

FICTIONAL COMPANY, SYNTHETIC DATA. Kestrelford Supplies Ltd does not exist. Every number in this document was generated by a seeded script and computed from those files. No client, lender or sponsor is depicted.

Board and lender pack from raw ledger exports: a worked example

A fictional PE-backed wholesale distributor of cleaning and catering supplies with three depots (Wolverhampton, Leeds, Bristol), revenue of £16.41m in the year to 31 August 2026, a term loan and a revolving credit facility with leverage and interest-cover covenants. This is the document an FD would get at the end of the monthly run. It shows what an Operations Sprint builds; it is not a record of work for a client.

What went in

File (as exported)	Rows	What it is
trial_balance_monthly.csv	1,107	Trial balance, month-end, YTD, 24 periods
client_pack_mapping.csv	46	The client's existing Excel pack mapping
budget_fy26_and_fy27q1.csv	30	Budget by nominal code, wide format
facility_agreement_summary.csv	29	Facility terms, covenant schedule, definitions
bank_balances.csv	48	Bank statement month-end balances
ar_ageing_2026-08-31.csv	369	Aged debtors, invoice level
ap_ageing_2026-08-31.csv	108	Aged creditors, invoice level
goods_received_aug-26.csv	33	Warehouse goods-received report, August
manual_journals_jul-aug-26.csv	14	Manual journals, July-August
sonia_fixings.csv	24	Reference rate fixings (illustrative)

What came out

- A 12-page pack: data checks, P&L against budget and last year, balance sheet, working capital, cash flow, a 13-week cash forecast, a covenant compliance calculation and a look forward to the 30 Nov 2026 test.
- **6 findings a human must decide on**, found by rule, before any number reached the board: 3 unmapped accounts, a mis-coded accrual (£45,000), a cut-off error (£86,350 of goods in stock with no purchase recorded), a £38,610 bank difference, a £12,420 suspense balance and a disputed debt of £41,280.
- **The corrections matter to the lender.** On the ledger as exported, leverage at 31 Aug 2026 is 2.66x against a 3.00x maximum. After the two proposed corrections it is **2.87x** (+0.21x), leaving **4.3%** EBITDA headroom. Interest cover is 3.75x against a 3.00x minimum.
- **The next test is the risk.** Leverage steps down to 2.75x at 30 Nov 2026. On the budget it passes at 2.32x; with the budget flexed to this year's actual sales and margin it is 2.45x, a pass with 10.9% EBITDA headroom (page 11). That pass depends on timing: the group customers' month-end run (£736,726) lands on the test date itself. At the end of week 13 (29 Nov) Net Debt is £5,174,600 and leverage 2.93x, above the 2.75x maximum.

How long it took

Reading the ten files, running every check, computing every figure and rendering this PDF took **0.1 seconds** of machine time on the run that produced this copy (measured, not estimated). That is the monthly run once built. Building it for a real company is the five-working-day sprint, mostly spent mapping their chart of accounts, their facility definitions and their pack layout. The manual process it replaces is estimated on page 2; that is our estimate, not a measurement.

What a human checked

Not yet reviewed by a human. This copy was produced and checked by machine only (see page 12); it should not be published until Sam Usher has read and signed it off. In a real engagement nothing here is decided by the agent: the mappings, both adjustments, whether the ERP consultancy is exceptional, and the covenant certificate itself are listed for the FD to accept or reject, and a director signs the certificate.

Before: what the exports actually look like

The trial balance arrives year-to-date, not monthly, so every monthly figure has to be derived by differencing. Amounts are text with thousands separators and a blank for zero, split across Debit and Credit columns; dates are UK format; some account names carry trailing spaces. These are the first rows of the August 2026 period as exported, plus the three rows the client's mapping does not know:

```
Period End,N/C,Name,Debit,Credit
31/08/2026,0030,"Plant, vehicles & equipment - cost",2,888,721.19,
31/08/2026,0031,"Plant, vehicles & equipment - depreciation",,1,710,593.42
31/08/2026,1001,"Stock",2,156,223.23,
31/08/2026,1100,"Trade debtors",3,007,670.57,
31/08/2026,1103,"Prepayments",40,000.00,
31/08/2026,1105,"Supplier rebates receivable",44,962.88,
31/08/2026,4003,"Sales - Online  ",,71,100.00
31/08/2026,7615,"Consultancy - ERP project  ",46,000.00,
31/08/2026,9998,"Suspense",,12,420.00
```

What is wrong with it (found by the checks on page 3, not by eye)

- **Unmapped accounts.** 4003 Sales - Online (first used Jun-26), 7615 Consultancy - ERP project (first used Feb-26), 9998 Suspense (first used Aug-26). A hand-built pack using the old mapping silently drops them: £71,100 of online sales and £46,000 of ERP consultancy this year.
- **Mis-coded accrual.** Plant, vehicles & equipment - cost rose by £55,944 in July; the journal list shows £45,000 of that is JNL-2607-014, 'Accrual - Q3 bonus, ops team'. A bonus accrual is a cost, not an asset, so EBITDA is overstated by that amount.
- **Cut-off.** The warehouse report shows 4 deliveries worth £86,350 received between 27 and 31 August and counted into stock, with the supplier invoices posted in September. Stock is up, purchases are not, so gross margin for August reads 36.0% instead of 29.9%.
- **Bank.** The 31 August statement is £38,610 higher than the ledger (receipts banked, not yet posted), and £12,420 of an unidentified receipt sits in suspense.

