ZORBLE £1,000 REPORT

EXAMPLE AERO MRO LIMITED

Full intelligence report

FICTIONAL SAMPLE	This company, its registration details, people, contracts, events, peers and all financial figures are invented solely to demonstrate the Zorble report format.

PRELIMINARY VIEW	AMBER
Purpose	Decision-grade investment and supplier review
Illustrative entity	Fictional company reference: EXAMPLE-000001
Accounts period	Five years ended 31 December 2025
Evidence cut-off	25 August 2026 (demonstration only)

14.0%	7.7%	£4.6m	£12.4m
Revenue CAGR	Operating margin	Cash	Net debt

COMPANY AND OPERATING MODEL

Company snapshot

Example Aero MRO Limited is a deliberately invented UK aviation maintenance group. It illustrates how Zorble separates legal identity, operating capability and financial evidence before reaching a decision.

FIELD	ILLUSTRATIVE POSITION
Legal status	Fictional active private company
Activity	Commercial aircraft base maintenance, line maintenance, components and AOG response
Illustrative locations	Midlands hangar; South East line station; Manchester components workshop
Employees	286 average in FY2025 (simulated)
Customers	Airlines, lessors, charter operators and government-support contractors
Approvals	Illustrative UK CAA Part-145 and EASA third-country approvals
Ownership	Founder-led, private-equity minority investment (fictional)

BUSINESS MODEL

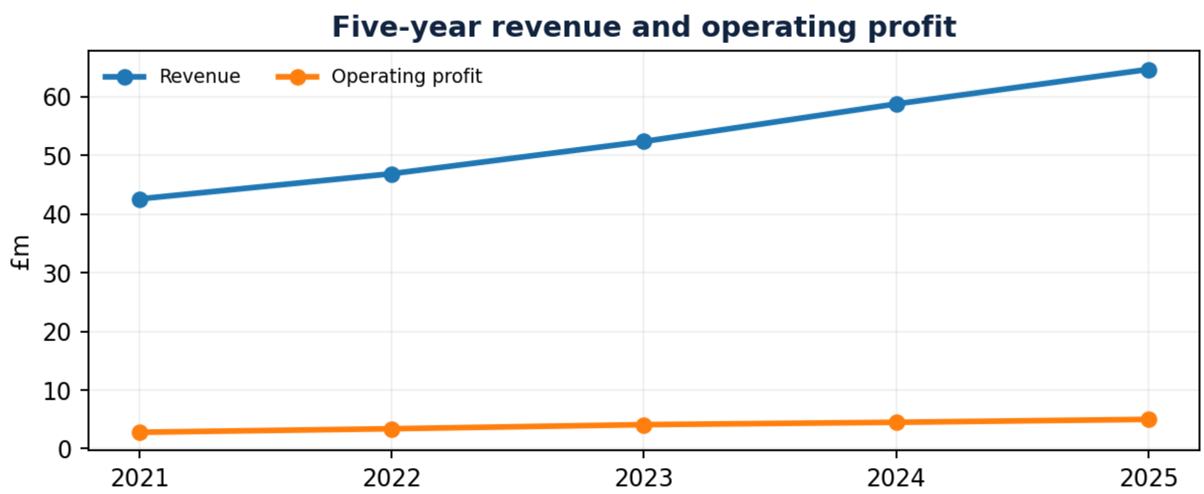
Recurring line-maintenance and contracted base checks support utilisation; component repair and AOG work add margin but create inventory, skills and turnaround exposure.

FINANCIAL SCREEN

Five-year financial record

The series below is entirely simulated but internally consistent. It demonstrates the minimum five-year trend expected in a customer report.

