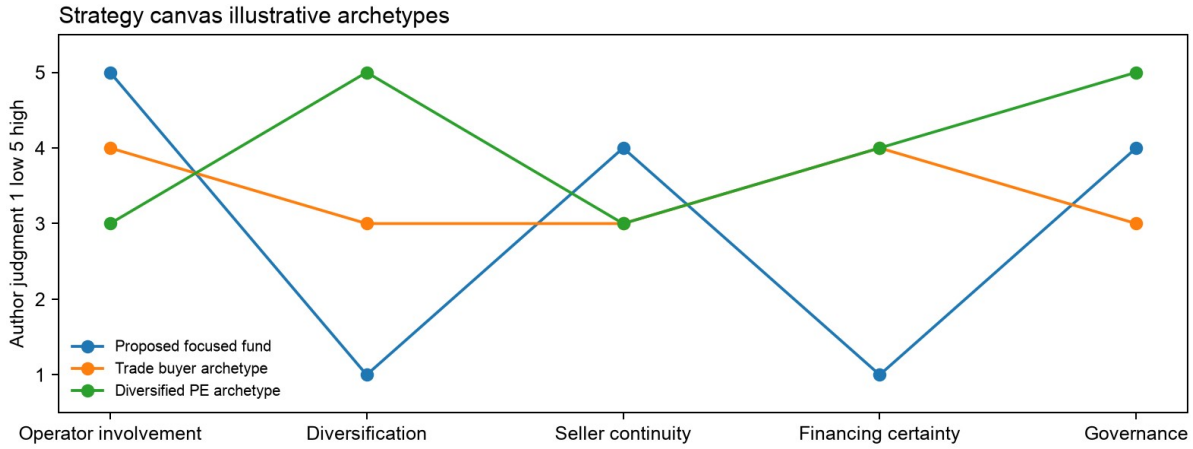
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17 / MARKET

Strategy canvas

The visual compares the proposed concentrated fund with illustrative trade buyer and diversified fund archetypes. Scores reflect author judgment on operating involvement, diversification, seller transition, financing certainty and governance.

These are not observed competitor ratings. The proposal has low diversification and unproven funding certainty. Validate its claimed positioning through investor and seller feedback before using it in promotional communications.



Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

18 / OPERATIONS

Location and premises

Use a small London managed office with controlled remote data room access. Manager gross monthly overhead includes premises, software, travel, insurance and professional administration. No lease or price quotation has been supplied.

Targets remain at their existing premises, with costs in separate portfolio overhead. Obtain occupancy and insurance evidence during diligence. There is no relocation saving, free workplace or assumed landlord subsidy in the model.

19 / OPERATIONS

Equipment and resource plan

Manager equipment has a £15,000 gross setup allowance and thirty six month useful life. The three targets have £2 million aggregate acquired fixed assets and ongoing capex of 2% of net revenue in Base.

Target assets depreciate by opening and later capex cohorts. No equipment resale funds monthly operations. Secure data storage, backups and controlled access are required; exact supplier pricing and target capital condition remain missing.

Investment product strategy

The illustration purchases shares in three equal recurring service companies as one January 2027 cohort. It assumes cash free debt free enterprise value and specified normal working capital. There is no add on investment, refinancing or additional fund.

The simplification limits diligence conclusions: real companies will differ in seasonality, margins, customer risk and asset needs. Separate deal models and concentration limits are mandatory before approval. No investment agreement exists.

21 / OPERATIONS

Pricing and transaction economics

Base enterprise value is £30 million, financed by £12 million proposed new portfolio debt and £18 million seller equity consideration. Opening target cash £1.5 million and gross deal fees £600,000 make the fund equity investment £20.1 million.

The manager fee is 2% of £40 million commitment for three years then 1.5% of opening invested cost for three years. Default 20% VAT is charged and unrecovered by the fund. Any exemption depends on actual fund and supply conditions, so none is presumed. [S5]

22 / OPERATIONS

Competitor price comparison

No current transaction multiple dataset or target quote was provided. The model calculates its entry multiple from assumed target EBITDA and tests a separate exit multiple. These are planning values, not market comparables.

