

BLACK LION

SKELTON-ON-URE

Skelton-on-Ure Pub and Hub Limited

A Community Benefit Society - Registered Number RS008975



Business Plan

June 2023

An opportunity to invest in a Community Enterprise

Supported by



Skelton-on-Ure Pub and Hub Limited is a Community Benefit Society (or 'Society') registered with the Financial Conduct Authority (FCA) under the Co-operative and Community Benefit Societies Act 2014.

Registration RS008975. A Member of the Plunkett Foundation.

Registered Office: Beech End, Skelton-on-Ure, Ripon, HG4 5AJ.

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Executive Summary

- The Black Lion pub in Skelton-on-Ure, near Ripon in North Yorkshire, closed more than 3 years ago. Without community intervention, it will not be able to reopen.
- An independent report recently concluded that, if operated correctly, the Black Lion has the potential to be a successful business.
- Due to the closure, residents feel they have lost a positive central hub within the community, resulting in a reduced sense of community and lack of safe space; all of which have led to a reduction of social cohesion, social wellbeing, and an increase in loneliness.
- The village school is closing and the only shop is under threat. Our community needs the Black Lion for the community, not for redevelopment. Harrogate Borough Council recently designated the Black Lion an 'Asset of Community Value', which supports this.
- The community plans to buy the freehold of the Black Lion, renovate it and in 2024 appoint a tenant to reopen it. Our offer of £350,000 + VAT has been accepted, although the property remains on the market.
- We are aware of other offer(s) to purchase the freehold, although it is widely accepted that the Black Lion can only be retained as a business if purchased by the community, with support from the government's Community Ownership Fund (COF), and run as a community-owned pub & hub.
- We are seeking £300,000 from investors who wish to become members of a 'Community Benefit Society' named **Skelton-on-Ure Pub and Hub Ltd** (SPHL). The minimum investment is £250 (1 share) and the maximum is £25,000 (100 shares) per person or organisation. Each shareholder will have one vote, irrespective of how many shares they hold.
- The Share Prospectus is a separate document which outlines the share scheme – available for download here: www.skeltonblacklion.com. SPHL is registered with the Financial Conduct Authority (FCA).
- There is significant support for this project in the village and wider community. Share pledges received to date total an impressive £261,500.
- We have had significant positive media coverage and support from Newby Hall Estate, the Parish Council and our MP, Julian Smith.
- We submitted an expression of interest to COF and were invited to submit a full application, which we are doing before the deadline of 12th July 2023. We are applying for a £250,000 capital grant and a £50,000 revenue grant and we are being advised by Plunkett Foundation on the application process.
- Although we are very confident we will secure the COF grants, we will not have confirmation until after exchange of contracts.
- We have a tight deadline and need to convert the total of £261,500 pledges into issued shares before exchange of contracts at the end of July 2023.
- Assuming we secure the COF grants, we then need to raise £38,500 in shares by the end of September, to complete the purchase and start renovations.
- In 2024, SPHL will agree a lease with a tenant who will run the business, paying SPHL a commercial rent at a level which motivates the tenant to grow a profitable business and provides for a modest return for our shareholders.

Timing – Important!

Our offer to buy the Black Lion freehold for £350,000 has been accepted, although the property is still on the market. Exchange of contracts is set for 31st July 2023 when we need to pay a 10% deposit. We therefore need to turn 100%* of the share pledges into issued shares before 31st July 2023.

The deposit will likely **not** be refunded if we do not complete the purchase in October, due to our actions, for example if there were insufficient funds due to COF funding not being secured. The Management Committee feel that this is unlikely and - even if COF funding is not secured - this risk can be mitigated by securing sufficient additional funding to at least complete the purchase and decide on renovation funding later.

*Why 100% of share pledges, when we only need £35,000 for the deposit? If we only converted say £35,000 of pledges into shares, those investors would lose 100% of their investment if the deposit was not refunded. We clearly cannot penalise early investors, therefore by converting all the £261,500 value of pledges, the maximum an investor could lose regarding the deposit is just less than 13.4% (i.e. £35,000 ÷ £261,500).

Please see the Investor Risks section for more information.

Heart of the Community

Pubs are woven into the social fabric of neighbourhoods across the country. In many places, they are the last remaining community space. A place to meet with friends and family, form relationships and stave off loneliness.

British Beer and Pub Association

Background

Skelton-on-Ure is 3 miles south-east of Ripon and 2 miles west of Boroughbridge and the A1(M). The village is on the doorstep of Newby Hall, a renowned country house & gardens, open to the public from April to September, with around 120,000 visitors per year and host of many popular events.

Skelton-on-Ure is a village and civic parish in the Harrogate district of North Yorkshire. There are approximately 135 households within the community, and 361 residents based on results of the 2011 census. Boroughbridge (3,405 residents), Kirby Hill (391 residents), Marton le Moor (182 residents), Copt Hewick (253 residents), Langthorpe (812 residents) & Ripon (16,702 residents) are all located within a 4-mile radius of Skelton-on-Ure.



The Black Lion is the only remaining pub in the village. The next nearest pub is two miles away by road. For many in the community, this was the central hub of the village both culturally and physically. The Black Lion Pub was first granted a licence as a public house in 1822 to John Hardcastle. The pub was owned by various members of the Hardcastle family and sold in 1919 to Lady Alwyne Compton and transferred to the Newby Hall Estate Ltd in 1936. Newby Hall Estate sold the freehold of the Black Lion during the 1970s. Since then, it has been owned by Jennings Brewery, Marston's and latterly Admiral Taverns. During this time there have been several tenant landlords until November 2019 when Admiral Taverns acquired a large group of pubs from Marston's, including The Black Lion. Soon after this purchase in December 2019, the pub closed.