The manual process this replaces - our estimate, not a measurement

Step	Typical hours / month
Export TB, ageing, bank; paste into the pack workbook; fix formats	2 - 3
Derive monthly figures from YTD; re-map new accounts; tie the TB	3 - 5
Budget and prior-year columns; variance commentary	3 - 4
Balance sheet, working capital days, cash flow; make it reconcile	3 - 5
13-week cash forecast roll-forward from ageing and payment runs	3 - 5
Covenant calculation and compliance certificate; add-back and cap workings	2 - 3
Charts, formatting, review comments, re-issue	2 - 4
Total	18 - 29 hours (about 2.5 - 4 working days)
This estimate is Sienna's, built step by step from how packs like this are usually assembled in Excel. It has not been measured at any company, and real teams vary widely. It is here so you can replace it with your own number.	

1. Data checks and proposed adjustments

Every check runs on every monthly run. 'Adjust' and 'Flag' items stop at a human: the agent proposes, the FD decides. The pack that follows includes the two adjustments as proposed; the covenant pages show both versions.

Check	Result	Status
Trial balance balances, every period	24 of 24 periods net to nil	Pass
Every ledger account mapped to a pack line	3 accounts missing from the client mapping; rule-based mapping proposed	Flag - human
Manual journals: accruals posted to a sensible account	JNL-2607-014 (Accrual - Q3 bonus, ops team) debits Plant, vehicles & equipment - cost	Adjust - human
Cut-off: goods received in August invoiced in August	4 receipts dated 27-31 Aug invoiced in September, no accrual	Adjust - human
Bank: ledger agrees to statement, every month-end	23 of 24 agree; the 31 Aug 2026 statement is £38,610 above the ledger	Flag - human
Aged debtors agree to the ledger	369 invoices total £3,007,671; ledger £3,007,671	Pass
Aged creditors agree to the ledger	108 invoices total £1,806,938; ledger £1,806,938	Pass
Disputed debts identified	1 invoice, £41,280, excluded from the forecast	Flag - human
Suspense account	£12,420 unidentified receipt in 9998 at 31 Aug	Flag - human
Cash flow reconciles to the movement in the bank ledger	difference £0	Pass

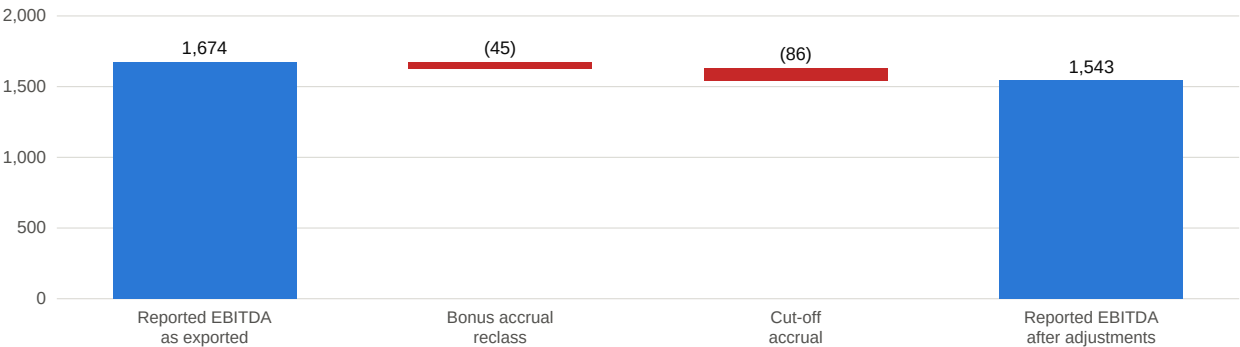
Proposed journals

Ref	Period	Dr	Cr	Amount	Effect on EBITDA
JNL-2607-014 (reclass)	Jul-26	7000 Wages & salaries	0030 Plant, vehicles & equipment - cost	£45,000	(£45,000)
ADJ-GRNI	Aug-26	5000 Purchases	2109 Accruals	£86,350	(£86,350)
Not adjusted, noted: depreciation for August was charged on the mis-posted amount; it is below EBITDA and immaterial. The disputed invoice (£41,280) is not provided for: that is a judgement for the FD and auditor.					

Proposed mappings for accounts the client's pack did not know

Account	First used	Proposed pack line	Rule / reason
4003 Sales - Online	Jun-26	Revenue - Online	Sales range 4000-4099; site from account name
7615 Consultancy - ERP project	Feb-26	Professional fees	76xx professional/consultancy range. Could be exceptional: director to decide
9998 Suspense	Aug-26	Accruals & other creditors	Suspense held as a liability until the receipt is identified

