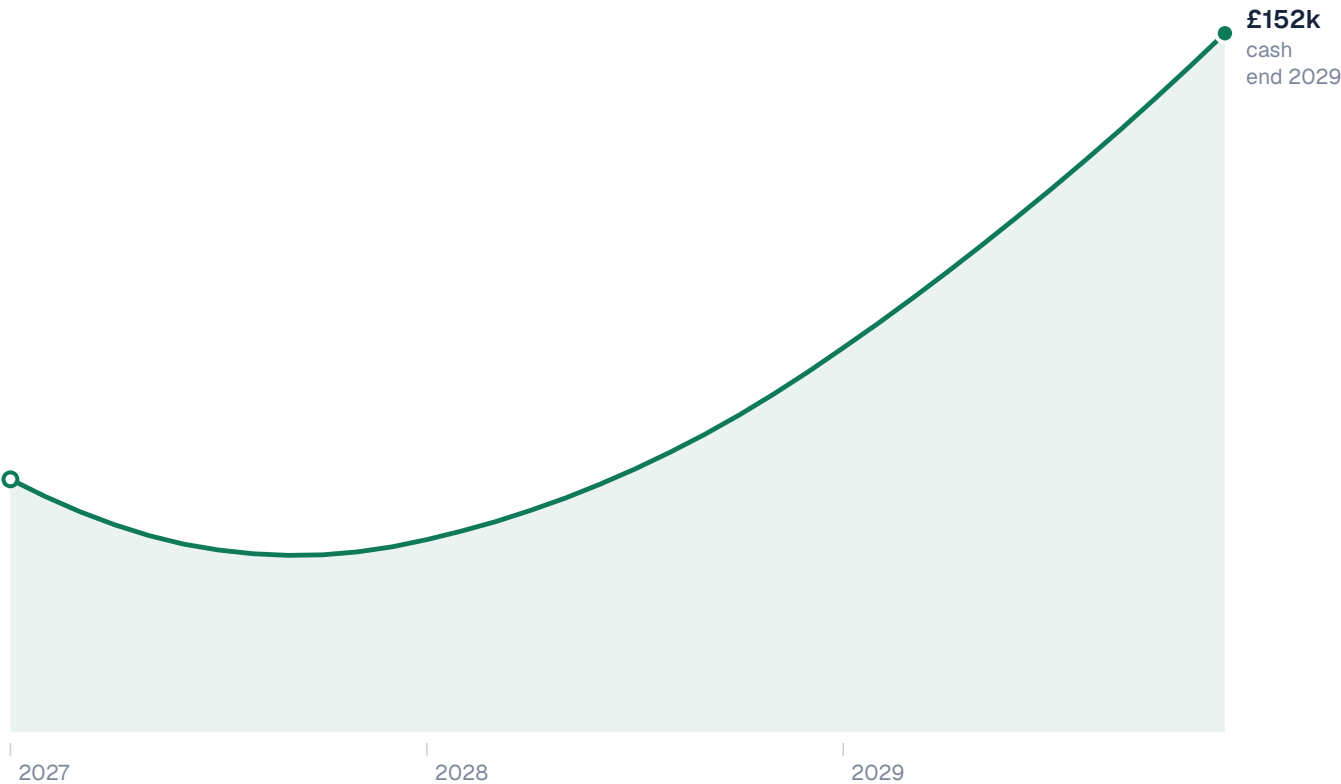


Business plan 2027–2029

Studio Lumen

36-month financial forecast, January 2027 to December 2029. Prepared for **Jamie Carter**.



2 Summary

Five key figures. Each one is detailed on pages 3 to 7.

Revenue, year 3

£450k

Sales grow from £270k in year 1 to £450k in year 3, up 66%.
Year 2: £379k.

Net profit, year 3

£80k

After a first year at –£9.9k, the business turns profitable in year 2.
Cumulative net profit over 3 years: £117k.

Break-even

Month 9

Monthly revenue passes the break-even point in September 2027.

Break-even in year 3: £24k of sales per month. EBITDA is positive from month 7.

Lowest cash balance

£39k



Cash never falls below zero; its lowest point comes in September 2027.