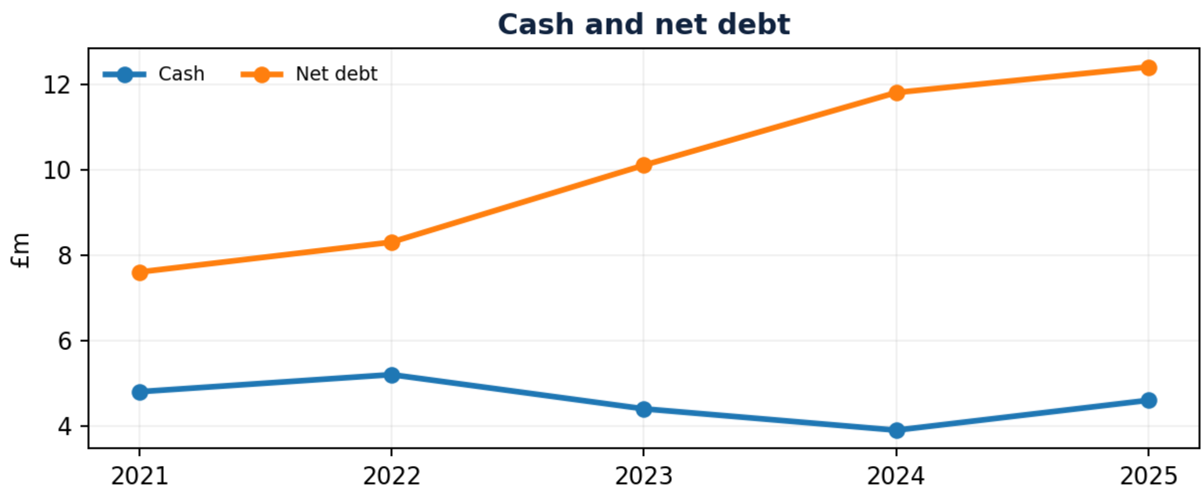
£m	2021	2022	2023	2024	2025
Revenue	42.6	46.9	52.4	58.8	64.7
Operating profit	2.8	3.4	4.1	4.5	5.0
Net profit	1.5	1.9	2.3	2.4	2.7
Cash	4.8	5.2	4.4	3.9	4.6
Net debt	7.6	8.3	10.1	11.8	12.4
Net assets	15.1	16.8	18.6	20.1	22.0
Operating cash flow	3.1	3.7	2.9	3.3	4.1
Inventory	8.4	9.2	10.8	12.6	13.8



Interpretation: revenue grew every year, while operating margin remained within a relatively narrow 6.6%-7.8% range. Growth is credible, but net debt rose faster than profit.

FINANCIAL SCREEN

Cash, debt and working capital



METRIC	FY2025	READ-THROUGH
Current ratio	1.42x	Current assets cover current liabilities.
Quick ratio	0.78x	Liquidity depends partly on inventory.
Interest cover	4.5x	Positive, but lower under a downturn.
Cash conversion	82%	Operating cash flow / operating profit.
Net debt / EBITDA	2.0x	Requires monitoring as investment continues.

BASIC FLAG Debt and inventory increased alongside growth. The report would proceed only after confirming facility headroom and inventory quality.

DECISION LENS

Ten-question investor screen

This screening framework tests growth, costs, profit, cash, assets, debt, accounting risks, management, income and threats.

QUESTION	VIEW	BASIC ASSESSMENT
1 Growth	GREEN	Revenue CAGR 14.0%; contracted activity expanded.
2 Cost control	AMBER	Margin held, but labour and subcontract costs rose.
3 Profit	GREEN	Profitable in each illustrated year.
4 Cash	AMBER	£4.6m cash against £17.0m gross debt.
5 Asset backing	UNPRICED	Private value and asset quality require verification.
6 Debt use	AMBER	Net debt/EBITDA is manageable but rising.
7 Hidden risks	AMBER	Lease, warranty and inventory provisions need testing.
8 Management	AMBER	Growth delivered; succession and incentives untested.
9 Income	RED	No dependable dividend record.
10 Threats	AMBER	Skills, customers, regulation and aircraft-cycle risk.

ILLUSTRATIVE SIGNALS

Current intelligence and SWOT

All events below are fictional demonstrations.

DATE	SIMULATED EVENT	WHY IT MATTERS
Jul 2026	Won a five-year regional airline base-maintenance contract	Improves visibility but increases mobilisation and labour demand.
Mar 2026	Opened a component-repair cell	Potential margin uplift; utilisation and approval scope must be proven.
Nov 2025	Extended £20m revolving credit facility	Supports growth; pricing, covenants and security remain material.

STRENGTHS	WEAKNESSES
Recurring maintenance revenue; approvals; growing order book; profitable record.	Rising net debt; technician scarcity; customer concentration; working-capital intensity.
OPPORTUNITIES	THREATS
Fleet ageing; outsourced maintenance; component capability; lessor transitions.	Downturn; safety event; wage inflation; parts delays; contract underpricing.

WHAT CHANGES THE CONCLUSION

Decision page

AMBER - INVESTIGATE

The simulated company shows sustained growth and profit, but rising leverage, inventory dependence and customer concentration prevent a clean green view.

ISSUE	WHY IT MATTERS	EVIDENCE REQUIRED
Debt	Limits resilience during volume or collection shocks.	Facility, covenants, maturity and security.
Inventory	May be slow-moving, customer-owned or approval-specific.	Ageing, ownership, provisions and usage.
Customers	Loss of a major airline could disrupt utilisation.	Top-ten revenue and contract expiry profile.
People	Licensed engineer scarcity constrains delivery.	Vacancies, attrition, overtime and training pipeline.

Five priority questions

- What is current liquidity and committed undrawn facility headroom?
- How much inventory is slow-moving, customer-owned or subject to obsolescence?
- What percentage of revenue and margin comes from the five largest customers?
- What mobilisation cost and working capital are required for the new contract?
- How sensitive are profit and cash to a 10% fall in base-maintenance volume?