The Property

An independent valuation of the Black Lion was obtained in September 2022 which included an opinion on the market value, based on these valuation scenarios:

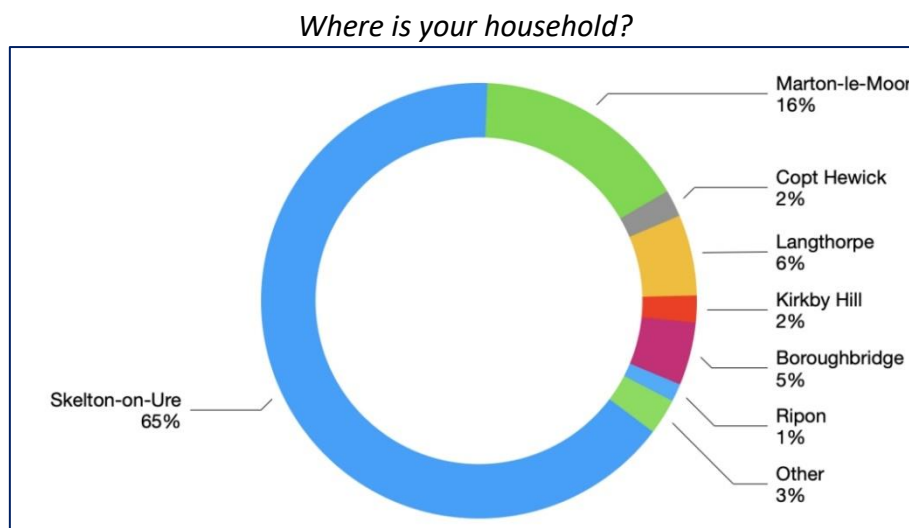
Market Value as a Fully Equipped Operational Entity having regard to Trading Potential ("Market Value Trading,")	£450,000
Market Value as a Fully Equipped Operational Entity having regard to Trading Potential - but subject to Special Assumptions ("Market Value - Trading - in Default")	£375,000
Market Value of the Empty Property having regard to Trading Potential and subject to Special Assumptions ("Market Value - Closed - in Default")	£315,000
Reinstatement Insurance Value	£750,000

Please note:

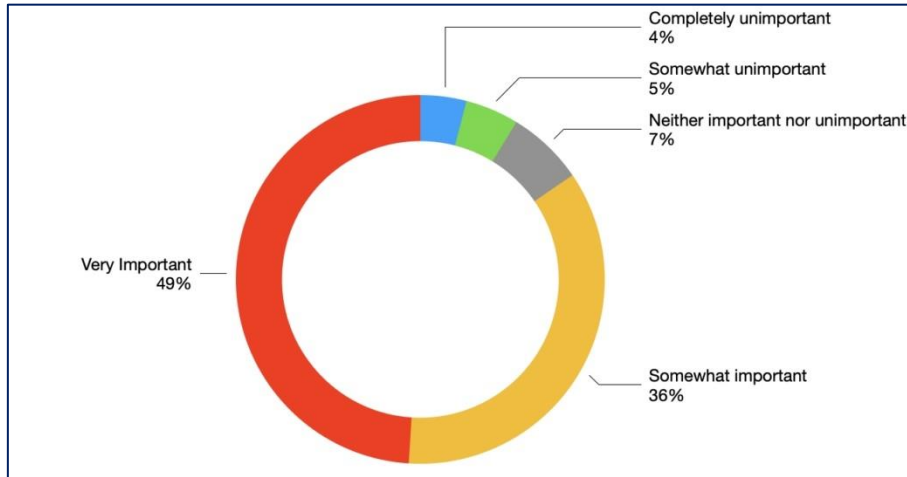
- SPHL's offer of £350,000 to purchase the freehold is within the above range. However, the Black Lion is closed and requires significant work to be able to re-open it. Additional work will be needed to transform it into a valuable community resource, not just a pub.
- SPHL's offer of £350,000 is below the seller's asking price of £375,000. Other offers have been received and rejected by the seller, however it is widely accepted that the Black Lion cannot be viable without community involvement and without help from the government.
- The above valuations do not consider future development possibilities. Whilst the sole focus of SPHL will be to reinstate the Black Lion as a successful community resource, the freehold includes land which should provide underlying security for investors and the community.

Community Consultation

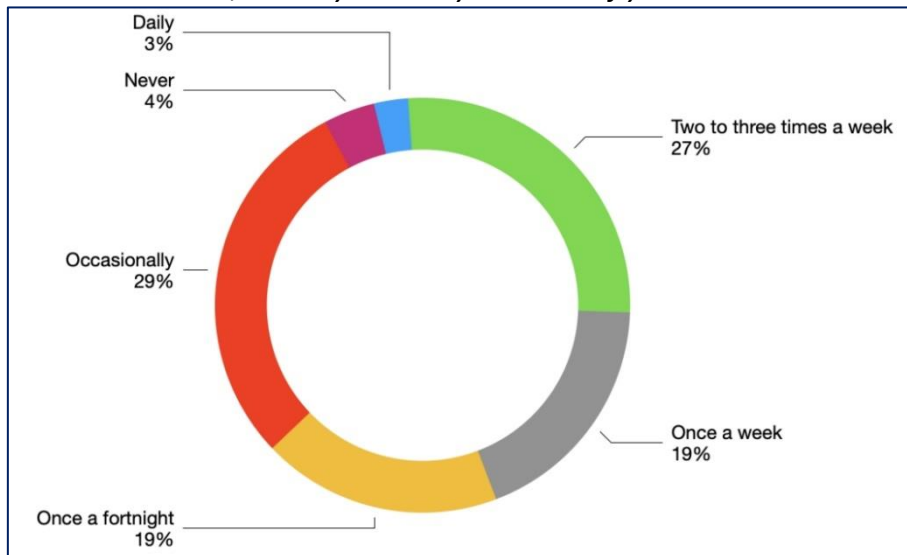
The initial community meeting in June 2022 was followed by a consultation period when community members were issued with a consultation questionnaire. Members of the community were asked if (and why) the pub was important to them, their views on community ownership of the pub, and what services they would like to see made available. Some key indicators from the initial community consultation are summarised below. The numbers in the tables below represent total 153 individual responses:



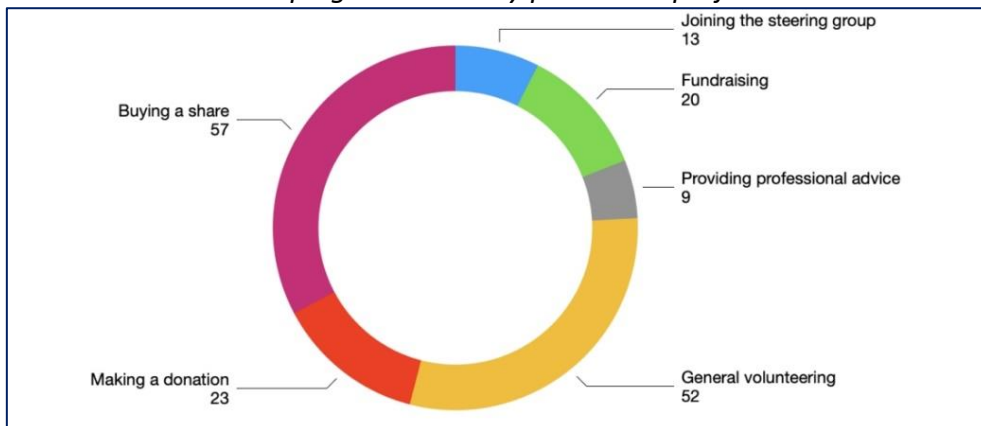
How important is it to you that Skelton has a village pub / restaurant?