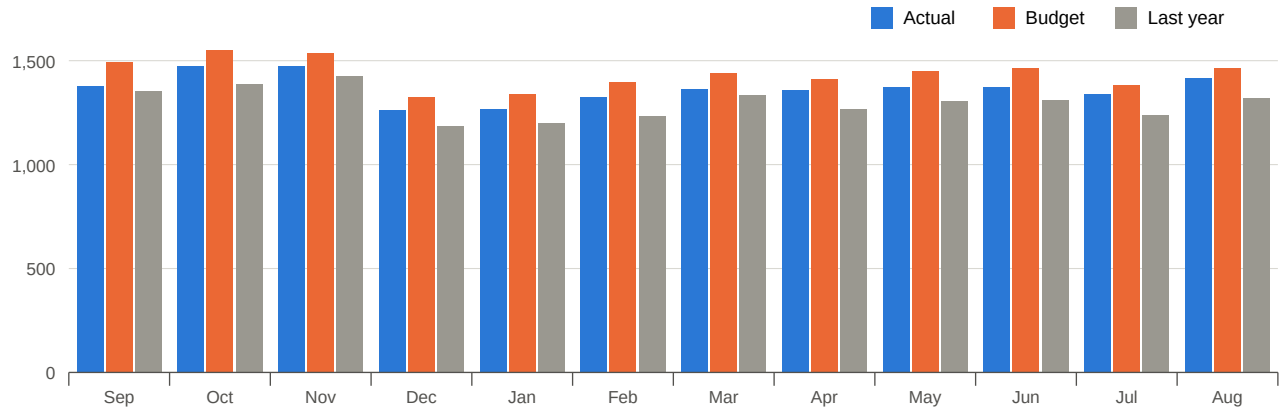
Reported EBITDA, year to 31 Aug 2026, £'000



2. Headlines - August 2026 and the year to date

Revenue, year £16.41m -4.9% vs budget; 5.5% vs last year	Gross margin, year 29.5% budget 30.3%; last year 30.0%	Covenant EBITDA, LTM £1.69m as exported £1.82m
Net debt £4.85m term loan £4.20m, RCF £1.05m, cash £0.40m	Leverage 2.87x maximum 3.00x; headroom 4.3%	Lowest liquidity, 13 wks £1.33m cash + undrawn RCF, w/e 29 Nov

Revenue by month, £'000



Commentary (generated from the figures; the FD edits before issue)

- Revenue for the year was £16.41m, £0.85m below budget and 5.5% up on last year. The largest shortfall against budget is Wolverhampton, £372,389 under.
- Gross margin of 29.5% is 0.7 points below budget; together with the volume shortfall, gross profit is £378,516 below budget.
- Overheads were £125,337 over budget, including £46,000 of unbudgeted ERP consultancy.
- Underlying EBITDA of £1.69m compares with a budget of £2.19m and £1.72m last year.
- Working capital absorbed £782,548 of cash over the year: debtor days rose from 52 to 56, stock days rose from 61 to 68 and creditor days fell from 52 to 45.

3. Profit and loss

£'000. Month = August 2026; year = 12 months to 31 August 2026. Includes the proposed adjustments on page 3. Variance is actual less budget (for costs, positive means overspent).

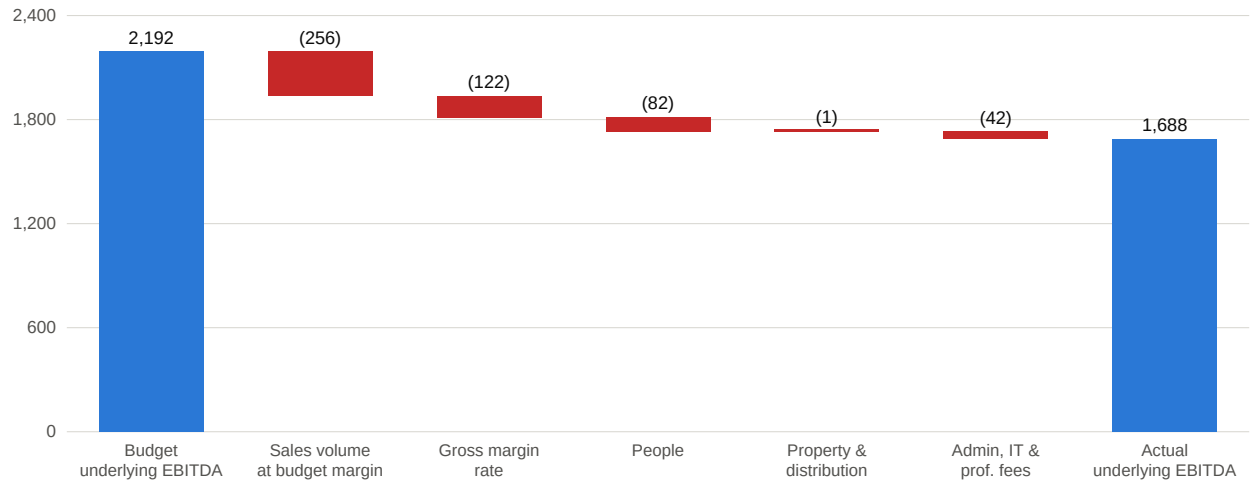
	Month				Year to date			
	Actual	Budget	Var	Last yr	Actual	Budget	Var	Last yr
Wolverhampton	626	661	(35)	591	7,402	7,774	(372)	7,040
Leeds	420	445	(26)	410	5,015	5,239	(224)	4,801
Bristol	327	345	(18)	304	3,744	4,056	(312)	3,548
Online	29	-	29	-	71	-	71	-
Carriage income	15	16	(1)	14	179	188	(9)	169
Revenue	1,417	1,467	(50)	1,319	16,411	17,257	(846)	15,558
Cost of sales	993	1,023	(30)	922	11,566	12,034	(467)	10,894
Gross profit	424	444	(20)	397	4,845	5,223	(379)	4,665
Gross margin %	29.9%	30.3%	-0.3pt	30.1%	29.5%	30.3%	-0.7pt	30.0%
People costs	152	149	4	144	1,866	1,784	82	1,735
Property costs	47	48	-	47	567	571	(4)	555
Distribution costs	33	32	1	33	390	384	6	377
Admin & IT	19	19	-	17	222	226	(4)	215
Professional fees	6	6	1	6	112	66	46	62
Overheads	258	253	5	247	3,157	3,031	125	2,944
Underlying EBITDA	166	191	(25)	150	1,688	2,192	(504)	1,721
Sponsor monitoring fee	5	5	-	5	60	60	-	60
Exceptional items	-	-	-	-	85	-	85	38
Reported EBITDA	161	186	(25)	145	1,543	2,132	(589)	1,623
Depreciation	32	24	7	29	363	294	69	327
Finance costs	36	37	-	40	450	441	9	539
Profit before tax	93	125	(32)	76	730	1,396	(667)	757
Taxation	45	31	14	19	215	349	(134)	189
Profit after tax	48	94	(46)	57	514	1,047	(533)	568

