

# Continuum 3D

Funding Plan, Profit & Loss Statement

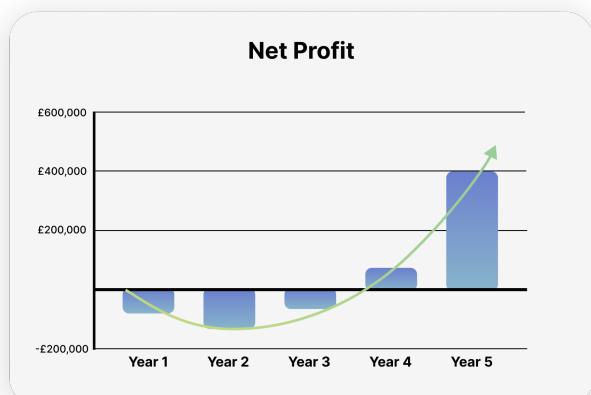
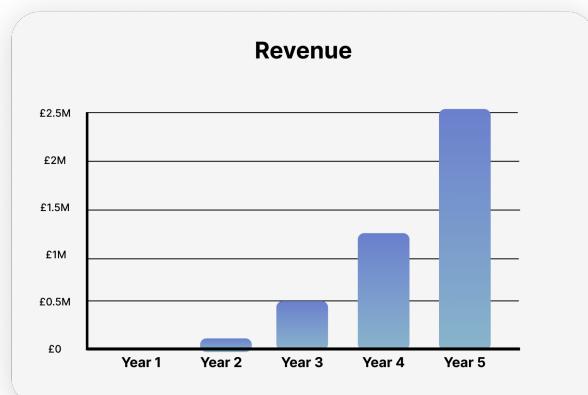
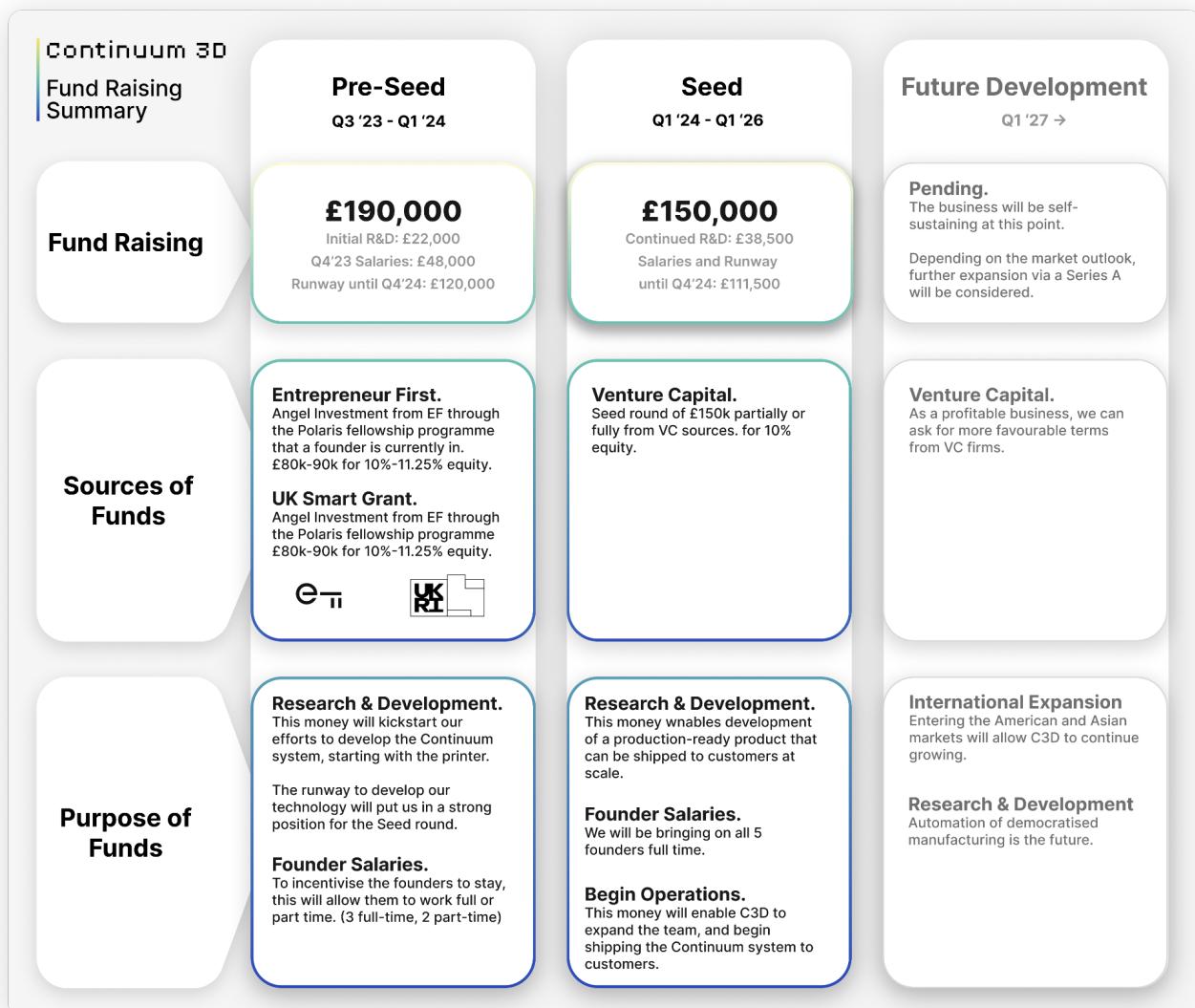