Before bidding obtain independent comparables with matching earnings adjustments, working capital, debt and consideration structure. A headline enterprise multiple alone cannot establish a fair price or a financeable transaction.

23 / COMMERCIAL

Brand and investor experience

Thames Partners is a working identity pending availability and legal checks. Investor communications should explain illiquidity, proposed fees, financing conditions, the concentrated cohort and the difference between commitment and calls.

Do not imply an authorised manager, secured fund or verified performance record. Provide clear complaints, conflicts and reporting processes after the actual legal route is established. Investment materials require legally appropriate approval and distribution controls. [S1 S2]

24 / COMMERCIAL

Sourcing channels and process

Use legally reviewed adviser introductions and direct seller contact. The analyst maintains an evidence register; the partner reviews fit and appoints scoped external diligence advisers. Avoid public retail fundraising.

A target progresses from screen to confidentiality agreement, preliminary earnings review, nonbinding offer and independent diligence. The investment committee must approve actual sources and uses and operating capacity before any binding completion.

25 / COMMERCIAL

Launch marketing

Manager gross overhead includes £1,000 monthly research and communication work inside the £10,000 Base allowance. Manager setup legal and launch allowance is £100,000 gross. Fund formation expense £300,000 is separate.

These are unquoted budgets. They fund preparation and a restricted professional investor process, not a public investment campaign. Stop commitments if the manager seed or fund calls cannot cover cash needs; unrealised carry is not a marketing budget.

26 / COMMERCIAL

Retention and continuing value

After acquisition review customer renewals, complaints, collections and concentration each month. Revenue growth is annual price growth with fixed delivery hours and headcount. No new customer volume or automatic replacement of lost revenue is assumed.

Track delivery workload against paid productive capacity. A smaller team caps revenue and exposes the hour deficit. Portfolio exit assumptions need buyer evidence and cannot conceal weak service economics.

27 / OPERATIONS

Daily operations and suppliers

Each target CEO manages twenty paid employees. Aggregate employee capacity is sixty times thirty five hours weekly times 85% productive availability, about 7,735 hours monthly, against 7,000 required delivery hours. CEOs are excluded from delivery capacity.

Manager partner, analyst and finance compliance roles each have forty paid hours weekly, with paid absence and administration allowance leaving 25 effective hours weekly per role. The resulting 325 monthly hours supports 240 hours planned screening, reporting and portfolio review; deeper diligence is externally paid.

Daily operations and suppliers

Manager workload	Paid available capacity	Target workload
Screening reporting portfolio review 240 monthly hours	Three manager roles 325 effective monthly hours	Targets 7000 hours required 7735 paid capacity

Author planning framework. Figures and qualitative assessments are hypotheses unless identified as sourced facts.

28 / OPERATIONS

Sustainability practices

Review target energy, travel, waste, health and safety and environmental liabilities before purchase. Maintain actual supplier evidence and use remote preliminary meetings where suitable.

No carbon credit, green subsidy or environmental valuation premium is assumed. Cost improvements need measured baselines, investment budgets and verified savings. A recurring service label does not establish low environmental risk.

29 / PEOPLE

Staffing and training

Manager pays partner £9,000, analyst £5,000 and finance compliance £4,000 monthly, including three preparation months. Targets pay sixty employees £3,000 monthly plus three CEOs £7,000 each. Employer NI and pensions are additional cash costs.

Annual wage growth is 3% Base. NI applies 15% above £5,000 per employee annually with no Employment Allowance; pension allowance is 3% of full gross. Current rates inform the model; the £5,000 freeze is announced through April 2031 and continuation beyond that is a forecast assumption. [S3 S7 S9]

30 / PEOPLE

Staff skills and fair work

Pay for training, leave and absence within productive availability. Manager training covers confidentiality, conflicts, reporting and evidence verification. Target skill needs require actual role mapping before completion.