It ends the period at £152k.

Funding resources

£110k

Equity and loan cover 1.8 times the need of £62k.
Safety margin: £48k.

In short

With these assumptions, the business breaks even within the first year, stays funded throughout and generates £80k of net profit in year 3. Sensitivity to the average price is detailed on page 7.

3 Assumptions

Every figure in this plan follows from the 23 assumptions below.

Sales

Average price per sale (excl. tax) Average basket or average unit price.	£180 per sale
Sales in the first month Expected volume in the launch month.	100 sales
Monthly sales growth, year 1 Compound monthly rate.	4.0% per month
Monthly sales growth, year 2	2.0% per month
Monthly sales growth, year 3	1.0% per month

Costs

Variable costs (materials, subcontracting, commissions) Proportional to revenue.	30.0% of revenue
Marketing and acquisition	8.0% of revenue
Monthly fixed costs (rent, software, insurance...) Excluding salaries.	£5,000 per month
Annual increase in fixed costs Applied at the start of each new year.	3.0% per year
Team gross salaries, monthly Total gross pay, all roles.	£7,000 per month
Employer payroll taxes	25.0% of gross pay

Investment and funding

Start-up investment Equipment, fit-out, website, deposits.	£40,000 month 1
Depreciation period Straight-line.	5 years
Owner's equity	£50,000 month 1
Bank loan	£60,000 month 1
Annual loan interest rate	6.0% per year
Loan term Repaid in equal monthly instalments.	60 months
Tax rate on profit Applied when profit before tax is positive (monthly simplification).	20.0% of profit

Payment terms

Customer payment terms	30 days
Supplier payment terms	30 days

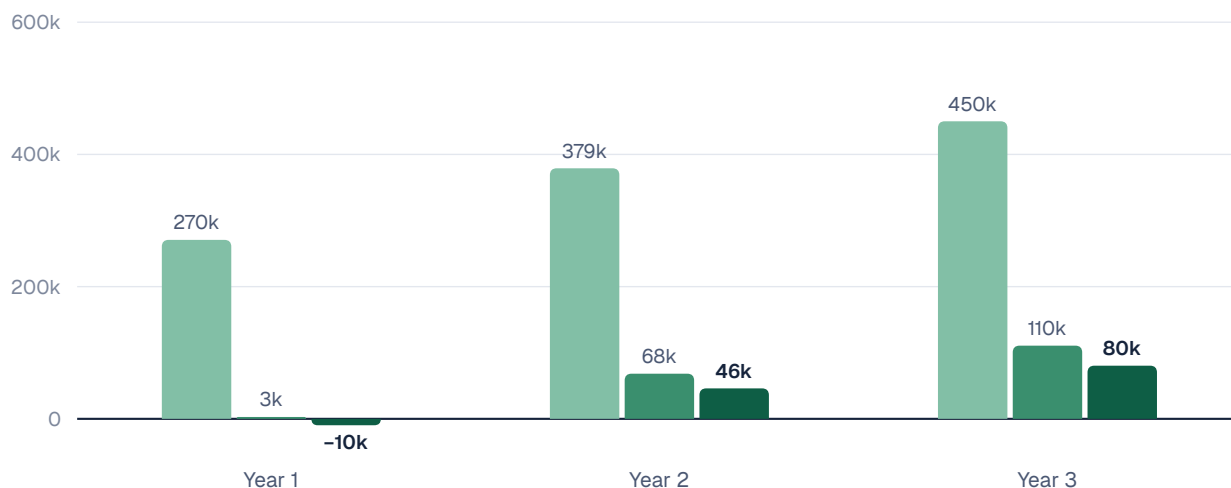
Project

Project name	Studio Lumen
Display currency	GBP
Start date First month of the model.	January 2027

4 Three-year profit and loss

From revenue to net profit, year by year. Variable costs and marketing move with sales; fixed costs and salaries do not.