If our pub & community hub was opened/saved by the community in Skelton-on-Ure, would you or any member of your household use it?



Would you or anyone in your household be interested in helping a community pub & hub project?



Management Committee

SPHL will elect a full management committee at the first Annual Members Meeting. Details about the democratic procedures and processes involved can be found in the SPHL model rules available at: <https://www.skeltonblacklion.com/model-rules/>. The interim Management Committee comprises volunteers who stepped forward in June 2022 to launch the project to save the Black Lion:



Sandy Delf (Interim Secretary)

I have a background in marketing and banking. I later used these skills to effect in a co-operative business being responsible for the finance, sales and general day to day decisions including the project management of a building project. I currently manage property and, as I am retired, I volunteer at the local library.

I have lived in Skelton-on-Ure for nearly 20 years; my children attended local schools and have now left to pursue their own careers. I have been involved in co-ordinating the successful regular coffee mornings in the village Reading Room. Also, other social events including catering for long distance cyclist events and Macmillan coffee mornings.

I sincerely hope that we can obtain and reopen the Black Lion pub as a community asset. It has so much potential to be more than just a pub. For example, witnessing the large number of cyclists passing through the village, and as a cyclist myself, I see a great opportunity to sell coffee and cake. I would relish the opportunity to reopen the doors for business.



Chris Delf

My interest in pubs probably stems from my maternal grandfather who was born in a pub in Richmond. He went on to become a farmer and livestock dealer which led to me studying agriculture at Newcastle University.

From a start as an agronomist advising farmers in Norfolk and Cambridgeshire, I moved back to Yorkshire and a commercial career that led to me managing a national sales and technical team for the UK arm of a global manufacturing company.

I have lived in Skelton-on-Ure for nearly 20 years and have been involved in running the successful village allotment site and the pop-up pub that has tried to fill the gap left by the closure of the Black Lion. I am keen to see the Black Lion functioning as a pub again as I think it has great potential to enable people to fully appreciate the attractions in the area and serve as a social hub for the village.



David Horn (Interim Vice-Chair and head of the Technology Sub-Committee)

After completing an Honours degree in Computer Science and Physics at the University of Leeds in 2007 I trained as an airline pilot and now fly across the world on the Boeing 787, working in a diverse environment in challenging situations. No two days are ever the same, with risk assessment and informed decision-making a daily part of my life at work.

During the Covid-19 crisis I joined the NHS on a part-time basis, training as a non-healthcare vaccinator. At my previous address I served on a residents' committee and recognise the importance of having a good local pub at the centre of the community. I hope to offer these skills together with the non-technical elements of my professional experience to the Black Lion Pub and Hub project.



Jane Mosley

I have lived in Skelton for 19 years. Working for many years as a Local Area Manager in the pharmaceutical industry and after a career change, I now work in the voluntary sector. I am passionate about 'community'. Making things the best they can be. I have been involved in many village projects and fundraising events. I am a Parish Councillor on Skelton cum Newby Parish Council. I was lucky to be awarded 'Freewoman of the Village' in 2022 in recognition of my various roles and funding successes and it is something I am very proud of. I am a great animal lover; I live with a rescue cat and look after 3 stray cats who were left when the pub closed.



Jonathan Mosley (Interim Chair and head of the Fundraising Sub-Committee)

As a Mechanical Design Engineer, I have spent my career in automotive industries so am used to high pressure projects with tight deadlines. The Black Lion is a different sort of challenge, but it's about putting something back into the community and building for the future.

A passionate cyclist, I'm told I spend far too long riding and repairing bikes. I've lived in the village for 19 years.



Mark Roberts (Head of Renovations Sub-Committee)

I have 40+ years of experience as an Architectural Technician and retiring as a Technical Manager for one of the country's largest architectural healthcare practices. Also attended college to obtain a Construction Technician Certificate in Building Construction. My experience is dealing with commercial projects including healthcare, education and residential projects including dealing with clients, contractors and local authorities which included design, detail design for working drawings and specifications to enable projects to be priced and built.



Hazel Russell

I am a relative Newbie to the village, having moved in just a couple of days before the first lockdown in 2020. I have never had any trouble getting to know people, but in those first few weeks and months social isolation became very real to me. Thankfully the 'clap for the carers' came along, followed by some village get-togethers, which allowed me to get to know a few people in the village. This experience opened my eyes to what it must be like for so many in the village who don't get out very far or very often for a variety of reasons. This is the reason I feel passionately that a village hub/pub which would create an opportunity for residents,

new and old to spend time with each other, get to know each other, and grow a community that is even better able to recognise and give support to those in need and alleviate that social isolation.



Penn Wall

I trained as a primary school teacher and was a serving officer in the British Army for 8 years. I taught in local schools and then trained as a Play Therapist. We have lived in Skelton-on-Ure for 33 years and our two daughters grew up in the village. I was also Chair of the Village Hall Committee for a few years and have been involved in several community projects.

The village really needs the Black Lion... isolation, loneliness and mental health problems have become a greater concern for all of us in the past few years. It is vital that we have a place where all village residents can meet and connect. A village hub would provide a place for people to not only wine and dine, but to socialise and share in activities together.



Richard Wall (Interim Treasurer and head of the Finance Sub-Committee)

I grew up in Ilkley and started out as a Chartered Accountant, then moved into industry and have worked in finance in many sectors including chemicals, entertainment and IT. Most recently I was Finance Director for £20m turnover local landscaping supplies company, Green-tech.

Penn and I have lived in Skelton-on-Ure for 33 years and our two daughters grew up here - we love the village. I was Chair & Treasurer of the Village Hall Committee for several years. Our community needs the Black Lion to be resurrected... and not just as a pub. I am very excited to help make that happen.



Community Volunteers

Once the funding is in place, additional members will be sought to strengthen the Management Committee and further develop community involvement and inclusion.

Over the past year, the Management Committee has had a lot of support from the village. Several people, including a landscape gardener, a local farmer and other trades people and professionals have offered their services 'in-kind' once the renovation project starts.