No unpaid owner labour or volunteer specialist capacity is assumed. Verify ages, hours, pay and pension eligibility in payroll review. The model pension reserve exceeds a minimum qualifying earnings calculation but is an allowance rather than a payroll system. [S3 S7]

31 / COMPLIANCE

Legal and insurance requirements

UK AIFMs need the correct authorisation or registration route; a £40 million proposal is not automatically eligible for small registered status. Counsel must assess the actual legal structure, activities, leverage and financial promotions. [S1 S2]

FCA CP26/28 proposes reforms and expected 2028 implementation; consultation was still open at 3 October 2026. Obtain current legal advice before launch. Budget external D&O, professional indemnity, cyber, employer and target operating insurance; no cover is bound. [S6]

32 / EXECUTION

Opening roadmap

October to December 2026 is paid manager preparation funded by separate proposed seed equity. The initial fund call on 1 October 2026 pays formation and holds acquisition money until January 2027. Nothing proceeds without subscriptions and the appropriate legal route.

All three hypothetical acquisitions occur January 2027. Monthly operations cover six calendar years; a requested sale at 31 December 2032 is an assumption. No exit Downside retains illiquid cost NAV and has zero realised distributions. A buyer and an exit date cannot be promised.

33 / RISK

Risks and management actions

Principal risks are unmet calls, lender refusal, unverified target earnings, customer losses, concentration and unavailable exits. Report fund, portfolio and manager cash separately and stop binding commitments when required financing is absent.

The model does not plug negative cash or add automatic support. Initial call insufficiency prevents acquisition; later unmet calls, negative portfolio cash or a delivery deficit suppress hypothetical exit proceeds. Manager losses remain separate and need their own funded response.

34 / EVIDENCE

Research and evidence

Official sources were reviewed 3 October 2026. They establish payroll, tax, VAT and regulatory constraints rather than investor demand, target performance or market valuation. All commercial assumptions remain unverified.

S1 FCA AIFM https://www.fca.org.uk/firms/aifmd/apply-registered-aifm
S2 FCA promotions https://www.fca.org.uk/firms/financial-promotions-adverts
S3 HMRC payroll https://www.gov.uk/guidance/rates-and-thresholds-for-employers-2026-to-2027
S4 Corporation Tax https://www.gov.uk/corporation-tax-rates
S5 Fund VAT https://www.gov.uk/government/publications/help-with-vat-on-fund-management-services-gfc20/help-with-vat-on-fund-management-services-gfc20
S6 FCA proposal https://www.fca.org.uk/publications/consultation-papers/cp26-28-uk-aifm-regime
S7 Pensions https://www.thepensionsregulator.gov.uk/document-library/automatic-enrolment-detailed-guidance/4-pension-schemes-under-the-employer-duties
S8 VAT https://www.gov.uk/vat-rates
S9 Budget NI freeze
https://www.gov.uk/government/publications/budget-2025-document/budget-2025-html

35 / EVIDENCE

Quotes and assumptions

No subscriptions, debt term sheet, seller mandate, diligence report, founder reference, premises quote or insurance policy was provided. The concept is a proposal for professional review. Scenario names are inputs rather than probabilities.

Portfolio and manager reserve 25% on positive monthly pretax profit without loss relief, paid next month as a conservative convention rather than a statutory tax calculation. The proposed fund is modelled tax transparent; actual structure and LP liabilities require advice. Manager carry is conservatively taxed as company revenue without assumed personal carried interest treatment. [S4 S5 S8]

36 / FINANCE

Startup costs and funding

Proposed LP commitment is £40 million; initial actual proposed call on 1 October 2026 is £20,400,000. It pays £300,000 formation expense and holds £20.1 million acquisition money until January 2027. Uncalled commitment is not cash.