March 2023  
Enterprise Roll Out  
Dyson School of Design Engineering  
Imperial College London

## 1. Summary

This report outlines a detailed five-year P&L [A] which summarises the **activity** and **expenditure** of Continuum3d (C3D) across its early development stages. We provide an estimation of the funding requirements to kickstart the development of the technology and business to a self-sustaining level (table below).

C3D will start shipping the product by the end of the 2nd year, but scaling operations towards profitability is projected to occur by the end of the 4th year (figures below).



## 2. Research & Development

In total, the first **24 months** are partially spent on **developing**, testing and iterating our system to maximise the reliability of the sub-components. C3D will require an estimated **£75,437.52** in tax-deductible [1] R&D funding [C] to deliver a fully integrated Continuum system, which can then be replicated for production.

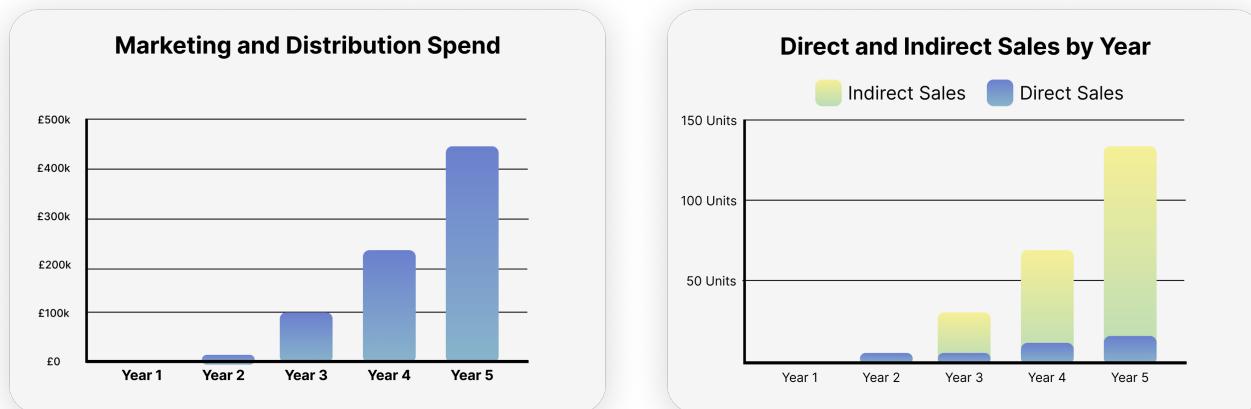
Initial funding will be sourced from UK Smart Grants [2]. Smart Grants are difficult to win, but with investment in digital manufacturing rising [3], we are confident to win at least one. Despite the P&L accounting for a total grant winning of **£100,000**, C3D will aim to win more, which would allow for smaller equity dilation later, and the earlier scaling of operations.

Entrepreneur First's "Project Support" (**£10,000**), and Angel Investment (**£93,000** investment minus a **£13,000 fee**) [4] is the second source of funds. This is a likely source, as around half of the founders in their programmes receive this investment.

If UK Smart Grant funding is unsuccessful by Q1 2024, the R&D will be slowed down, and the part-time founders will have to take temporary leave. Applications will continue into 2024 including other schemes [5].