Support From Local Organisations

The project has high-level, ongoing support from the Newby Hall Estate and from Skelton cum Newby Parish Council.

Newby Hall

“We are fully supportive of the immensely impressive Community Partnership that has been formed to save this important local facility. The Black Lion will again be available as a community asset that will service the local community including passing visitors to Newby Hall and Gardens (circa 120,000 people per year), at a time when such assets are fast disappearing from rural communities.”

Richard Compton, Newby Hall Estate

Business Model

SPHL will retain ownership of the Black Lion and be responsible for renovating and maintaining the property. A tenant will be appointed to run the Black Lion business. We strongly believe that we should let the pub to a tenant rather than appoint a manager. We are confident that it will be a profitable business for the tenant and represents a fair investment opportunity that will offer modest returns to the members of the Society. It will provide a service to the village and to visitors to the area and will support other local businesses and tourism within the locality.

Feasibility

An experienced licensed premises surveyor, recommended by the Plunkett Foundation, was commissioned to undertake a market appraisal and valuation report in September 2022. This report concluded that, if operated correctly, the Black Lion has the potential to be a successful business.

Most pubs in the UK are owned by breweries or pub chains who impose significant lease / rent costs and need to extract profit from the business. At the same time the landlord is often obliged to purchase beverage stock etc. from the owner or from their preferred supplier. Together these often present insurmountable pressures and lead to the business failures frequently reported in the mainstream media. As a community-owned pub, these restrictions are removed. The tenant is at liberty to source their stock from anywhere they choose (other community pubs frequently support local businesses) and guide the pub as they see fit under the oversight of the management committee.

In the UK, there have been around 100 pubs taken over by community cooperatives, reinvigorating pubs that were once struggling businesses. As far as we are aware, none of the pubs have since closed.

Progress to Date

In June 2022, Admiral Taverns officially started marketing the pub for sale following a period of 'soft marketing'. A small group of residents mobilised and organised a community meeting. Following the meeting, with attendance of around 40% of the adult population of the village, it was clear that there is a highly positive, motivated and committed groundswell of villagers that would like to see the pub re-opened for community use. This was evidenced by the question "Who in the room lives in Skelton?" followed by "Who wishes to see the pub reopened?" The show of hands was unanimous. In addition, new ideas were raised to improve social interests and social wellbeing such as community café, gardening club/allotments - which are all proved to improve mental health in an outside space - and the addition of a shop / Post Office.

Due to the closure of The Black Lion, residents feel they have lost a positive central hub within the community, resulting in a reduced sense of community and lack of safe space, all of which have led to a reduction of social cohesion, social wellbeing and added loneliness.

The Black Lion can be an asset that provides community value through add-on social interests which promote social wellbeing, improve mental health, reduce loneliness, and drives community spirit.

Following the first community meeting the following progress has been made:

- Set up the interim Management Committee.
- Registered Skelton-On-Ure Pub and Hub Limited as a Community Benefit Society.
- Harrogate Borough Council designated the Black Lion an Asset of Community Value.
- Produced a Community Consultation (results above), asking the community what they would like to see offered within a new community pub & hub and enlisted volunteers to deliver them to all households. Paper & online consultation forms produced.
- Analysed data received via Community Consultation.
- Used social media to seek interest in saving the pub.
- Held meetings with other Community Groups to seek advice.
- Enlisted support of our local MP, Councillors, CAMRA & Plunkett Foundation.
- Published a press release of our efforts, subsequently featuring in Yorkshire Evening Post and the Stray Ferret and appearances on Radio York.
- Built financial models of the business under various operating scenarios.
- Launched our website www.skeltonblacklion.com
- Produced pledge forms and delivered to over 4,000 households. Paper & online pledge forms produced. Pledges to date total an impressive £261,500.
- Submitted an expression of interest to the government's Community Ownership Fund, resulting in an invitation to submit a full application.

Legal Structure

SPHL is registered as a Community Benefit Society, operating for the benefit of the community, and registered with the Financial Conduct Authority. Each shareholder and member of the SPHL will have an equal say in the enterprise. The initial management committee is accountable to the membership and will, in future, be elected by them. Members will receive a regular newsletter and be entitled to attend the Annual Members Meeting and other special members meetings that may be called from time to time.

Shares

If you make an investment, you will become a member of **Skelton-on-Ure Pub and Hub Limited (SPHL)**, which is a Community Benefit Society, run for the benefit of the local community. You will have a say in how the society is run and who runs it. The minimum investment is £250 (1 share) with a maximum of £25,000 (100 shares) per person or organisation. Each shareholder will have one vote, irrespective of how many shares they hold.

Shareholder Withdrawals

Shares are not transferable except on death or bankruptcy, and are withdrawable at the sole discretion of the Management Committee in accordance with the Rules as follows:

1. shares may be withdrawn by Members who have held them for a minimum period of three years or such other period as the Management Committee decides.
2. application for withdrawal shall be made on not less than three months' notice, on a form approved by the Management Committee.
3. the Management Committee may specify a maximum total withdrawal for each financial year.
4. all withdrawals must be funded from trading profits, reserves or new share capital raised from Members, and are at the absolute discretion of the Management Committee having regards to the long-term interests of the Society, the need to maintain prudent reserves, and the Society's commitment to community benefit. If any withdrawal is to be funded from reserves, the Management Committee must be satisfied that:
 - 4.1. as a result of such withdrawal there will be no ground upon which the Society could then be found to be unable to pay (or otherwise discharge) its debts; and
 - 4.2. the Society will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the withdrawal.
5. all withdrawals shall be paid in accordance with the Society's policy on share withdrawals. If no such policy exists, all withdrawals shall be paid in the order in which the notices were received, up to a maximum total withdrawal specified for the financial year, following which no further withdrawals may be made until the following financial year;
6. except where a Member intends to terminate their membership, they shall not be permitted to withdraw shares leaving them with less than the minimum required by the Rules;
7. the Management Committee may in its absolute discretion waive the notice required for a withdrawal and may direct payment to be made without notice or on such shorter notice as it considers appropriate;
8. the Management Committee may suspend the right to withdraw either wholly or partially, and either indefinitely or for a fixed period. The suspension shall apply to all notices of withdrawal which have been received and remain unpaid at the time. Where the suspension is for a fixed period, it may be extended from time to time by the Management Committee;
9. during any period when the right of withdrawal has been suspended, the shares of a deceased Member may, if the Management Committee agrees, be withdrawn by their personal representatives on giving such notice as the Management Committee requires;
10. the Society may deduct such reasonable sum to cover administrative costs of withdrawal from the monies payable to a Member on the withdrawal of shares.