Online sales (account 4003, opened June 2026) have no FY26 budget line; they appear in the pack only because the new mapping picked them up. Exceptional items are restructuring costs; the ERP consultancy is shown within professional fees until the FD decides otherwise.

4. Revenue by depot and the EBITDA bridge

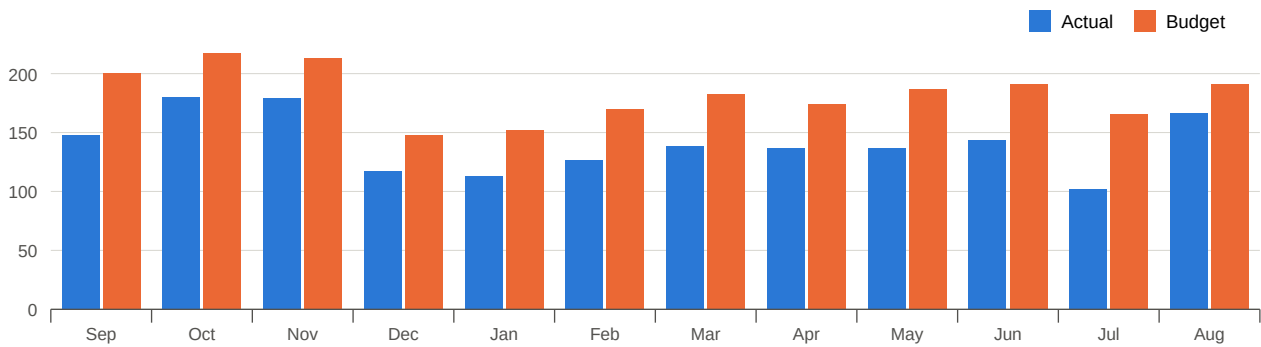
£'000, year	Actual	Budget	Var	Var %	Last year	Growth
Revenue - Wolverhampton	7,402	7,774	(372)	-4.8%	7,040	5.1%
Revenue - Leeds	5,015	5,239	(224)	-4.3%	4,801	4.5%
Revenue - Bristol	3,744	4,056	(312)	-7.7%	3,548	5.5%
Revenue - Online	71	-	71	n/a	-	new
Carriage income	179	188	(9)	-4.9%	169	5.5%
Total	16,411	17,257	(846)	-4.9%	15,558	5.5%

Underlying EBITDA, budget to actual, year to 31 Aug 2026, £'000



The bridge reconciles exactly: budget 2,192 plus the five movements equals actual 1,688. Volume is the revenue shortfall at budget margin; the margin effect is the rest of the gross profit variance.

Underlying EBITDA by month, £'000



5. Balance sheet and working capital

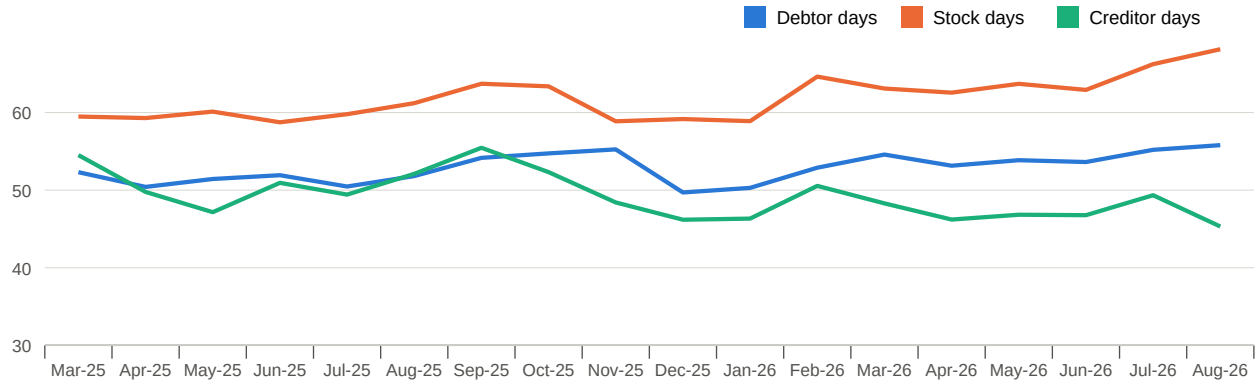
£'000	31 Aug 2026	As exported	31 Aug 2025
Fixed assets	1,133	1,178	1,243
Stock	2,156	2,156	1,799
Trade debtors	3,008	3,008	2,614
Other debtors & prepayments	85	85	82
Amounts owed by parent	3,900	3,900	3,900
Cash at bank	403	403	492
Trade creditors	(1,807)	(1,807)	(1,838)
Accruals & other creditors	(349)	(262)	(205)
Taxes & social security	(289)	(289)	(286)
Corporation tax	(215)	(215)	(189)
Term loan	(4,200)	(4,200)	(5,000)
Revolving credit facility	(1,050)	(1,050)	(350)
Net assets	2,775	2,907	2,261
Share capital and reserves	2,775	2,907	2,261

Assets shown positive, liabilities negative. Balance sheet balances: yes, both versions. The 'as exported' column shows the effect of the two proposed journals (fixed assets and accruals).