Initial commitment below uses prevents acquisition. Later monthly calls fund actual fees and administration up to remaining commitment. Any unmet call creates visible negative fund cash and suppresses hypothetical exit. Subscriptions and debt remain unsecured.

Initial fund source or use	GBP
Seller equity consideration	18,000,000
Funded portfolio opening cash	1,500,000
Gross deal fees	600,000
Total portfolio equity investment	**20,100,000**
Fund formation paid October 2026	300,000
Total initial proposed LP call	**20,400,000**
Initial unmet funding requirement	–



37 / FINANCE

Itemized startup costs

Separate £1 million proposed manager seed on 1 October 2026 funds three paid preparation months, £100,000 gross legal launch and £15,000 equipment. Paid preparation payroll is £63,158; opening January 2027 manager cash is £821,842.

Partner, analyst and finance compliance are each paid October to December. Employer NI and full gross pension allowance are included. All legal and supplier amounts are budgets without quotes. Manager seed is never LP acquisition capital.

Manager preparation component	GBP
Partner gross three months	27,000
Analyst gross three months	15,000
Finance gross three months	12,000
Employer NI	7,538
Pension allowance	1,620
Total paid preparation payroll	**63,158**
Gross launch legal	100,000
Total preopening expense	**163,158**
Gross equipment	15,000
Total initial manager cash uses	**178,158**
Proposed manager seed	**1,000,000**
Opening manager cash January 2027	**821,842**
Initial cash floor funding gap	–

Owner personal survival budget

Partner salary is £9,000 gross monthly, included in preparation and all six operating years. The household illustration assumes 65% net retention; this is not a personal tax computation or a guarantee of net pay.

Illustrative £5,850 take home supports £5,100 household needs and £750 monthly surplus. Replace assumptions with actual tax codes, deductions and commitments. Carry is conditional, does not support household survival and is conservatively taxed as manager company revenue in this model.

Partner household assumption monthly	GBP
Gross partner wage	9,000
Assumed net retention	65%
Illustrative take home	**5,850**
Housing and utilities	2,800
Food and travel	900
Personal commitments	800
Savings and contingency	600
Total household requirement	**5,100**
Illustrative surplus	**750**

39 / FINANCE

Financing terms and security

The proposed £12 million senior loan charges 8% annual interest in Base and repays original principal over 72 months, with any remaining balance due at selected maturity. Proposed share and business asset security, covenants and lender approval remain to be negotiated.

£30 million enterprise value includes normal £350,000 net working capital. At exit, closing net receivables less payables compared with this peg adjusts price once. Cash is added; financial debt and VAT and tax reserves deducted. VAT credit recovery defaults to zero, explicitly avoiding an assumed refund.

Portfolio acquisition term	GBP
Purchase enterprise value	30,000,000
Senior debt new draw	12,000,000
Seller equity consideration	18,000,000
Funded portfolio cash	1,500,000
Deal fees gross	600,000
Total fund portfolio investment	**20,100,000**
Opening paid portfolio equity	20,100,000
Opening retained loss deal fees	(600,000)
Normal net working capital peg	**350,000**
Proposed LP commitment	40,000,000