Shareholder Income

The Society may (but is under no obligation to) pay interest. Our financial forecasts include a modest 2% interest return for shareholders from Year 4 onwards. This payment will be at the discretion of the Management Committee and dependent on available reserves / funds.

Tax Relief

We believe that there is currently no tax relief available for 'Social Investments'. Please seek independent tax advice if you need more information.

Shareholder Guarantees

This is a long-term investment for the benefit of the community. Community Shares do not change in value and cannot be traded. We expect to be able to pay a modest amount of interest annually from year 4 onwards.

In the unlikely event of the Society being wound up, shareholders would get back no more than the value of their investment, even if the Society's assets (mainly the freehold) are worth more than the share capital.

Similarly, shareholders have no liability beyond the value of the shares they buy – their face value is the very most you could lose. Any excess from the sale of the Society's assets would be transferred to another community organisation with similar community benefit aims. This is known as an Asset Lock and ensures that any remaining assets remain in community hands after creditors and shareholders have been repaid.

Shareholder Risks

The following are the main risks for investors as perceived by the Management Committee. It is not exhaustive and if you are in any doubt, we advise you to seek independent advice:

- If the purchase of the Black Lion does not, for whatever reason, get to the exchange of contracts stage. In this case, the 10% deposit will not have been paid to the seller and 100% of the money for shares purchased will be returned to investors.
- If exchange of contracts and the payment of the 10% deposit take place, however the sale does not complete through the seller's fault / actions. The 10% deposit will be returned and therefore 100% of the money for shares purchased will be returned to investors.
- If insufficient funds are raised (for example being rejected for COF grants). If that results in SPHL not proceeding with the purchase of the Black Lion, **there is a risk that only 86.6% of shareholder funds will be returned** (reflecting the £35,000 deposit paid to the seller and £261,500 issued shares target). However, the Management Committee feel that this risk can be mitigated by securing sufficient additional funding to at least complete the purchase and decide on renovation funding later.
- If the purchase & renovation of the Black Lion go ahead, however the pub / hub business fails. The Management Committee believes that in this unlikely event, shareholders' funds should be covered by the underlying value of the freehold property.

Important: Community share offerings are not covered by the Financial Services Compensation Scheme and investors have no recourse to an ombudsman. You could lose some or all the money you invest.

The Business - SWOT Analysis

STRENGTHS

- The community wants the Black Lion to reopen.
- Massive support for the project both locally and from further afield.
- Broad experience of the Management Committee who are passionate about the success of the project.
- The government's Community Ownership Fund has been supportive of similar schemes.
- Strong support from the Plunkett Foundation which specialises in supporting community businesses.

WEAKNESSES

- Current appearance and poor reputation (in more recent years) of the Black Lion.
- Pub layout not ideal – needs improving.
- Effectively starting from scratch – the pub needs serious work before it can be reopened.
- Energy inefficient. Needs better insulation, solar panels etc.
- Funding from the Community Ownership Fund is restricted to £250,000, whereas £300,000 would have been better. (In theory funding could go up to £1 million, however grants of more than £250,000 are for exceptional cases).
- No tenant yet. (Clearly too early to recruit or research)

OPPORTUNITIES

- With the help of an appropriate tenant, the Black Lion can once again become a valuable community asset and help put the spirit back into the village.
- Reopening the Black Lion can be the start of more community-led projects. It will not just be a pub, but a community hub as well.
- As a community enterprise, we will be able to apply for further grant aid to help with development plans.
- For SPHL, our initial management committee is a team of volunteers. In the future, newer residents will get involved to improve social integration and cohesion.
- Reopening the Black Lion will build the village's reputation and rebuild demand for the village school (which is - we hope temporarily - closing.)

THREATS

- | | |
|--|---|
| • The pub sector has had problems with rising costs, especially energy and staffing. | We are confident that the community ownership model and our plans for renewable energy will reduce the impact of this. |
| • The cost of living 'crisis' - people might go out less in the future. | The community ownership model mitigates this as shareholders are more motivated to support the business. |
| • Reliance on a tenant to run the actual pub/hub business. | The right tenant will be far more motivated to build up a successful business than under the traditional brewery-owned or pub group-owned model. |
| • We pay the 10% deposit by 31/07/2023, however we do not secure the COF grants and are therefore short of the £350,000 that we need to complete the purchase. | In the unlikely event that we get turned down for the COF grants, subject to shareholder agreement, we will press ahead and get the funding we need to at least purchase the freehold. We would then have to plan the funding for the renovation as a future challenge. |

Social Impact and Community Benefit

The Past

Before it closed, the Black Lion provided an easily accessible and inclusive space for members of the local community to meet and provided a safe and enjoyable environment for villagers. The Black Lion was more than 'just a pub' for the community - it fostered and improved community spirit, a sense of social wellbeing and acted as a vehicle for residents to further their social, cultural & sporting interests.

Specific weekly/fortnightly clubs were held for the community which catered for the needs of a diverse spectrum of the community and social interests including (in particular) each of the following (stated in Chapter 3, part 88, section (6) of the Localism Act 2011)

Social interests including (in particular):

- Cultural interests
- Recreational interests
- Sporting interests

Cultural, Recreational & Sporting interests are demonstrated below. The community would continue to support similar interest groups moving forward:

Recent Cultural, Recreational & Sporting Interests

Quiz Nights (Weekly) widened the recreational interests of at least 40 people who participated in fun, competitive yet social weekly events, hosted by the Landlord.

Play Groups for children, run and attended by parents on a weekly basis in the function room. Parents from diverse backgrounds were able to meet up, chat, swap advice and socialise with other parents and children fostering social cohesion and wellbeing within a recreational environment.

Book Club, held in the function room on a fortnightly basis, attended by 10 people from the community, again adding to the social wellbeing within a cultural and recreational interest group.

Other additional weekly and fortnightly social interest groups included, reduced price **Pensioners Lunch, Young Farmers & Newspaper Group**. All contributing to the local area's culture, but at the time offering possibilities to meet new people in the village, catch up with friends and join a new club or share social and recreational interests/experiences and advice within the community. Reduced loneliness was a result within the community for those attending these social interest groups.

Cultural & recreational special events were hosted by the pub such as, Bonfire Night, New Year's Eve, Christmas Carols, Christmas Lunches, Birthdays, Christenings and Weddings, all which foster community togetherness and sense of belonging. Despite being annual events, these were attended by many people within the community adding to social wellbeing.