Days (3-month basis)	Aug-26	As exported	Aug-25	Movement
Debtor days (DSO)	55.8	55.8	51.8	+4.0
Stock days (DIO)	68.2	70.2	61.2	+7.0
Creditor days (DPO)	45.3	46.6	52.1	-6.8
Cash conversion cycle	78.6	79.4	60.9	+17.7

DSO = trade debtors / (last three months' revenue x 1.2 for VAT) x days in those months. DIO = stock / last three months' cost of sales x days. DPO = trade creditors / (last three months' purchases x 1.2) x days. The cut-off correction adds the missing purchases to cost of sales and purchases, which lowers both stock days and creditor days.

Working capital days, 3-month basis



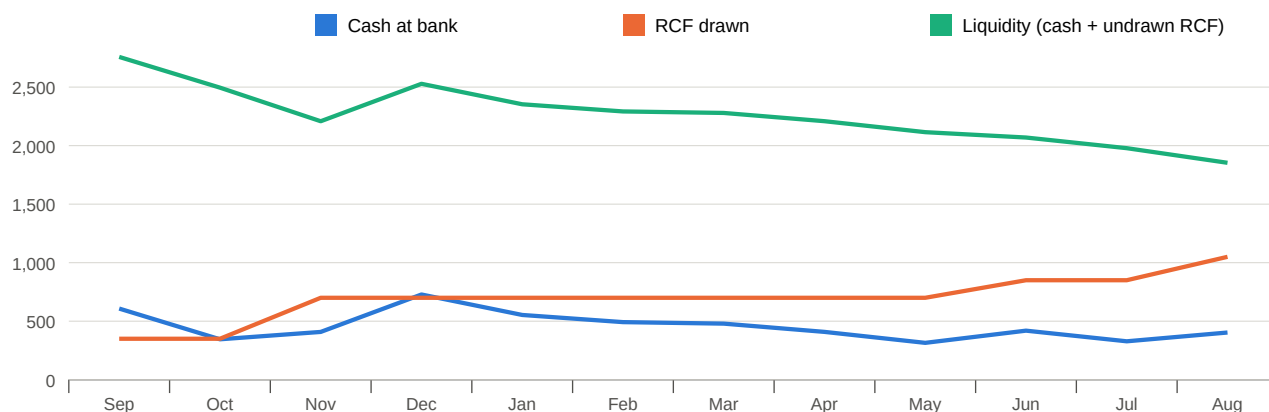
Range over the 18 months shown: debtor days 49.7 (Dec-25) to 55.8 (Aug-26); stock days 58.7 (Jun-25) to 68.2 (Aug-26); creditor days 45.3 (Aug-26) to 55.5 (Sep-25). Trade creditors are this month's supplier invoices plus the part of last month's not yet paid, so creditor days follow the payment run rather than one month's buying. Stock is held against a centred three-month level of demand, so stock days move with the season as well as the trend.

6. Cash flow

£'000	Year to 31 Aug 2026
Reported EBITDA	1,543
Movement in stock	(357)
Movement in trade debtors	(394)
Movement in other debtors	(3)
Movement in trade creditors	(31)
Movement in accruals & other creditors	144
Movement in taxes & social security	3
Cash from operations	904
Corporation tax paid	(189)
Capital expenditure	(253)
Interest and fees paid	(450)
Term loan repaid	(800)
RCF drawn / (repaid)	700
Net change in cash	(88)
Opening cash	492
Closing cash	403

Cash conversion (cash from operations / reported EBITDA): 59%. Opening plus net change equals closing ledger cash to the pound; the cash flow is derived from balance sheet movements, so the two adjustments net out within it.

Month-end cash, RCF drawn and liquidity, £'000

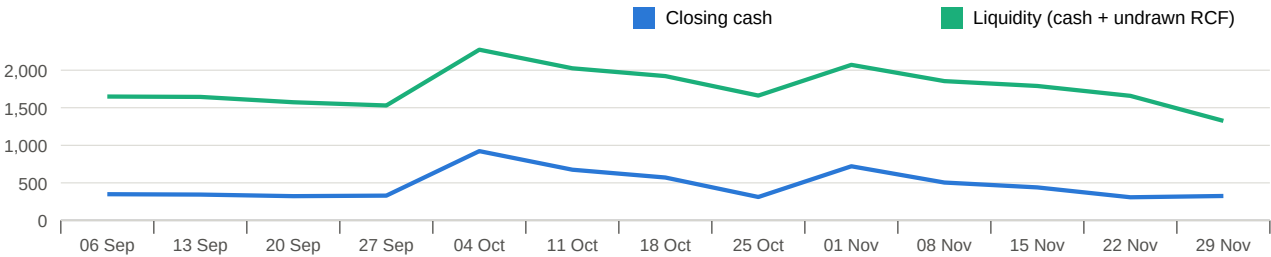


7. 13-week cash forecast

Flexed case (page 11). Weeks ending Sunday, from 01 Sep to 29 Nov 2026. £'000. Each flow is dated to the day by the payment calendar below and then summed into its week. Opening cash is the ledger balance at 31 Aug (£403,322); the £38,610 of unposted receipts on the statement is still in the debtors ledger, so it is counted once, in 'Customers - on ledger'.