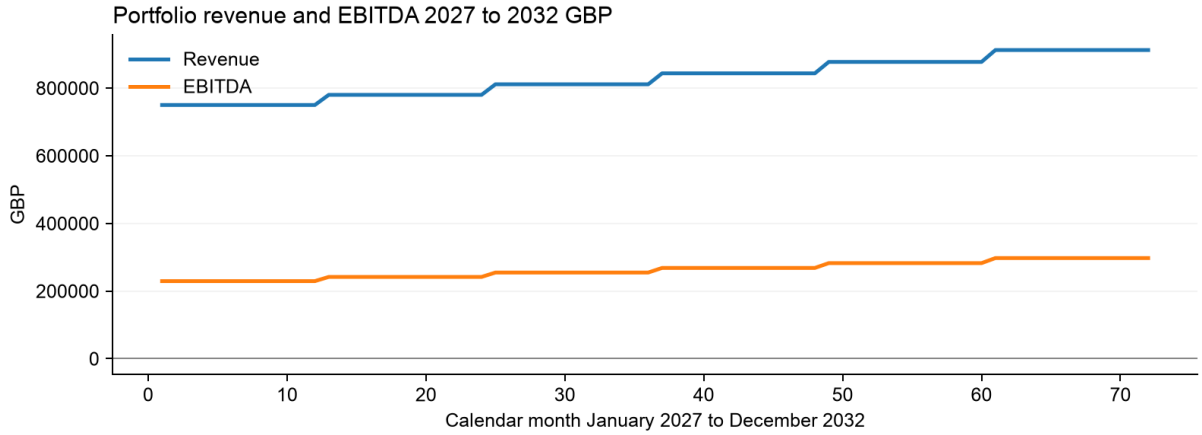
40 / FINANCE

Revenue forecast and capacity

Base net revenue is £750,000 monthly at entry and grows 4% annually through price. Three hypothetical companies are explicitly identical. Delivery requires 7,000 monthly hours; sixty employees fund about 7,735 productive hours. CEO hours are excluded.

Revenue is capped when paid capacity falls below required delivery hours. No additional volume, free staff or automatic hiring is included. Prices, workloads and customer retention remain unverified. These aggregate accounts are a mechanism illustration and require separate target diligence.

Portfolio annual GBP	2027	2028	2029	2030	2031	2032
Revenue net VAT	9,000,000	9,360,000	9,734,400	10,123,776	10,528,727	10,949,876
Direct cost net VAT	2,250,000	2,340,000	2,433,600	2,530,944	2,632,182	2,737,469
Total paid payroll	**2,798,910**	**2,884,295**	**2,972,241**	**3,062,826**	**3,156,128**	**3,252,229**
Overhead net VAT	1,200,000	1,236,000	1,273,080	1,311,272	1,350,611	1,391,129
EBITDA	**2,751,090**	**2,899,705**	**3,055,479**	**3,218,734**	**3,389,807**	**3,569,049**



41 / FINANCE

Costs and projected profit

Manager fees are £800,000 net annually in 2027 to 2029 and £301,500 annually in 2030 to 2032 before any exit. A fee step down can produce manager losses even while investment value rises. Three roles remain paid throughout.

Gross manager costs have no assumed VAT recovery. Fee VAT is remitted next month; corporate reserves are 25% of positive monthly profit paid next month. Carry conservatively enters manager taxable revenue when actually distributed; its VAT and tax classification requires counsel.

Manager annual GBP	2027	2028	2029	2030	2031	2032
Paid payroll	252,630	260,276	268,152	276,264	284,620	293,226
Gross overhead	120,000	123,600	127,308	131,127	135,061	139,113
Net management fee	800,000	800,000	800,000	301,500	301,500	301,500
Carry conditional	–	–	–	–	–	–
Depreciation	5,000	5,000	5,000	–	–	–
Pretax profit	**422,370**	**411,124**	**399,540**	**(105,891)**	**(118,181)**	**(130,839)**
Tax reserve	105,592	102,781	99,885	–	–	–
Net profit	**316,778**	**308,343**	**299,655**	**(105,891)**	**(118,181)**	**(130,839)**
Closing cash	**1,165,753**	**1,478,861**	**1,783,275**	**1,660,751**	**1,542,570**	**1,411,732**

42 / FINANCE

Profit and loss forecast

Portfolio results cover January 2027 through December 2032. First year EBITDA is £2,751,090 and net profit £1,085,942. Paid payroll includes sixty staff and three CEOs plus employer costs.

Acquired fixed assets depreciate over sixty months. New net capex depreciates by cohort from the following month. Deal fees are an initial retained loss. Tax reserves 25% on positive monthly profit without loss relief; interest deductibility and actual statutory timing require diligence.