ENHANCED COMPANY REVIEW

Group, ownership and security

The fictional structure separates the trading company, a property subsidiary and a component-repair subsidiary. This matters because cash, assets and lender security may not sit in the same entity.

ENTITY	ROLE	KEY ISSUE
Example Aero MRO Limited	Trading parent	Customer contracts and employees.
Example Aero Property Limited	Hangar freehold	Charged to the senior lender.
Example Component Services Limited	Repair workshop	Recently established; utilisation unproven.

COMMERCIAL ANALYSIS

Business model and revenue quality

Contracted work creates visibility, but minimum volumes, pass-through clauses and turnaround penalties determine whether the order book converts into cash.

FY2025 REVENUE MIX	SHARE	QUALITY
Base maintenance	38%	Planned but seasonal; input risk.
Line maintenance	27%	Recurring station contracts.
Components	18%	Higher margin; approval dependent.
AOG and ad hoc	10%	Volatile, premium priced.
Other	7%	Training and technical services.

ENHANCED FINANCIAL ANALYSIS

Cash-flow bridge

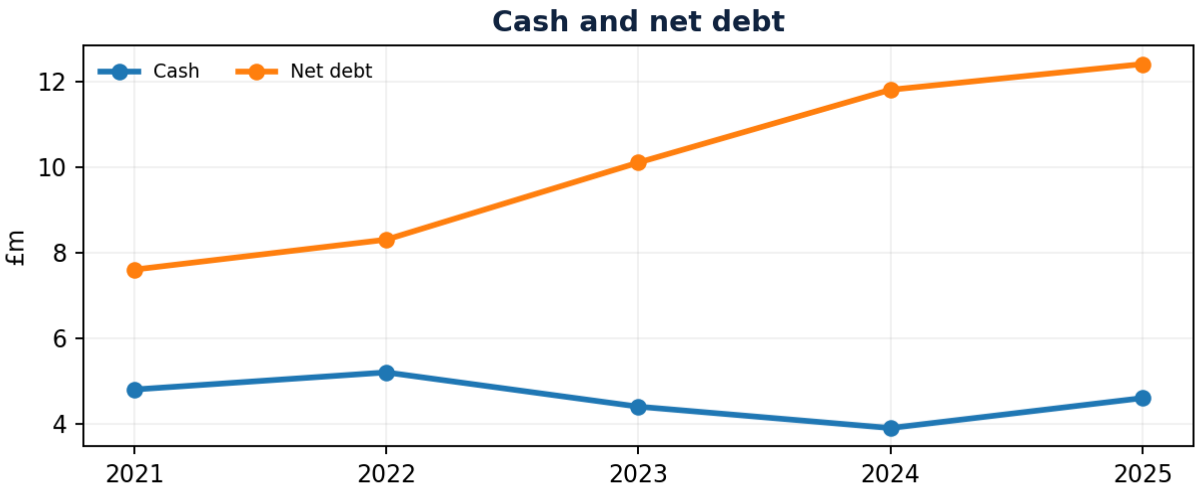
FY2025 operating profit of £5.0m converted to £4.1m operating cash flow. Working-capital absorption and investment explain why borrowings still increased.

BRIDGE £m	FY2025
Operating profit	5.0
Depreciation and non-cash items	2.1
Working-capital movement	(1.8)
Tax and interest cash paid	(1.2)
Operating cash flow	4.1
Capital expenditure	(5.2)
Financing and other	1.8
Net cash movement	0.7

ENHANCED FINANCIAL ANALYSIS

Debt, facilities and security

The fictional £20m revolving facility has £3m undrawn at year end, expires in 2029 and is secured over group assets. This adds resilience, but a 25% EBITDA fall would reduce covenant headroom materially.