Revenue EBITDA Net profit

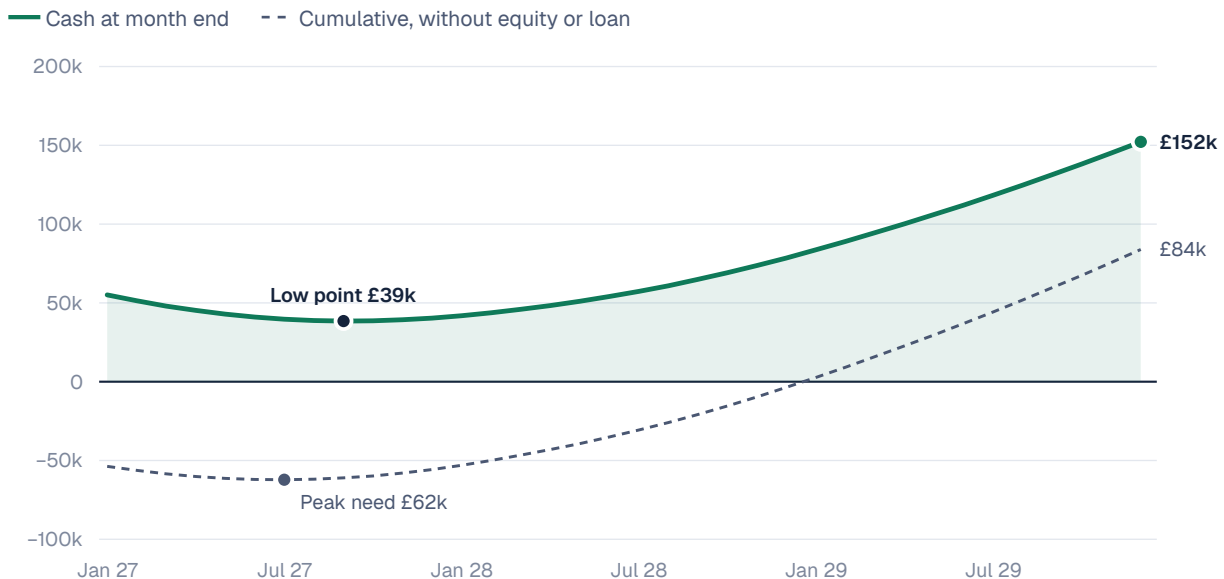


In GBP	Year 1	Year 2	Year 3
Revenue	270,464	379,084	450,161
Variable costs	(81,139)	(113,725)	(135,048)
Marketing	(21,637)	(30,327)	(36,013)
Contribution margin	167,688	235,032	279,100
Fixed costs	(60,000)	(61,800)	(63,654)
Salaries incl. payroll taxes	(105,000)	(105,000)	(105,000)
EBITDA	2,688	68,232	110,446
Depreciation	(8,000)	(8,000)	(8,000)
Operating profit	(5,312)	60,232	102,446
Loan interest	(3,311)	(2,657)	(1,962)
Profit before tax	(8,623)	57,575	100,483
Tax on profit	(1,232)	(11,515)	(20,097)
Net profit	(9,855)	46,060	80,387

Ratios	Year 1	Year 2	Year 3
Revenue growth	n/a	40.0%	19.0%
Contribution margin rate	62.0%	62.0%	62.0%
EBITDA margin	1.0%	18.0%	25.0%
Net margin	-4.0%	12.0%	18.0%

5 Cash over 36 months

The bank balance at the end of each month, including equity and loan. The dotted line shows it with no funding at all: its lowest point measures the need.



By quarter cash flows for the quarter and balance at quarter end, in thousands

	Q1 27	Q2 27	Q3 27	Q4 27	Q1 28	Q2 28	Q3 28	Q4 28	Q1 29	Q2 29	Q3 29	Q4 29
Operations	(18.5)	(3.6)	1.0	5.3	9.0	11.6	14.3	17.2	19.5	21.1	22.7	24.4
Investment	(40.0)	–	–	–	–	–	–	–	–	–	–	–
Financing	106.5	(3.5)	(3.5)	(3.5)	(3.5)	(3.5)	(3.5)	(3.5)	(3.5)	(3.5)	(3.5)	(3.5)
Closing cash	48.0	41.0	38.5	40.4	45.9	54.0	64.8	78.5	94.5	112.1	131.3	152.2