Portfolio annual GBP	2027	2028	2029	2030	2031	2032
Revenue	9,000,000	9,360,000	9,734,400	10,123,776	10,528,727	10,949,876
Direct cost	2,250,000	2,340,000	2,433,600	2,530,944	2,632,182	2,737,469
Paid payroll	2,798,910	2,884,295	2,972,241	3,062,826	3,156,128	3,252,229
Overhead	1,200,000	1,236,000	1,273,080	1,311,272	1,350,611	1,391,129
EBITDA	**2,751,090**	**2,899,705**	**3,055,479**	**3,218,734**	**3,389,807**	**3,569,049**
Depreciation	416,500	453,160	491,286	530,938	572,175	198,562
Debt interest	886,667	726,667	566,667	406,667	246,667	86,667
Pretax profit	**1,447,923**	**1,719,879**	**1,997,526**	**2,281,129**	**2,570,965**	**3,283,820**
Tax reserve	361,981	429,970	499,381	570,282	642,741	820,955
Net profit	**1,085,942**	**1,289,909**	**1,498,144**	**1,710,847**	**1,928,223**	**2,462,865**

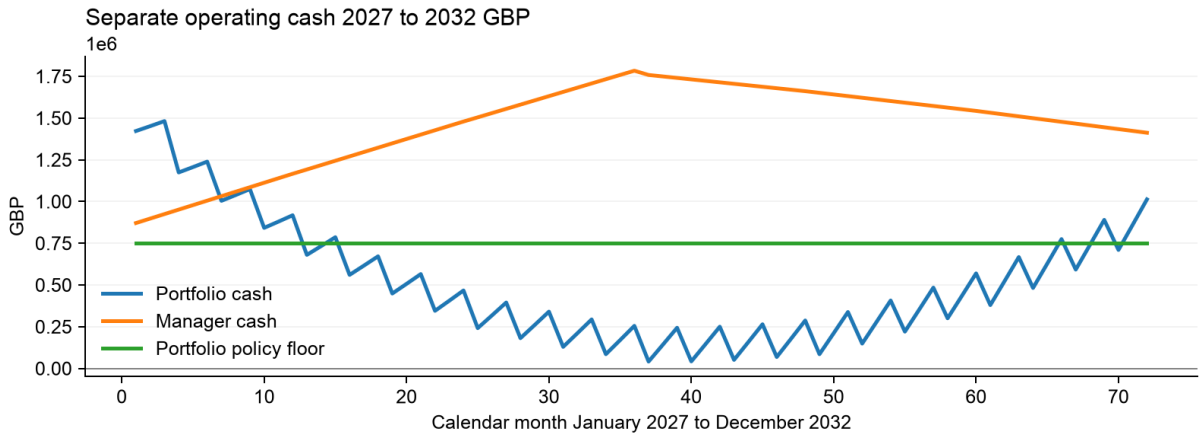
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Cash flow and financial position

Base minimum portfolio cash is £40,904, leaving £709,096 below the £750,000 policy floor. This case is not acceptable under the stated reserve policy without a revised funded plan. Manager minimum cash is separately £870,790.

Positive cash can support a hypothetical sale while failing the policy floor; the model does not automatically solve that gap. Customer and supplier lags, quarterly positive VAT, capex and debt principal explain why profit differs from cash. Proposed exit value never pays earlier expenses.