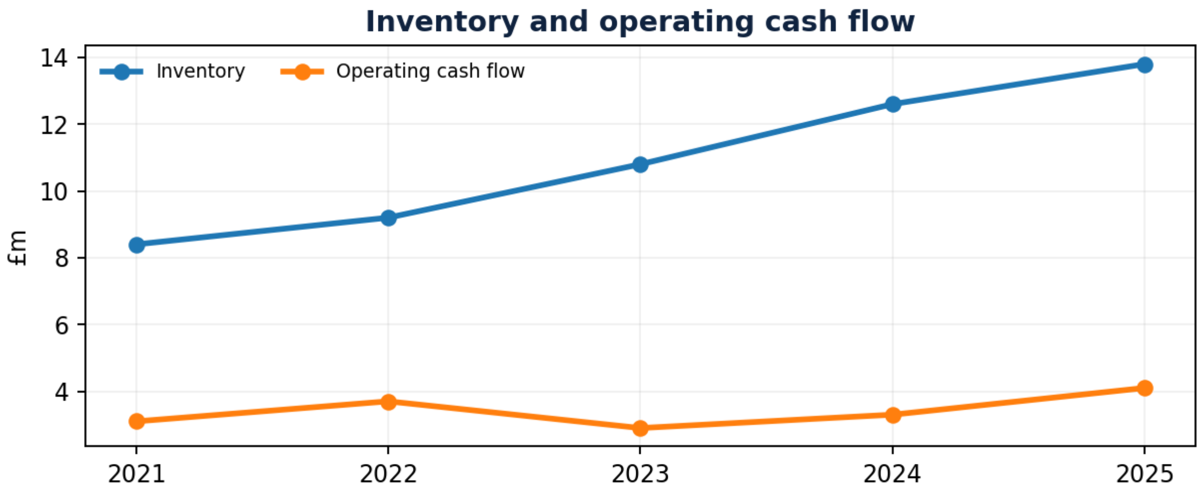


BURNS SCREEN	Illustrative net debt of £12.4m divided by pre-tax profit of £3.7m equals 3.35x: above the 3x screening flag and therefore a diligence trigger, not an automatic rejection.

ENHANCED FINANCIAL ANALYSIS

Working capital and accounting quality

Inventory days increased from 74 to 82 while debtor days remained near 61. No fictional audit qualification is assumed, but estimates around stock, contract assets and warranty provisions are material.



MARKET CONTEXT

Industry structure and forces

Demand is supported by fleet utilisation, ageing aircraft and outsourcing. Supply is constrained by licensed labour, hangar capacity and component availability. Bargaining power remains concentrated among airlines, OEMs and large parts distributors.

FORCE	ILLUSTRATIVE EFFECT
Demand	Positive medium-term maintenance requirement.
Labour	Engineer scarcity raises cost and limits capacity.
Parts	Lead times can delay completion and cash collection.
Customers	Large airlines retain price and penalty leverage.
Regulation	Approval scope is both barrier and operational obligation.

3-5 COMPANY BENCHMARK

Peer comparison

Four fictional peers show that Example Aero grows faster than the median but carries more leverage.

FICTIONAL PEER	REV £m	OP MARGIN	NET DEBT/EBITDA
Example Aero MRO	64.7	7.7%	2.0x
Northstar Aviation Services	91.2	9.4%	1.3x
Meridian Air Engineering	55.0	6.8%	0.8x
Crownline Technical	72.5	5.9%	2.5x
AeroVale Components	48.7	10.1%	1.7x

CURRENT INTELLIGENCE

24-month intelligence timeline

The timeline links fictional events to financial and procurement implications.

DATE	EVENT	IMPLICATION
Jul 2026	Five-year airline award	Visibility plus mobilisation exposure.
Mar 2026	Component cell opened	Margin opportunity; utilisation risk.
Jan 2026	Operations director appointed	Execution capacity strengthened.
Nov 2025	RCF extended	Liquidity improved; secured lender priority.
May 2025	Quality finding closed	Control improvement; recurrence must be monitored.
Oct 2024	Second line station opened	Scale gain and fixed-cost exposure.

CONTROLLED PATH TO AWARD

Procurement lens

Illustrative cash and facility evidence support a controlled award, but not unlimited exposure. Cap mobilisation payments, obtain monthly liquidity reporting and preserve contingency capacity.

TEST	VIEW	CONTROL
Capability	GREEN	Verify approval scope and named facilities.
90-day resilience	AMBER	Monthly cash and covenant certificate.
Mobilisation	AMBER	Milestones and capped advance payment.
Continuity	AMBER	Step-in, data access and contingency supplier.
Commercial	AMBER	Indexation and turnaround definitions.

INDICATIVE MARKERS

Investor lens

The investor case is growth with execution risk. The peer set supports interest, but the debt screen and lack of transaction valuation prevent a positive recommendation.

MARKER	RESULT	INTERPRETATION
Net debt / PBT	3.35x	Above screening tolerance.
Tangible NAV	£19.2m	Before independent asset valuation.
ROCE	12.8%	Positive but sensitive to lease treatment.
Dividend cover	Not meaningful	No stable distribution record.
Valuation	UNPRICED	Requires transaction assumptions.

ENHANCED DECISION ANALYSIS

Risk matrix

The enhanced tier converts issues into prioritised verification.

RISK	IMPACT	PROB.	RESPONSE
Customer loss	High	Medium	Concentration and expiry analysis.
Engineer shortage	High	High	Workforce and agency plan.
Covenant pressure	High	Medium	Downside model and waiver headroom.
Inventory impairment	Medium	Medium	Ageing and usage testing.
Quality event	High	Low	Audit trend and corrective actions.