£'000	06 Sep	13 Sep	20 Sep	27 Sep	04 Oct	11 Oct	18 Oct	25 Oct	01 Nov	08 Nov	15 Nov	22 Nov	29 Nov
Customers - on ledger	249	373	193	252	998	248	143	173	256	1	-	-	-
Customers - new sales	4	10	10	10	10	10	10	10	551	255	255	255	259
Supplier rebates	-	-	-	-	45	-	-	-	-	-	-	-	-
Suppliers - on ledger	(410)	(364)	(241)	(152)	(109)	(94)	(69)	(163)	(151)	(158)	-	-	-
Suppliers - new invoices	-	-	-	-	(31)	(155)	(155)	(155)	(155)	(267)	(295)	(295)	(295)
Payroll - weekly (Fri)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)
Payroll - monthly (25th)	-	-	-	(43)	-	-	-	(43)	-	-	-	-	(43)
PAYE, NI, pension (22nd)	-	-	-	(57)	-	-	-	(57)	-	-	-	(57)	-
Rent (quarter day)	-	-	-	-	(85)	-	-	-	-	-	-	-	-
Fuel cards (weekly DD)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)
Other overheads	(28)	(5)	(14)	(22)	(29)	(5)	(14)	(5)	(23)	(28)	(5)	(14)	(22)
VAT	-	-	-	-	-	(232)	-	-	-	-	-	-	-
Capital expenditure	-	-	-	(11)	-	-	-	-	(11)	-	-	-	(11)
Interest & fees	-	-	-	-	(36)	-	-	-	(37)	-	-	-	-
Term loan repayment	-	-	-	-	-	-	-	-	-	-	-	-	(200)
Net cash flow	(204)	(5)	(71)	(43)	742	(248)	(104)	(259)	409	(216)	(65)	(131)	(333)
RCF drawn / (repaid)	150	-	50	50	(150)	-	-	-	-	-	-	-	350
Closing cash	349	344	323	330	923	675	571	312	721	505	440	308	325
RCF drawn, closing	1,200	1,200	1,250	1,300	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,500
Liquidity (cash + undrawn)	1,649	1,644	1,573	1,530	2,273	2,025	1,921	1,662	2,071	1,855	1,790	1,658	1,325

Forecast cash and liquidity, £'000



Payment calendar: the dated items

Date	Dated item	£ in / (out)	Date	Dated item	£ in / (out)
Tue 22 Sep	PAYE, NI and pension for August	(£56,771)	Fri 30 Oct	Group customers' month-end run	£539,648
Tue 29 Sep	Rent, quarter in advance (quarter day)	(£85,386)	Fri 30 Oct	Interest and commitment fee	(£37,300)
Wed 30 Sep	Group customers' month-end run	£855,718	Fri 20 Nov	PAYE, NI and pension for October	(£57,380)
Wed 30 Sep	Interest and commitment fee	(£36,017)	Wed 25 Nov	Term loan repayment	(£200,000)
Wed 30 Sep	Supplier rebates, quarter to 31 Aug	£44,963	Mon 30 Nov	Group customers' month-end run (after week 13)	£736,726
Wed 07 Oct	VAT, quarter to 31 Aug	(£232,336)	Mon 30 Nov	Interest and commitment fee	(£36,530)
Thu 22 Oct	PAYE, NI and pension for September	(£57,380)			

Assumptions (all visible in build_pack.py)

- **Customers on the ledger:** group customers (care home groups, hotel groups, pub groups) pay on their own month-end run, the last working day of the month the invoice falls due in (their 12-month average of 14 days late is that wait; overdue ones on 30 Sep). Everyone else: due date plus that customer's own average days late. More than 60 days overdue: 50% collected 25 Sep, the rest excluded; the disputed invoice excluded. Total excluded: £121,607.
- **New sales:** the FY27 budget for Sep-Nov x 0.951 (this year's actual/budget revenue) at this year's gross margin (29.5%), invoiced every working day on 45-day terms (the ageing). Group customers hold 39% of the not-yet-due book and are paid on the month-end run; the rest pay 9 days late on average. Online card sales settle in 2 working days. Budget bad debts deducted.
- **Suppliers:** one BACS run every Thursday (13 in the window) pays everything due by that day; the 17 past-due invoices go in the first run (03 Sep). August spend by terms, from the aged creditors: 53% on 30 days, 47% on 60 days. The £86,350 cut-off invoices are assumed dated 01 Sep on 60-day terms, so paid 05 Nov. Stock held flat.
- **People and overheads:** 55% of net pay is weekly-paid warehouse and driver staff, paid every Friday (13 paydays); salaried staff on the 25th; PAYE, NI and pension on the 22nd. Business rates by direct debit on the 1st in 10 instalments (April to January); insurance and software on the 1st; utilities on the 15th; fuel cards every Tuesday; hauliers in the weekly run; other supplier-invoiced costs, the sponsor fee and capex (this year's median month, £11,433) in the last run of each month. Bad debts are not a payment.
- **Tax and finance:** VAT on September-November trade is due after the window. Corporation tax is paid each June in this ledger, so none falls in the window. Interest at SONIA 3.72% plus margin on each month's opening balances, paid on its last working day. The RCF is drawn in £50,000 steps at the week end to keep at least £300,000, and repaid above £900,000: peak drawing £1,500,000 of £2,500,000; lowest liquidity £1,325,400, w/e 29 Nov.