Portfolio annual GBP	2027	2028	2029	2030	2031	2032
Customer collections gross VAT	10,620,000	11,196,000	11,643,840	12,109,594	12,593,977	13,097,736
Supplier payments gross VAT	4,095,000	4,278,600	4,434,948	4,597,106	4,765,293	4,939,737
Payroll paid	2,798,910	2,884,295	2,972,241	3,062,826	3,156,128	3,252,229
Tax reserve paid	330,632	424,318	493,611	564,389	636,718	805,776
Positive VAT settled	875,500	1,108,020	1,154,795	1,203,514	1,254,258	1,307,110
Capex gross VAT	216,000	224,640	233,626	242,971	252,689	262,797
Debt interest and principal	2,886,667	2,726,667	2,566,667	2,406,667	2,246,667	2,086,667
Net cash change	**(582,708)**	**(450,539)**	**(212,048)**	**32,121**	**282,223**	**443,420**
Closing cash	**917,292**	**466,752**	**254,705**	**286,826**	**569,050**	**1,012,470**



Cash flow forecast months one to six

The fund opens January with the October call less formation costs. January portfolio investment uses the held cash. Monthly calls cover gross fee VAT and administration up to remaining commitment; investment cash is not counted twice.

Manager seed and target debt are separate entities and excluded from fund cash calls. The table shows the first six calendar months; Excel retains every month through December 2032. Negative fund cash exposes missing calls rather than an overdraft facility.

Fund GBP thousands	01 2027	02 2027	03 2027	04 2027	05 2027	06 2027
Opening fund cash	20,100	–	–	–	–	–
LP cash calls	88	88	88	88	88	88
Portfolio investment	20,100	–	–	–	–	–
Total fund expense	**88**	**88**	**88**	**88**	**88**	**88**
Exit receipts	–	–	–	–	–	–
Total distribution	**–**	**–**	**–**	**–**	**–**	**–**
Net cash change	**(20,100)**	**–**	**–**	**–**	**–**	**–**
Closing fund cash	**–**	**–**	**–**	**–**	**–**	**–**

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Cash flow forecast months seven to twelve

The same fund accounting continues July through December 2027. There are no interim portfolio receipts or investor distributions. Management fee and administration calls are paid monthly at actual model month end dates.

The fund carries the investment at £20.1 million paid equity cost without fair value uplift. Uncalled commitment remains contingent capacity outside assets and liabilities. Any fair value reporting requires independent valuation rather than copying a forecast exit multiple.

Fund GBP thousands	07 2027	08 2027	09 2027	10 2027	11 2027	12 2027
Opening fund cash	–	–	–	–	–	–
LP cash calls	88	88	88	88	88	88
Portfolio investment	–	–	–	–	–	–
Total fund expense	**88**	**88**	**88**	**88**	**88**	**88**
Exit receipts	–	–	–	–	–	–
Total distribution	**–**	**–**	**–**	**–**	**–**	**–**
Net cash change	**–**	**–**	**–**	**–**	**–**	**–**
Closing fund cash	**–**	**–**	**–**	**–**	**–**	**–**

Financial position summary

The closing portfolio position is shown before hypothetical share disposal. Cash, invoices, payables, VAT, tax, fixed assets, goodwill, debt and equity reconcile monthly. Fund and manager statements are separate live workbook sheets.

A share sale exchanges portfolio equity rather than selling fixed assets individually. Closing net working capital price adjustment accounts for invoices and supplier obligations once. No exit leaves illiquid fund cost NAV of £20.1 million, which is not a liquidation quote or assured recoverable value.

Portfolio closing GBP	2027	2028	2029	2030	2031	2032
Cash	917,292	466,752	254,705	286,826	569,050	1,012,470
Receivables gross VAT	900,000	936,000	973,440	1,012,378	1,052,873	1,094,988
Net fixed assets	1,763,500	1,497,540	1,200,942	872,479	510,878	531,314
Goodwill residual	27,650,000	27,650,000	27,650,000	27,650,000	27,650,000	27,650,000
Total assets	**31,230,792**	**30,550,292**	**30,079,086**	**29,821,683**	**29,782,801**	**30,288,771**
Payables gross VAT	345,000	357,600	370,668	384,222	398,279	412,860
VAT liability net	268,500	279,840	291,652	303,954	316,768	330,114
Tax payable	31,349	37,001	42,771	48,665	54,687	69,866
Senior debt	10,000,000	8,000,000	6,000,000	4,000,000	2,000,000	–
Total liabilities	**10,644,849**	**8,674,441**	**6,705,091**	**4,736,840**	**2,769,735**	**812,840**
Paid acquisition equity	20,100,000	20,100,000	20,100,000	20,100,000	20,100,000	20,100,000
Retained earnings	485,942	1,775,851	3,273,996	4,984,843	6,913,066	9,375,931
Total equity	**20,585,942**	**21,875,851**	**23,373,996**	**25,084,843**	**27,013,066**	**29,475,931**
Liabilities plus equity	**31,230,792**	**30,550,292**	**30,079,086**	**29,821,683**	**29,782,801**	**30,288,771**
Balance difference	–	–	–	–	–	–