ENHANCED DECISION ANALYSIS

Scenario screen

A directional downside shows why liquidity controls matter. This is not a full £1,000 stress test.

SCENARIO	REVENUE	OP PROFIT	CASH CONSEQUENCE
Base	£64.7m	£5.0m	Positive operating cash flow.
Volume -10%	£58.2m	£3.1m	Headroom narrows.
Labour +8%	£64.7m	£3.7m	Margin falls to 5.7%.
Combined downside	£58.2m	£1.9m	Covenant discussion likely.

ACTION PLAN

Due-diligence plan and gates

Proceed through evidence gates rather than a binary yes/no decision.

GATE	REQUIRED EVIDENCE	DECISION
1 Identity	Entity, approvals, ownership and group perimeter.	Confirm target.
2 Liquidity	Facilities, covenants, 13-week cash flow.	Set exposure.
3 Earnings	Contracts, concentration, margin bridge.	Validate quality.
4 Assets	Inventory, property, leases and charges.	Test backing.
5 Execution	People, capacity, mobilisation and quality.	Approve with controls.

DECISION

Enhanced conclusion

The fictional company merits a controlled procurement shortlist and continued investor diligence. It is not yet decision-ready because debt, customer concentration and inventory quality could materially change the outcome.

NEXT GATE	Obtain the facility agreement, 13-week cash forecast, customer concentration schedule, inventory ageing and contract profitability before committing capital or material award exposure.

DEMONSTRATION CONTROLS

Enhanced sources and limitations

All records and evidence in this sample are fictional. A live report would cite statutory accounts, official registers, company disclosures and independent sources, with calculations and evidence dates reproduced.

CONTROL	DEMONSTRATION STATUS
Five-year accounts	Simulated and internally cross-checked.
Identity and charges	Invented.
Peer definitions	Invented on a consistent basis.
News timeline	Invented.
Advice status	General information only; no recommendation.

FULL INTELLIGENCE

Board decision summary

The combined fictional assessment is AMBER. The company has attractive market exposure and repeatable earnings, but the proposed decision requires price discipline, cash protections and verified operational capacity.

LENS	VERDICT	BOARD POSITION
Investor	AMBER	Proceed to valuation range and confirm downside funding.
Procurement	AMBER	Award only through staged mobilisation and exposure caps.
Strategic partner	AMBER	Structure governance, data and exit rights.

BOARD SUMMARY

Decision scorecard

Scores are evidence summaries, not substitutes for judgement.

DIMENSION	SCORE / 5	KEY DRIVER
Financial quality	3.5	Profit history offset by leverage.
Cash resilience	3.0	Facility support but limited free headroom.
Market position	4.0	Demand and approval barriers.
Operational delivery	3.2	Labour and mobilisation constraints.
Governance	2.8	Founder dependence and limited board evidence.
Asset backing	3.1	Property and equipment require appraisal.

COMPANY AND GROUP

Legal entity and reporting perimeter

Decision-grade work separates consolidated trading performance from property and component subsidiaries, then reconciles intercompany balances and lender security.

PERIMETER TEST	ILLUSTRATIVE FINDING
Consolidation	Three wholly controlled entities included.
Property	Freehold held outside trading company.
Intercompany	£3.2m receivable requires recoverability test.
Minorities	No fictional minority interest.
Pensions	Defined-contribution only in this demonstration.

MANAGEMENT REVIEW

Ownership, PSC and governance

The fictional founder owns 62%, an illustrative investment fund owns 28% and management owns 10%. Reserved matters protect investors, but succession and board independence remain weak.

HOLDER	SHARE	DECISION ISSUE
Founder family	62%	Control and succession.
Example Growth Capital I LP	28%	Exit horizon and preference rights.
Management pool	10%	Vesting and retention.

MANAGEMENT REVIEW

Management track record

Leadership delivered growth and opened new capability, but acquisition integration, pricing discipline and safety culture require direct evidence.

ROLE	TENURE	ASSESSMENT
Chief executive	14 years	Commercial continuity; key-person risk.
Finance director	4 years	Facility renewal completed.
Operations director	<1 year	Mobilisation record not yet established.
Quality director	6 years	Finding closure record positive.

OPERATING MODEL

Service and approval map

The report maps revenue to approval, asset, people and location dependencies.

SERVICE	SITE	CAPABILITY DEPENDENCY
Base maintenance	Midlands	Hangar slots, certifying staff, tooling.
Line maintenance	South East	Airside access and shift coverage.
Components	Manchester	Bench approval and spares.
AOG	National	Mobile teams and logistics.

REVENUE QUALITY

Customer and contract concentration

The top five fictional customers represent 54% of revenue. The largest is 16%, with expiry in 2028 and termination-for-convenience rights.