Sporting interests & Tournaments such as Darts, Pool, Fishing Club, Dominoes and sponsorship of the local cricket team created a vibrant and welcoming atmosphere for team members and supporters from the community. Some can be traced back many years within the Black Lion.

Community cultural interests through arts and entertainment, including Live Music featuring local bands, we currently have two aspiring bands in the community but with nowhere to play. Live sports on big screen for large sporting tournaments, Olympics, Cricket, Rugby & Premier League football. This facilitated a coming together of the community to enjoy specific sporting events, support local teams and listen to live music.

It provided vulnerable and elderly members of the village a local welcoming, community-led safe space to enjoy a drink and a chat. This obviously added to the collective sense of wellbeing whilst at the same time reducing loneliness within the village. The feeling in the village is that the recent closure of the pub has been a massive loss, especially in the isolating impact felt by the Covid lockdowns. Villagers who rely on public transport have faced further isolation due to the limited daily buses. This limited public

transport provision will only worsen as North Yorkshire County Council has failed to secure any money to improve services in the government's high-profile Bus Back Better scheme. North Yorkshire's £116m Bus Back Better bid has been rejected in its entirety by the government and this news does not bode well for small communities such as Skelton-on-Ure as the bus services come under ever increasing pressure. For the members of the community who lack their own transport the Black Lion was effectively a 'lifeline'. At the end of the day, it is also a greener proposition to be able to walk to your own community pub/hub.

A restaurant improved social wellbeing within the community acting as a vehicle for multi-generational families to meet up for meals and special occasions. Friends with limited access to transport or transport links could meet up for a meal and a chat.

Fundraising for the community, local charities and projects through raffles. In addition, the pub supported the bar etc. at the annual village gala, allowing the community to unite behind fundraising projects so they can give back to the community.

General use by the wider community included local businesses using the pub to entertain clients, drinks for shooting parties, drinks before Ripon Races, special evening meals following Christingle Christmas services, venue for wakes servicing the two parish churches, and a meeting point for an organised bus to take elderly residents shopping at the local food store in Boroughbridge all which foster community togetherness and a sense of belonging. Although many events were either annual or one-off events, they were attended by many people within the village.

Disabled access to the pub is via the side door directly next to the car park and is a very important aspect of our project to foster an inclusive community.

Our Vision

Our vision is to restore the pub back to its former glory through renovations both internally and externally, works will be completed through a combination of building contractors and community volunteers which improve wellbeing, collectiveness and pride within the local community.

A community purchase will enable the Black Lion to be again 'More than a Pub' for Skelton-on-Ure.

Due to the closure of The Black Lion Pub residents feel they have lost a positive central hub within the community, resulting in a reduced sense of community and lack of safe space all of which have led to a reduction of social cohesion, social wellbeing and added loneliness.

Currently an improved sense of community has been fostered around this future project, the community is clearly buoyed by the proposition. The Black Lion was and still can be an asset that provides community value through add-on social interests which promote social wellbeing, improve mental health, reduce loneliness, and drives community spirit.

We feel the following list are social impact projects that a tenant would incorporate:

- Results from the community consultation showed catering was the top priority for residents of the village and the wider area. Therefore, a restaurant would be vital to improve social wellbeing within the community acting as a vehicle for multi-generational families to meet up for meals and special occasions. Friends with limited access to transport or transport links could meet up for a meal and a chat.
- A café / bakery was high priority for the village and wider area, again friends with limited access to transport or transport links could meet up for a meal and a chat during the day. Providing vulnerable and elderly members of the village a local welcoming community led safe space to enjoy a drink and a chat. Again, helping improve social isolation, mental wellbeing and inclusion. Homeworkers again could be helped with solitary working by meeting friends within the café, again helping with social isolation and mental wellbeing.
- Disabled access, we would want to be inclusive to all members of the community with no barriers to access. Every effort will be made to improve disabled access and make a welcoming disabled friendly space. Again, this will offer the possibility access to less mobile residents of the

community. Offering an opportunity to meet new people, meet friends and reduce social isolation.

- Free Wi-Fi, the village has a superfast broadband connection, whereas some areas of the parish do not. Improved access to better broadband will benefit people and help them access digital services not normally be available to them.
- Community Information point, tourist information, residents can gain information about local events, groups and new from the Parish Council. For residents this again will help them be more involved within the community, meet new people and get outdoors. Tourists can gain information about the local area, so they have a more enjoyable stay (tourist info, maps, guides, history, wildlife, economy, ecology).
- Gardening club, community orchard, market garden & allotments, Wellbeing Garden and outdoor sports such as Pétanque. Due to the size of the freehold, there is a massive opportunity to incorporate a green space for community allotments and orchard. The current village allotment is now full and extra space is needed. Development of the allotment and community orchard will again help community members enjoy outdoor activities, improve health, and grow their own fruit and veg. As part of research into the ground of the pub we have discovered an enclosed terraced garden which would create a fantastic wellbeing garden. Members of the community would enjoy a peaceful spot surrounded by flora and fauna, again we would hope this would improve mental wellbeing.
- Create opportunities for local employment, staff would be employed from the village within walking distance of their work. This would improve access to work for residents who have limited access to transport and improve their employment opportunities. Money would flow into the village economy and act as a virtuous circle.
- Shop / Post Office /Click & Collect, community access to essential items like basic foodstuffs, papers etc. not otherwise available.
- Cultural & recreational special events hosted by the pub such as, Bonfire Night, New Year's Eve, Christmas carols, Christmas lunches, birthdays, christenings and weddings. Community cultural interests through entertainment, including live music featuring local bands (we have two bands in the community currently but with nowhere to play.) Pensioners lunch, Young Farmers & newspaper group, book club, play groups, quiz nights etc. All would improve community togetherness, sense of belonging and social wellbeing.