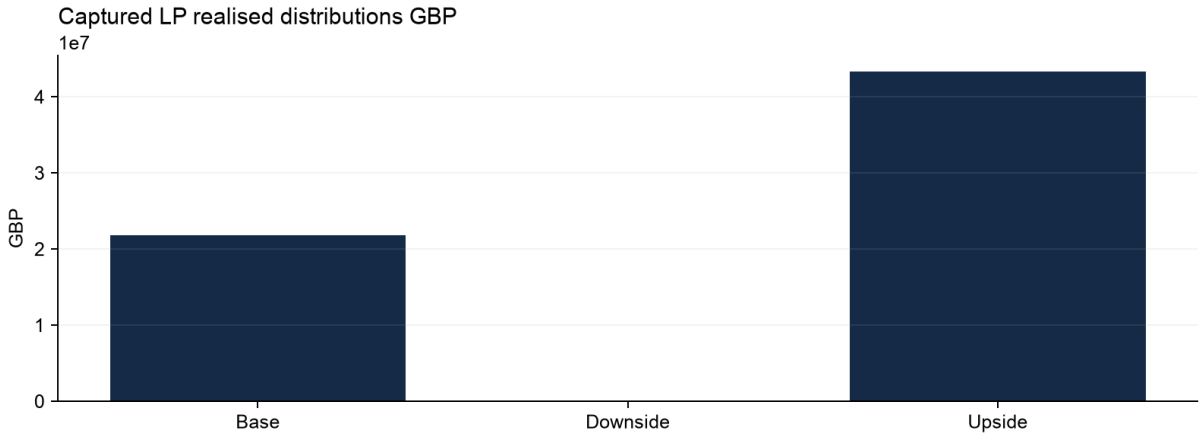
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Break even and scenarios

Base realised LP distribution is £21,816,936 on £24,965,400 actual proposed calls, net MOIC 0.87x. Upside distribution is £43,289,362 with carry £1,057,117. Downside has no sale, zero realised distributions and a £13,641,238 reserve shortfall.

Whole fund capital is returned first, including formation, fees and expenses. Dated 8% compounded preference is second; residual splits 80% LP 20% carry with no catch up. Preference is not guaranteed debt. Downside zero realised MOIC is not a total loss valuation; its residual cost NAV is illiquid and operating losses impair its credibility.

Captured case	LP calls GBP	LP distribution GBP	Net MOIC	Dated XIRR
Base	24,965,400	21,816,936	0.87x	-2.3%
Downside	25,145,400	–	0.00x	No realised exit
Upside	24,965,400	43,289,362	1.73x	9.9%



Model guide and controls

Workbook version 1.0 uses GBP and 72 actual calendar months. Inputs F5 selects Base 1, Downside 2 or Upside 3. Selected missing numeric drivers make dependent outputs unavailable; missing unselected drivers leave valid selected live calculations intact but mark captured comparisons STALE. Zero is valid.

Saved Excel formulas update live. FIRST copy desired Excel case inputs to the retained source arrays before rebuilding, because rebuilding replaces workbook inputs and refreshes Cases snapshots. Exact per input checks detect compensating edits. All external deliverables are Word and Excel; internal source and QA are retained.