CUSTOMER	SHARE	EXPIRY	RISK
Airline A	16%	2028	Volume and termination.
Airline B	12%	2029	Penalty exposure.
Lessor C	10%	Framework	Event-driven volume.
Airline D	9%	2027	Near-term renewal.
Operator E	7%	2028	Credit quality.

REVENUE QUALITY

Order book and revenue bridge

The fictional £82m contracted and scheduled order book covers 68% of forecast FY2027 revenue. Coverage is not the same as guaranteed revenue because customer fleet plans and work-scope findings alter timing.

QUALITY TEST	Separate firm work orders, forecast checks, framework capacity and customer options. Only the first category should receive full order-book credit.

FINANCIAL FORENSIC REVIEW

Eight-year financial history

The full tier extends beyond five years to expose cycle behaviour.

£m	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	31.8	35.2	29.4	42.6	46.9	52.4	58.8	64.7
Op profit	2.0	2.3	0.9	2.8	3.4	4.1	4.5	5.0
Cash	3.2	3.6	5.9	4.8	5.2	4.4	3.9	4.6
Net debt	6.8	7.1	5.4	7.6	8.3	10.1	11.8	12.4

FINANCIAL FORENSIC REVIEW

Quality of earnings

Illustrative normalisation removes a £0.6m property gain, adds back £0.4m restructuring cost and deducts £0.3m underprovided warranty cost. Normalised operating profit is £4.5m versus reported £5.0m.

BRIDGE £m	VALUE
Reported operating profit	5.0
Less property gain	(0.6)
Add restructuring cost	0.4
Less warranty normalisation	(0.3)
Normalised operating profit	4.5

FINANCIAL FORENSIC REVIEW

Accounting-policy and audit review

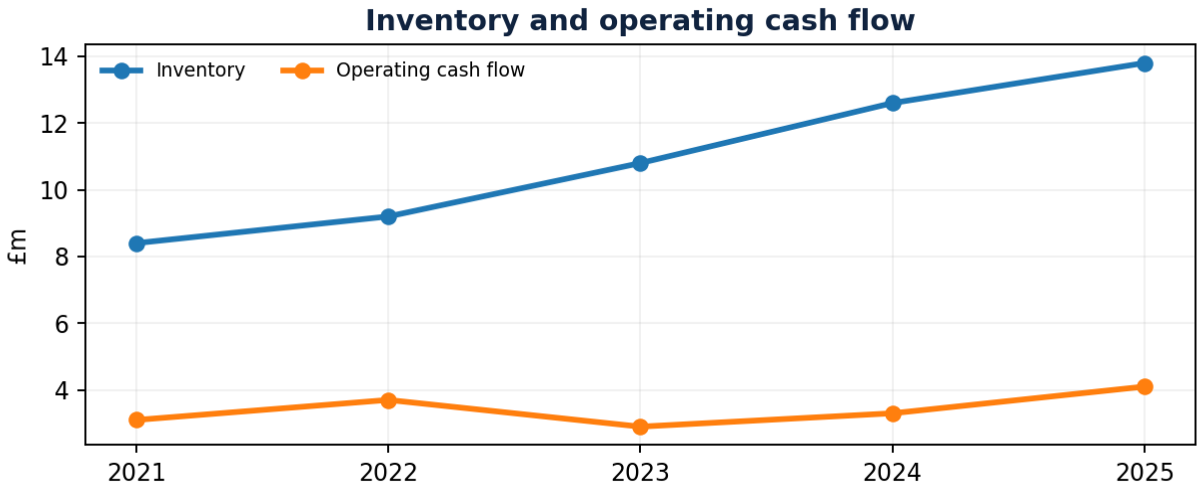
The fictional unmodified audit opinion does not eliminate estimation risk. Contract assets, inventory provision, lease term and warranty provisioning are the central judgement areas.

NOTE AREA	RISK	TEST
Revenue recognition	Medium	Sample milestones and claims.
Inventory provision	High	Ageing and post-year-end usage.
Leases	Medium	Terms, extensions and discount rate.
Warranty	High	Claims history and adequacy.
Going concern	Medium	Downside covenant model.

FINANCIAL FORENSIC REVIEW

Cash-flow reconstruction

The reconstruction tests whether profit converts to unrestricted cash after maintenance capital expenditure, financing and working capital.



FINDING

Cumulative five-year operating cash conversion is 83%, but free cash flow after capital expenditure is only £2.6m. Growth has relied on debt and retained earnings.

FINANCIAL FORENSIC REVIEW

Debt maturity and covenant profile

Illustrative facilities include a £20m RCF, £4m equipment loans and £6m lease liabilities. The RCF matures in 2029; equipment amortises through 2030.

INSTRUMENT	DRAWN	MATURITY	SECURITY
RCF	£17.0m	2029	All-assets debenture.
Equipment loans	£4.0m	2027-30	Specific equipment.
Lease liabilities	£6.0m	2026-38	Right-of-use assets.