With thanks to Mike Ramshaw (<https://art-by-mikeramshaw.co.uk>)

Social Impact Matrix

What 'More Than A Pub' service or activity will you provide?	Which group(s) or types of individual(s) will benefit from this?	How many people from each group do you estimate will benefit each year?	When, and how frequently, will these group(s) access the service or activity? e.g. weekly, monthly.	What outcomes or benefits will those group(s) experience as a result of accessing this service or activity?	How will you monitor whether these outcomes are being achieved?	How frequently will you monitor whether these outcomes are being achieved?
Buy, refurbish and open the Black Lion pub	1 Local residents in the Parish 2 Tourists/Visitors 3 Local businesses, producers and suppliers 4 Local people seeking Employment / volunteer / training opportunities	1. 361 2. 120,000 3. 25 4. 20	Daily, weekly, monthly, annually. The pub/hub & café will open most days (during the day and evening) all year-round.	Significant positive event for the community, demonstrating the power to change things that improve their village life. Improved sense of community has been fostered around this project, the community is clearly buoyed by the proposition. Improved community pride.	Number of people visiting the pub and staying at the campsite. Number of volunteers helping with fundraising, refurb and gardening.	Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.
Provide food and drink at various times within pub & restaurant	1. Local residents Elderly residents Clubs and societies Local workers Families 2. Local Businesses 3. Tourists/Visitors 4. Cyclists/Walkers 5. Caravanners 6. Local people seeking employment/volunteer/training opportunities	1. 361 2. 25 3. 120,000 4. 2000 5. 500 6. 20	Daily, weekly, monthly	Increased sense of wellbeing from a warm, welcoming inclusive atmosphere that is also family & dog friendly. Reduction of social isolation, ability to meet new people in the village and create a sense of community. Increased employment & empowerment.	Number of people visiting the pub and staying at the campsite. Entries in the visitor book, reviews in the good beer guide. Press coverage. Tenant's diary. Successful club/group visits. Trip Advisor reviews, food & drink sales. Village feedback.	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.
Café, bakery	1. Local residents Elderly residents Clubs and societies Local workers Families 2. Local Businesses, producers and suppliers 3. Tourists/Visitors 4. Cyclists/Walkers	1. 361 2. 25 3. 120,000 4. 2000 5. 500 6. 20	Daily, weekly, monthly	Increased sense of wellbeing from a warm, welcoming inclusive atmosphere that is also family & dog friendly. Reduction of social isolation, ability to meet new people in the village and create a sense of community. Elderly customers improved social	Successful club/group visits. Trip advisor reviews, food & drink sales. Village feedback. Elderly and limited mobility customer visits. Cyclist visits.	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.

Social Impact Matrix continued

What 'More Than A Pub' service or activity will you provide?	Which group(s) or types of individual(s) will benefit from this?	How many people from each group do you estimate will benefit each year?	When, and how frequently, will these group(s) access the service or activity? e.g. weekly, monthly.	What outcomes or benefits will those group(s) experience as a result of accessing this service or activity?	How will you monitor whether these outcomes are being achieved?	How frequently will you monitor whether these outcomes are being achieved?
	5. Caravaners 6. Local people seeking employment/volunteer/training opportunities			interaction. Increased employment & empowerment.		
Social meeting place/display space with refreshments & other facilities in the centre of the community	1. Local residents Elderly residents Clubs and societies Local workers Families 2. Local Businesses, producers and suppliers	1. 361 2. 25	Daily, weekly, monthly	Reduce social isolation and improve wellbeing by socialising with like-minded individuals. Increased elderly and limited mobility customer visits. Improved community pride.	No of bookings and attendance at/sales from exhibitions and events. Tenant's diary	Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.
Disabled access	1. Local residents Elderly residents 2. Local Businesses 3. Tourists/Visitors 4. Caravaners	1. 361 2. 25 3. 120,000 4. 500	Daily, weekly, monthly	Reduce social isolation and improve wellbeing by socialising with like-minded individuals. Increased elderly and limited mobility customer visits. Improved community pride.	No of bookings and sales from target demographic.	Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.
Free Wi-Fi	1. Local residents 2. Local businesses 3. Tourists/Visitors 4. Cyclists/Walkers 5. Caravaners	1. 361 2. 25 3. 120,000 4. 2000 5. 500	Daily, weekly, monthly	The village has a superfast broadband connection; some areas of parish do not. Improved access to better broadband will benefit people and help them access digital services not normally be available to them.	Number of signups. Customer and village feedback	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.

Social Impact Matrix continued

What 'More Than A Pub' service or activity will you provide?	Which group(s) or types of individual(s) will benefit from this?	How many people from each group do you estimate will benefit each year?	When, and how frequently, will these group(s) access the service or activity? e.g. weekly, monthly.	What outcomes or benefits will those group(s) experience as a result of accessing this service or activity?	How will you monitor whether these outcomes are being achieved?	How frequently will you monitor whether these outcomes are being achieved?
Community Information point, tourist information	1. Local residents 2. Tourists/Visitors 3. Cyclists/Walkers 4. Caravaners	1. 361 2. 120,000 3. 2000 4. 500	Daily, weekly, monthly	Residents can find out more information regarding local events, clubs, Parish Council events again helping to improve social isolation Non-residents gain information about the local area so they have a more enjoyable stay	Resident feedback. Number of enquiries. Quantities of leaflets and information taken. Customer feedback. Visitor book.	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.
Gardening club, Community orchard, Market garden & allotments, wellbeing garden.	1. Local residents Elderly residents Clubs and societies Local workers Families 2. Tourists/Visitors 3. Cyclists/Walkers 4. Caravaners	1. 361 2. 120,000 3. 2000 4. 500	Daily, weekly, monthly	Encourage residents to get outdoors, grow their own fruit and veg, improve fitness through gardening and improve mental wellbeing in the wellbeing garden surrounded by flora and fauna.	Number of allotments taken. Resident feedback. Fruit and veg sales.	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.
Outdoor sports such as Pétanque	1. Local residents 2. Tourists/Visitors 3. Cyclists/Walkers 4. Caravaners	1. 361 2. 120,000 3. 2,000 4. 500	Daily, weekly, monthly	Encourage residents to get outdoors, play social outdoor games improve fitness and meet other people.	Resident feedback. Number of times used.	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.