8. Covenant compliance calculation - test date 31 August 2026

DRAFT for director review. Calculated by machine from the ledger; not a signed certificate.

Definitions from the facility summary: Adjusted EBITDA = reported EBITDA + sponsor monitoring fees + exceptional items, the exceptional add-back capped at 10% of Adjusted EBITDA before that add-back; no pro forma. Net Debt = term loan + RCF drawn - cash at bank per the reconciled ledger. Net Finance Charges = interest + commitment fees. LTM = the 12 months to the test date.

LTM to 31 Aug 2026	As exported	After proposed adjustments
Reported EBITDA	£1,674,252	£1,542,902
Add: sponsor monitoring fee	£60,000	£60,000
Exceptional items in the period	£85,000	£85,000
Cap on exceptional add-back	£173,425	£160,290
Add: exceptional items (capped)	£85,000	£85,000
Adjusted EBITDA	£1,819,252	£1,687,902
Net Finance Charges	£450,000	£450,000
Term loan	£4,200,000	£4,200,000
RCF drawn	£1,050,000	£1,050,000
Less: cash at bank (ledger)	(£403,322)	(£403,322)
Net Debt	£4,846,678	£4,846,678

Covenant	Requirement	As exported	Adjusted	Headroom (adjusted)	Result
Leverage	max 3.00x	2.66x	2.87x	4.3% EBITDA	Complies
Interest cover	min 3.00x	4.04x	3.75x	20.0% EBITDA	Complies

Headroom is the fall in Adjusted EBITDA that would breach, holding debt and interest constant: leverage breaches below £1,615,559 of Adjusted EBITDA, £72,342 below the adjusted figure. The two proposed adjustments use £131,350 of it.

Points the FD must decide before signing

- **ERP consultancy (£46,000).** Not added back here. If the FD and the lender accept it as exceptional, total exceptionals of £131,000 fall within the £160,290 cap and leverage would be 2.80x.
- **Cash.** Net Debt uses ledger cash. Using the bank statement (£38,610 higher) gives 2.85x; the definition says reconciled cash, so post the receipts first.
- **Disputed debt (£41,280).** If fully provided, Adjusted EBITDA falls by the net amount and leverage rises to 2.93x.
- The certificate is due within 45 days of the test date (15 October 2026) and is signed by a director, not by the agent.

Signed (director)

Date

9. Covenant forward look - next test 30 November 2026

LTM Adjusted EBITDA rolls forward by dropping Sep-Nov 2025 and adding a forecast for Sep-Nov 2026. Net Debt rolls forward from the 31 Aug certificate figure through each case's own daily cash forecast: the 13 weeks on page 9 plus Monday 30 Nov, which falls after week 13 but is the test date.

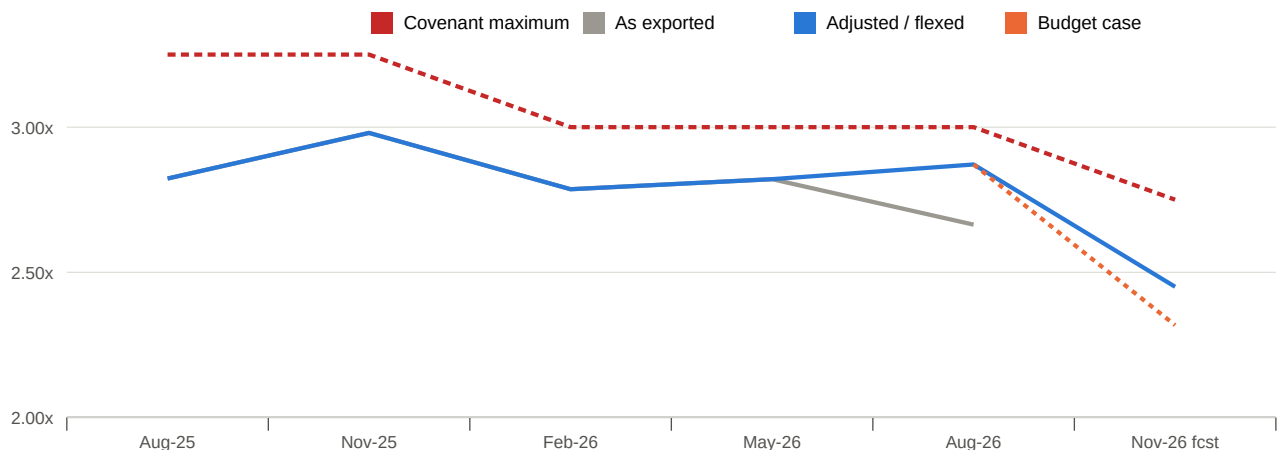
Net Debt roll-forward, £	Budget case	Flexed case
Net Debt at 31 Aug 2026 (page 10)	£4,846,678	£4,846,678
Less: customer receipts and rebates, 01 Sep - 29 Nov	(£4,666,532)	(£4,581,353)
Add: suppliers, staff, HMRC, rent, overheads, capex	£4,925,275	£4,835,957
Add: interest and fees paid, 01 Sep - 29 Nov	£73,317	£73,317
Mon 30 Nov: payments less receipts	(£898,668)	(£852,939)
Net Debt at 30 Nov 2026	£4,280,071	£4,321,661
made up of: term loan	£4,000,000	£4,000,000
RCF drawn	£1,500,000	£1,500,000
less cash at bank	(£1,219,929)	(£1,178,339)
Loan repayments and RCF drawings move cash and debt together, so they leave Net Debt unchanged (£200,000 of term loan is repaid on 25 Nov). On 30 Nov the group customers' month-end run (£736,726 in the flexed case) and the November interest land; a forecast that stopped at week 13 would miss both. The build asserts that each column reconciles to the pound.		