INVESTOR ANALYSIS

Asset quality and tangible NAV

Reported net assets of £22.0m reduce to fictional tangible NAV of £19.2m after £2.8m intangibles. A property appraisal suggests a £4m gross uplift, but tax, capex and lender claims reduce recoverable value.

ASSET BRIDGE £m	VALUE
Reported net assets	22.0
Less intangibles	(2.8)
Tangible NAV	19.2
Indicative property uplift	4.0
Less tax/capex allowance	(1.5)
Illustrative adjusted NAV	21.7

INVESTOR ANALYSIS

Property and redevelopment screen

The Midlands hangar freehold may provide asset support, not immediate liquidity. Alternative use would require vacant possession, planning, remediation, relocation capex and lender consent.

PROPERTY EXCEPTION

A property-rich company can be cash-poor. Asset value supports an investment thesis only after realisability, security and continuity costs are deducted.

PEER ANALYSIS

Top-ten peer benchmark

Ten fictional peers create a more robust comparison. Example Aero is above median growth, near median margin and above median leverage.

PEER	GROWTH	MARGIN	ND/EBITDA
Example Aero	14.0%	7.7%	2.0x
Northstar	8.1%	9.4%	1.3x
Meridian	5.4%	6.8%	0.8x
Crownline	9.2%	5.9%	2.5x
AeroVale	7.8%	10.1%	1.7x
JetWorks	4.1%	8.0%	0.5x
Albion Tech	11.3%	7.1%	2.2x
Vector MRO	6.7%	8.7%	1.0x
Harbour Aero	3.8%	6.2%	1.6x
Summit Aviation	10.2%	9.0%	1.9x

INVESTOR ANALYSIS

Indicative valuation range

This fictional range is illustrative, not a valuation. Applying 5.5x-7.0x to normalised EBITDA of £6.3m gives enterprise value of £34.7m-£44.1m. Deducting £12.4m net debt gives equity value of £22.3m-£31.7m.

CASE	EV MULTIPLE	ENTERPRISE VALUE	EQUITY VALUE
Downside	5.5x	£34.7m	£22.3m
Base	6.2x	£39.1m	£26.7m
Upside	7.0x	£44.1m	£31.7m

INVESTOR ANALYSIS

Investor sensitivity

Value is most sensitive to sustainable EBITDA, transaction multiple and debt at completion.

NORMALISED EBITDA	5.5x	6.2x	7.0x
£5.5m	£17.9m	£21.7m	£26.1m
£6.3m	£22.3m	£26.7m	£31.7m
£7.0m	£26.1m	£31.0m	£36.6m

PROCUREMENT ANALYSIS

90-day procurement resilience

A fictional weekly cash model shows obligations of £18.2m, available cash of £4.6m, undrawn committed facility of £3.0m and forecast receipts of £12.8m. Headroom is £2.2m before downside.

90-DAY BRIDGE	£m
Opening unrestricted cash	4.6
Committed undrawn facility	3.0
Forecast customer receipts	12.8
Payroll, suppliers, tax and debt service	(18.2)
Illustrative headroom	2.2
VERDICT	AMBER: coverage exists, but a 15% receipt delay would absorb most headroom.

PROCUREMENT ANALYSIS

Procurement solution economics

The commercial model should distinguish fixed capacity, labour escalation, parts pass-through, findings, turnaround penalties and customer-caused delay.

ECONOMIC DRIVER	CONTROL
Licensed labour	Named index with cap/collar and productivity obligation.
Parts	Open-book evidence and agreed handling margin.
Additional findings	Pre-authorisation thresholds and evidence.
Turnaround	Clock-stop definitions and balanced service credits.
Volume	Band pricing with minimum and maximum commitments.

PROCUREMENT ANALYSIS

Mobilisation and transition plan

The fictional new award requires 90 engineers, tooling, airside access and systems integration. A 16-week plan is feasible only if hiring and approvals begin before contract start.

PHASE	WEEKS	EXIT CRITERIA
Design	1-3	Scope, governance and data baseline.
Resource	2-8	Named team, training and rosters.
Systems	4-10	Interfaces and reporting tested.
Readiness	9-14	Tools, spares, approvals and drills.
Go-live	15-16	Controlled handover and contingency.

PROCUREMENT ANALYSIS

Contract controls and assurance

Decision-grade award protection connects evidence to enforceable controls.

RISK	CONTROL
Liquidity	Monthly cash/covenant certificate; exposure cap.
Performance	Turnaround, repeat defect and dispatch reliability KPIs.
Continuity	Step-in, data escrow and contingency support.
Parts	Trace, title, warranty and obsolescence rules.
Exit	Handover plan, records access and transition assistance.