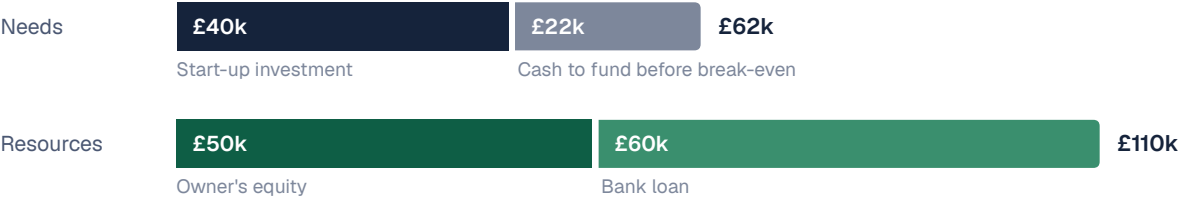
By year

In GBP	Year 1	Year 2	Year 3
Operating cash flow	(15,724)	52,109	87,586
Start-up investment	(40,000)	–	–
Financing cash flow	96,080	(13,920)	(13,920)
Change in cash	40,357	38,189	73,666
Cash at year end	40,357	78,546	152,212

6 Funding and break-even

What must be funded at the start, with what, and from when the business covers all its costs on its own.

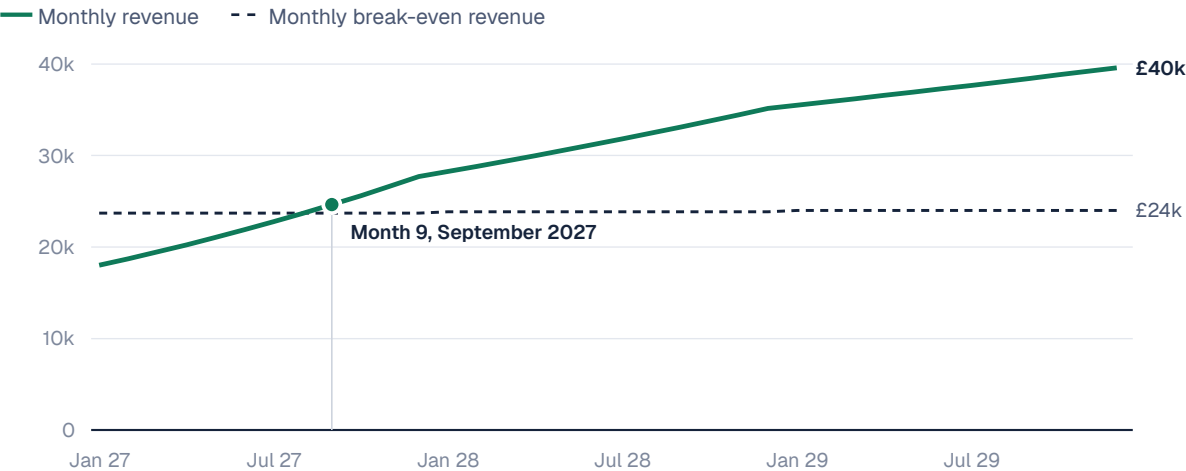
Needs and resources surplus of £48k



Loan of £60k over 60 months at 6.0%	Year 1	Year 2	Year 3
Interest paid	3,311	2,657	1,962
Principal repaid	10,608	11,262	11,957
Outstanding principal at year end	49,392	38,129	26,172

Fixed monthly instalment: £1,160.