## 3. Distribution & Marketing

A proportion of the raised funds will be used to kickstart the distribution and marketing side of the business [B], mainly from the Seed round [6]. Within the workshop, office, and lab equipment industry, the main source of customer acquisition will be through **distributors** with indirect sales- who typically take a **20-30% cut** of the sale. Direct sales will also continue to be a source of income, as it brings a higher profit margin.



## 4. Future Plans

If C3D adheres to the plan of this P&L it will become self-sustaining within 5 years. However, to bring greater return on investment to share-holders, a Series A investment round may be pursued to expand into new markets in 2028-2030, and grow the business overseas.

## 5. Team Reflections

Over the last two academic terms C3D has developed two innovative ideas, talked to industry leaders across fin-tech, manufacturing, law, and education. Roles naturally emerged in the team necessitating task management, and difficult decisions were made.

**Leo Planck-Prideaux - Design & Product:**

"I learnt how to design and run lo-fi experiments, manage business priorities, and mitigate risks for growth. Additionally, communicating with stakeholders helped me learn what factors influence their perception of a business's potential for success."

**Matvey Boguslavskiy - Operations & Strategy:**

"In addition to skills such as pitching, research, and financial forecasting I learnt that a great idea isn't enough - you need passion. Our late pivot from our receipt idea allowed us to do a project that was more exciting, and more fulfilling. In the future, I will always follow my passions."

**Thomas Godden - Technology:**

"ERO has put into perspective the different types and amounts of work needed to get a startup moving. For example, you can't function alone on a clever bit of technology. Equivalent effort needs to be put into customer and investor acquisition. Going forward I'll have a lot more respect for the work put in by non-engineering focused parts of small company teams."

**Mattias Rass - Information & Customer:**

"The world of entrepreneurship is intricate - not only do you need an ambitious idea, but also the skills to approach it in a calculated way. Another important learning curve was going through that process as a functioning team, as we went through some challenging decisions and late pivots."

**Harry Schlotte - Finance:**

"With a unique idea, people are willing to listen and collaborate. From working on a venture that is highly complex, I learnt the value in working in a diverse team with expertise in different areas. Both these are lessons to take forward with Continuum 3D, and future ventures."

## 6. References

[1] R&D tax relief:

<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird80250>

[2] UK Smart Grants:

<https://apply-for-innovation-funding.service.gov.uk/competition/1448/overview/304e6f31-0117-44d1-8c2c-4852876a7928#summary>

[3] Digital Manufacturing Investment Trend

<https://www.mckinsey.com/capabilities/operations/our-insights/capturing-the-true-value-of-industry-four-point-zero>

[4] Polaris Contract with EF

<https://drive.google.com/file/d/1eHas6gjAsfUMiUTGJ4Tfk6ydJfafBLKb/view?usp=sharing>

[5] Seed Enterprise Scheme

<https://www.gov.uk/guidance/venture-capital-schemes-apply-to-use-the-seed-enterprise-investment-scheme>

[6] How to value your company - SeedLegals

<https://seedlegals.com/resources/how-to-value-your-company/>

## 7. Links

For the full spreadsheet click [here](#). A snapshot of the spreadsheet can be found in the below appendices.

To find out more about the business please visit our website: [www.continuum3d.xyz](http://www.continuum3d.xyz)

## A. P&L Summary

Continuum 3D					
P&L Summary					
[GBP £]					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	£0	£88,050	£498,477	£1,294,054	£2,476,603
COGS	£0	-£40,970	-£227,732	-£580,250	-£1,102,307
<b>Gross Profit</b>	<b>£0</b>	<b>£47,080</b>	<b>£270,745</b>	<b>£713,805</b>	<b>£1,374,296</b>
Sales & Marketing	£0	-£6,000	-£94,679	-£236,934	-£439,906
Research & Development	-£21,968	-£38,469	-£6,000	-£9,000	£0
Office & Admin	-£12,428	-£23,828	-£24,328	-£24,828	-£24,328
Employees	-£47,510	-£114,023	-£219,451	-£354,586	-£371,394
<b>EBITDA</b>	<b>-£81,906</b>	<b>-£135,239</b>	<b>-£73,713</b>	<b>£88,457</b>	<b>£538,668</b>
Corporate Tax	£0	£0	£0	£21,257	£134,667
<b>Net Profit</b>	<b>-£81,906</b>	<b>-£135,239</b>	<b>-£73,713</b>	<b>£67,200</b>	<b>£404,001</b>

Find the detailed P&L [here](#).