SCENARIO ANALYSIS

Operational stress tests

The full tier models combined financial and operational shocks.

STRESS	OP PROFIT	CASH HEADROOM	DECISION
Base	£5.0m	£2.2m	Proceed with controls.
Volume -10%	£3.1m	£0.8m	Tighten exposure.
Labour +8%	£3.7m	£1.1m	Reprice / productivity plan.
Receipts +30 days	£5.0m	(£1.4m)	Facility or payment control.
Combined severe	£1.2m	(£4.3m)	Do not award/invest without funding.

RISK REVIEW

Regulatory, quality and safety review

The fictional record includes one closed Level 2 finding and no licence suspension. Decision evidence should include audit trend, repeat findings, voluntary reports and safety-performance indicators.

NON-NEGOTIABLE	Financial attractiveness cannot compensate for weak aviation safety or approval control. Any unresolved material finding overrides the commercial score.

RISK REVIEW

Litigation, reputation and cyber

No fictional material litigation is assumed, but warranty disputes, data access and ransomware remain credible operational threats.

DOMAIN	EVIDENCE REQUIRED
Litigation	Claims schedule, insurers and legal letters.
Reputation	Customer references and event history.
Cyber	Incident log, recovery testing and access controls.
Data	Aircraft records ownership and portability.

BOARD ACTION

Integrated risk register

The board should own triggers and responses, not merely acknowledge risk.

RISK	OWNER	TRIGGER	ACTION
Covenant	FD	Headroom <20%	Funding plan and exposure cap.
Mobilisation	COO	Hiring <85% by week 8	Phase volumes and contingency.
Quality	Quality Dir	Repeat finding	Stop gate and corrective action.
Customer	CEO	Top customer >20%	Diversification plan.
Inventory	FD	>90 days	Provision and purchasing freeze.

BOARD ACTION

Negotiation positions

Illustrative investor and buyer protections should be agreed before commitment.

LENS	POSITION
Investor	Debt/cash adjustment; warranty escrow; completion accounts; management retention.
Procurement	Milestones; exposure cap; performance security; open-book parts; step-in.
Both	Information rights; material event notification; approval and safety covenants.

BOARD ACTION

Board diligence workplan

A four-week evidence sprint closes the issues that could reverse the decision.

WEEK	WORKSTREAM	OUTPUT
1	Identity, accounts, contracts and data room	Verified perimeter and gap list.
2	Cash, debt, customers, inventory and people	Reconciled analysis.
3	Management, customers, lender and site calls	Evidence challenge.
4	Valuation, award controls and final risk review	Board decision pack.

BOARD CONCLUSION

Five decisive questions

The following questions determine whether AMBER moves to GREEN or RED.

- What are current cash, facility headroom and covenant sensitivities after mobilisation?
- Do customer contracts support the margin and order-book claims?
- Can staffing, tooling and approvals support the awarded volume without quality dilution?
- What is the recoverable value of inventory and property after security, tax and capex?
- What price and contractual protections compensate for leverage and concentration?

BOARD CONCLUSION

Full intelligence conclusion

The evidence supports continued diligence and a controlled commercial path. It does not support an unconditional award, partnership or investment. The principal risk is growth consuming cash and management capacity faster than the balance sheet can support.

RECOMMENDED NEXT GATE	Proceed only after validated liquidity, contract profitability, customer concentration, staffing readiness, asset quality and enforceable protections.

EVIDENCE AND APPENDICES

Claim-level evidence register

A real £1,000 report would link each material conclusion to its exact source. This fictional register demonstrates the format.

CLAIM ID	CLAIM	SOURCE STATUS
F-01	FY2025 revenue £64.7m	Simulated accounts.
F-02	Top five customers 54%	Simulated customer schedule.
F-03	£3m undrawn RCF	Simulated facility agreement.
F-04	One closed Level 2 finding	Simulated regulator record.
F-05	Property uplift £4m	Simulated appraisal.

EVIDENCE AND APPENDICES

Calculations and definitions

All principal calculations are reproducible.

METRIC	CALCULATION	RESULT
Revenue CAGR	(64.7 / 42.6)^(1/4) - 1	14.0%
Operating margin	5.0 / 64.7	7.7%
Net debt / PBT	12.4 / 3.7	3.35x
Cash conversion	4.1 / 5.0	82%
Tangible NAV	22.0 - 2.8	£19.2m

EVIDENCE AND APPENDICES

Sources, licensing and limitations

Every name, number and event in this demonstration is invented. The report shows the Zorble architecture; it is not evidence about any real business.

SOURCE CLASS	DEMONSTRATION TREATMENT
Statutory accounts	Simulated eight-year series.
Official registers	Invented entity and approval data.
Company disclosures	Invented services, customers and contracts.
Independent sources	No real sources used.
Peer and market data	Fictional, like-for-like demonstration.