When sales cover all costs

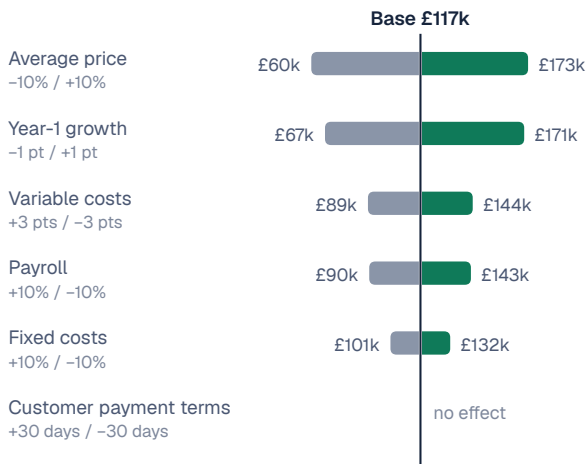


Break-even	Year 1	Year 2	Year 3
Fixed costs to cover	176,311	177,457	178,616
Annual break-even revenue	284,373	286,221	288,091
Margin of safety	-5.0%	24.0%	36.0%

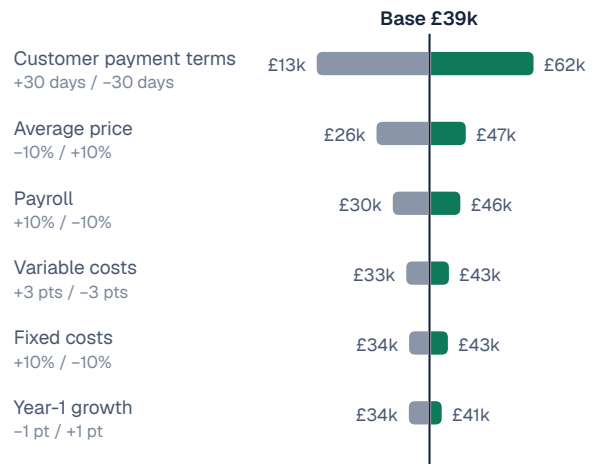
7 Sensitivity of the plan

Each line changes a single assumption and reruns the 1,540 formulas of the workbook. The grey bar shows the downside case, the green bar the upside.

Cumulative net profit over 3 years



Lowest cash balance



Largest downside changes

- 1 Average price -10%:** cumulative net profit down £57k, lowest cash at £26k.
- 2 Year-1 growth -1 pt:** cumulative net profit down £50k, lowest cash at £34k.
- 3 Variable costs +3 pts:** cumulative net profit down £27k, lowest cash at £33k.
- 4 Customers paying 30 days later:** no effect on profit, but cash falls to £13k.

Largest upside changes

- 1 Average price +10%:** +£56k of cumulative net profit, lowest cash at £47k.
- 2 Year-1 growth +1 pt:** +£54k of cumulative net profit, lowest cash at £41k.
- 3 Variable costs -3 pts:** +£27k of cumulative net profit, lowest cash at £43k.

Each scenario changes a single assumption; all others stay the same. Base case: cumulative net profit £116,592, lowest cash balance £38,523.

8 Method

How the figures are calculated, and the limits of the model.

Model structure

The workbook calculates, for each of 36 months, sales, costs, profit, the loan and cash. Annual tables are the sum of the months. Only one sheet takes inputs, Assumptions; the 1,540 formulas do the rest.

Sales

First-month volume, then compound monthly growth, with one rate per year. Revenue is volume multiplied by the average price, excluding tax.

Costs

Variable costs and marketing as a percentage of revenue. Monthly fixed costs raised each year by the increase rate. Gross salaries plus employer payroll taxes. Investment depreciated on a straight-line basis.

Funding

Equity and loan received in the first month. Loan repaid in equal monthly instalments. The funding need is the investment plus the lowest cash point before any funding.

Cash

EBITDA, less tax, adjusted for customer and supplier payment terms, less investment, plus net funding.

Reading conventions

Amounts exclude tax. In the tables, negative amounts are shown in brackets and a dash marks a zero value.

Limits

VAT or sales tax, seasonality, inventory and staggered hiring are not modelled. Tax is a monthly approximation. Amounts are not converted between currencies.

Glossary

EBITDA

Earnings before interest, tax, depreciation and amortisation: what the business generates before depreciation, interest and tax.

Break-even

The level of sales at which all costs, fixed and variable, are covered.

Margin of safety

The share of revenue above break-even: how far sales can fall before a loss.

Outstanding principal

What remains to be repaid on the loan.

Document issued 17 October 2026. The forecast rests entirely on the founder's assumptions; it is not advice, an audit, or a guarantee of results or of funding.