## B. Sales and Marketing Summary

Continuum 3D					
Sales and Marketing					
[GBP £]					
Salesperson Direct Sales	Year 1 (2023)	Year 2 (2024)	Year 3 (2025)	Year 4 (2026)	Year 5 (2027)
<b>Sales profile</b>					
Leads	0	1100	1,200	2,400	2400
Demo	0	110	120	240	240
New Customers	0.0	5.5	7	12	17.4
Acquisition Cost	£0	£6,000	£6,000	£12,000	£12,000
# Salespeople	0	12	£12	24	24
Total Customers from Sales	0	33	£111	230	409.50
Total Customers (rounded)	0	36	£111	234	410
Units Sold	0	6	6	13	17
Filament Sold (no. spools)	0	788	2,431	5125	8979
Service Plans Sold	0	6	12	31	66
Revenue from Units Sold	£0	£79,343	£79,343	£171,910	£224,806
Revenue from Filament	£0	£6,307	£19,447	£40,997	£71,832
Revenue from Service Plans	£0	£2,400	£4,800	£12,400	£26,400
<b>Total Revenue</b>	<b>£0</b>	<b>£88,050</b>	<b>£103,590</b>	<b>£225,307</b>	<b>£323,038</b>
Sales Through Distributor	Year 1 (2023)	Year 2 (2024)	Year 3 (2025)	Year 4 (2026)	Year 5 (2027)
New Customers per Supplier	0.00	0.00	26.82	34.02	43.15
Number of Active Distributors	0	0	12	24	36
Total New Customers	0	0	27	68	129
Cumulative Customers	0	0	168	748	1,949
Units Sold	0	0	27	68	129
Filament Sold (no. spools)	0	0	3,680	16383	42687
Service Plans Sold	0	0	27	95	251
Revenue from Units Sold	£0	£0	£354,720	£899,740	£1,711,632
Revenue from Filament	£0	£0	£29,439	£131,068	£341,495
Revenue from Service Plans	£0	£0	£10,730	£37,945	£100,449
Indirect Marketing Cost	£0	£0	£88,680	£224,935	£427,908
<b>Total Revenue</b>	<b>£0</b>	<b>£0</b>	<b>£394,889</b>	<b>£1,068,753</b>	<b>£2,153,576</b>

## C. Research & Development Summary

Continuum 3D											
Research & Development											
[GBP £]											
		Year (2023)	1	Year (2024)	2	Year (2025)	3	Year (2026)	4	Year (2027)	5
	<b>Hardware Development</b>	<b>Printer</b>									
-	Materials	£6,193.35		£20,197.50		£0.00		£0.00		£0.00	
-	Machining	£350.00		£0.00		£0.00		£0.00		£0.00	
-	Contractors	£0.00		£0.00		£0.00		£0.00		£0.00	
-	Testing & Assurance	£0.00		£1,170.00		£0.00		£0.00		£0.00	
=	<b>Hardware Total</b>	<b>£6,543.35</b>		<b>£21,367.50</b>		<b>£0.00</b>		<b>£0.00</b>		<b>£0.00</b>	
-	R&D Software Licenses	£1,758.33		£4,220.00		£0.00		£0.00		£0.00	
-	Contractors	£13,666.67		£9,666.67		£0.00		£0.00		£0.00	
-	Testing & Assurance	£0.00		£1,000.00		£0.00		£0.00		£0.00	
=	<b>Software Total</b>	<b>£15,425.00</b>		<b>£14,886.67</b>		<b>£0.00</b>		<b>£0.00</b>		<b>£0.00</b>	
	<b>Other</b>										
	Patent Applications	£0.00		£5,665.00		£6,000.00		£9,000.00		£0.00	
=	<b>Other Total</b>	<b>£0.00</b>		<b>£2,215.00</b>		<b>£6,000.00</b>		<b>£9,000.00</b>		<b>£0.00</b>	
=	<b>Total</b>	<b>£21,968.35</b>		<b>£38,469.17</b>		<b>£6,000.00</b>		<b>£9,000.00</b>		<b>£0.00</b>	
	<b>Grand Total (for full 5 years)</b>	<b>£75,437.52</b>									

## D. Word Count by Section

1. **Summary:** 78 words
2. **Research & Development:** 194 words
3. **Marketing & Distribution:** 76 words
4. **Future Plans:** 48 words  
SUM: 398 words
5. **Team Reflection:** 300 words