	Budget case	Flexed case
Forecast reported EBITDA, Sep-Nov	£650,269	£567,574
LTM Adjusted EBITDA	£1,846,592	£1,763,897
LTM Net Finance Charges	£443,545	£443,288
Net Debt	£4,280,071	£4,321,661
Leverage (max 2.75x)	2.32x	2.45x
Leverage headroom	15.7%	10.9%
Interest cover (min 3.00x)	4.16x	3.98x

Budget case: the FY27 budget as approved. Flexed case: the same months with revenue scaled by this year's actual/budget ratio (0.951) and this year's gross margin (29.5%); overheads at budget. Each case has its own cash forecast, so each has its own Net Debt; page 9 shows the flexed one.

Reading. To meet 2.75x at 30 Nov with the flexed-case Net Debt of £4,321,661, LTM Adjusted EBITDA must be at least £1,571,513. The flexed case clears it by £192,385. That pass depends on timing: the group customers' month-end run (£736,726) lands on the test date itself. At the end of week 13 (29 Nov) Net Debt is £5,174,600 and leverage 2.93x, above the 2.75x maximum. The two proposed corrections (£131,350 of EBITDA) stay in the LTM at 30 Nov: on the ledger as exported the flexed case would read 2.28x, which is why they matter now rather than at year-end. Levers, each for the FD to judge: collecting the £41,280 disputed debt, bringing DSO back from 56 towards last year's 52 days, the ERP add-back, or an early conversation with the lender. None is assumed here.

Leverage at each quarterly test (LTM), with the next test forecast



Quarter end	Adjusted EBITDA (LTM)	Net Debt	Leverage	Maximum	Interest cover	Minimum
31 Aug 2025	£1,720,999	£4,858,279	2.82x	3.25x	3.20x	3.00x
30 Nov 2025	£1,708,518	£5,091,675	2.98x	3.25x	3.36x	3.00x
28 Feb 2026	£1,725,668	£4,807,932	2.79x	3.00x	3.56x	3.00x
31 May 2026	£1,696,367	£4,785,019	2.82x	3.00x	3.65x	3.00x
31 Aug 2026	£1,687,902	£4,846,678	2.87x	3.00x	3.75x	3.00x

History restated for the two proposed adjustments only (they affect July and August 2026). Earlier quarters are as exported.

Method and limits

What this is

A worked example of the Operations Sprint applied to one process: the monthly board and lender pack. The company, its lender, its sponsor, customers and suppliers are invented. The ledger is produced by a seeded double-entry model (`generate_data.py`), so the trial balance balances and the cash flow reconciles, but the business behaviour is simplified: one VAT rate, no disposals, no leases, no group structure, routine accruals netted, and an illustrative interest rate path. Real ledgers are messier than this one in ways that are specific to each company.

What the agent does

Sienna, an AI agent, reads the exports as they arrive, runs the checks on page 3, proposes mappings and journals, computes every figure from the files, drafts the commentary from those figures, and renders the pack. Apart from the manual-time estimate on page 2 and the forecast assumptions stated on page 9, nothing numeric in this document is typed by hand; `build_pack.py` computes it from the CSVs on every run. The agent has no write access to the ledger or the bank and cannot post a journal, move money or send the pack to anyone.

What a human signs off

The FD (or the person they name) accepts or rejects each proposed mapping and journal, decides judgement items such as exceptional costs and bad-debt provisions, edits the commentary, and a director signs the compliance certificate. Sam Usher is accountable for the build and for the correctness of the logic; he does not sign the company's certificate and is not its auditor.

How the numbers were checked

A separate script (`verify.py`) re-reads the CSVs with its own code, recomputes the covenant ratios, the headline figures, the working-capital days on page 7, the forward EBITDA and leverage on page 11, and the dated tax, rent and loan payments on page 9. It confirms the same values appear in this PDF's text, and that the Net Debt roll-forward adds up in both cases. It also checks that every page has text and that nothing is drawn outside the page margins. It is run after every build and its output is kept with the code.

Limits you should push on

- Synthetic data proves the pipeline, not the accounting judgement on a real ledger.
- The manual-time figure on page 2 is an estimate, not a measurement.
- The forecast is only as good as its assumptions (page 9). Its timing comes from the ageing files and a stated payment calendar, not from the company's own weekly bank history, which a real sprint would use to test it.
- Covenant definitions here are a summary. A real certificate follows the facility agreement's own words, which the FD confirms line by line in the sprint.
- This example has not been delivered to a client. It shows the shape of the output, not a track record.

Produced 30 September 2026. Data as at 31 August 2026. Inputs: 10 files, 1,808 rows.