Social Impact Matrix continued

What 'More Than A Pub' service or activity will you provide?	Which group(s) or types of individual(s) will benefit from this?	How many people from each group do you estimate will benefit each year?	When, and how frequently, will these group(s) access the service or activity? e.g. weekly, monthly.	What outcomes or benefits will those group(s) experience as a result of accessing this service or activity?	How will you monitor whether these outcomes are being achieved?	How frequently will you monitor whether these outcomes are being achieved?
Create opportunities for local employment	1. Local residents	1. 361	Daily, weekly, monthly	Staff employed from the village within walking distance of their work. This would improve access to work for residents who have limited access to transport and improve their employment opportunities. Money would flow into the village economy and act as a virtuous circle.	Number of staff employed from the village.	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.
Shop / Post Office / Click & Collect	1. Local residents Elderly residents Clubs and societies Local workers Families 2. Tourists/Visitors 3. Cyclists/Walkers 4. Caravaners	1. 361 2. 120,000 3. 2,000 4. 500	Daily, weekly, monthly	Access to essential items like basic foodstuffs, papers etc not otherwise available. Local residents, in particular those with limited mobility and no access to transport. Families with babies and small children. Local businesses & people who work from home. Again improving social isolation.	Receipts, customers numbers, feedback.	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.
Secure cycle storage	1. Local residents 2. Tourists/Visitors 3. Cyclists	1. 361 2. 120,000 3. 2,000	Daily, weekly, monthly	Access to services not available elsewhere locally.	Sales receipts. Bookings. Visitor Book. Customer feedback.	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.

Social Impact Matrix continued

What 'More Than A Pub' service or activity will you provide?	Which group(s) or types of individual(s) will benefit from this?	How many people from each group do you estimate will benefit each year?	When, and how frequently, will these group(s) access the service or activity? e.g. weekly, monthly.	What outcomes or benefits will those group(s) experience as a result of accessing this service or activity?	How will you monitor whether these outcomes are being achieved?	How frequently will you monitor whether these outcomes are being achieved?
Periodic Resident reviews	1. Local Residents	1,361	Annually	Ability to give feedback on their personal experience of the pub/hub/café (positive and negative) and suggestions for improvements.	Meeting minutes. Changes made as a result of reviews and feedback	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.
Caravan site	1. Caravaners 2. Local residents. 3. Visitors/tourists.	1. 500 2. 361 3. 120,000	Daily, weekly, monthly	Staying in a quiet rural location, with onsite pub and excellent facilities. Ability to visit Newby Hall & Grounds, Ripon, Ripon Race Course, enjoy the outdoors.	Customer feedback, receipts, bookings, reviews	Daily. Weekly. Monthly management committee meetings. Quarterly meetings and staff. Regular reviews with the tenant. AGM for shareholders.

Marketing Plan

Share Pledges

- Two Q&A meetings in the village hall for the village and the wider community.
- Launched website with project info and link to online share pledge form.
- Facebook updates on Skelton-on-Ure, Boroughbridge & Ripon pages.
- Newsletters & pledge forms delivered to Skelton-on-Ure.
- Pledge letters delivered to Boroughbridge, Langthorpe, Kirby Hill, RAF Dishforth, Marton-le-Moor, Copt Hewick and part of Ripon (3,500 in total).
- Appearances on Radio York to promote the project.
- Articles within many local newspapers, both printed and online, including photo with our MP.
- Word of mouth.
- Banners printed and secured at various locations within the village and surrounding area.
- Approaching local farmers, businesses & breweries by letter & email.
- Approached local & national CAMRA.
- Social Media posts.



Share Offer

Initial Share Launch

- Target £261,500. Deadline 31st July 2023. Offered to individuals who pledged.
- Publicised by email and maildrop to households who expressed an interest. (Business Plan & Share Prospectus).
- Q&A session in the Reading Room, Skelton-on-Ure before the end of July 2023.

Wider Share Launch

- Target £38,500. Deadline 16th October 2023. The share offer will be opened to a wider market.
- The offer will be advertised on social media, local press and news media, as well as further maildrops in the village and wider area. Similar to the marketing plan for the share pledges.

Pub & Hub Marketing

The marketing of the business will be a matter for both the Management Committee and the tenant. The model of operation makes it clear that the tenant is the main decision maker in the operation of the pub / hub, and will need to have a comprehensive marketing plan as part of their initial business plan. Whilst the lead responsibility will rest with the tenant, SPHL will be looking to appoint a tenant who will work in partnership with them in marketing the Black Lion and who will include the following:

- Local press releases, advertising key events etc.
- Maildrops to the village, wider area and to nearby holiday/caravan parks which advertise the pub and its programme of activities (quizzes, music nights, seasonal events).
- The Black Lion website. This (and the Facebook page) will give details of forthcoming events, offers, special occasions etc. A well-presented and regularly updated website will be maintained for 'good first impression', to attract day visitors, walkers, cyclists, local visitor attractions etc.
- Social media, the tenants will also be required to market through social media and internet media, Facebook, Instagram and Twitter accounts to proactively market the pub.
- Local businesses, groups and clubs (Rambblers, Nordic Walkers, Cyclists etc.)
- Work in close relationship with Newby Hall Estate & Ripon Races to market the pub, during open season and during their special events including Tractor Fest, Car Shows, Darlington Dog Show, Harrogate Autumn Flower Show etc.
- Attaining and then promoting the Black Lion's five pitch caravan site as a Certified Location.

The management committee will be responsible for publicity at key milestones:

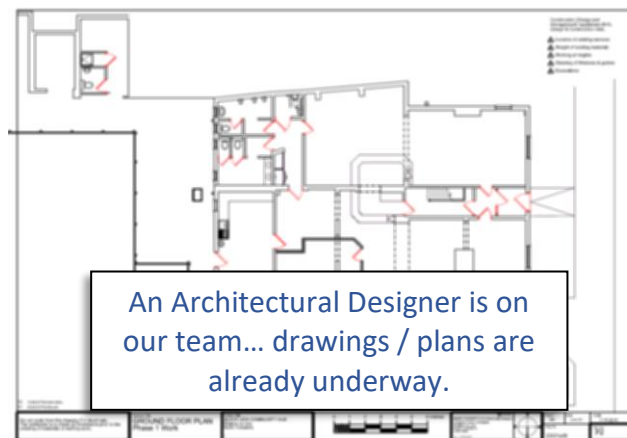
- The launch of the share offer.
- Pub acquisition.
- Pub & Hub Refurb milestones.
- Appointment of the tenant.
- The opening of the pub by a key local figurehead to be widely covered by the media.

Renovation

The Black Lion is in a poor state... it's been closed for more than 3 years, boarded up and in need of substantial renovation. The pub has been on the market for a long time, and it is widely accepted that without support from the local community and from the government's Community Ownership Fund to buy the freehold and fund the renovation, the Black Lion will be lost to the community for good.

We are fortunate to have an architectural designer in our team, who heads up the renovations team. Initial costings and drawings of the renovation project are underway. The financial forecasts are based on a consensus of estimates from the team and, where possible, using trade quotes and estimates. Clearly, once the purchase of the Black Lion is complete, these projections will be fine-tuned and, where appropriate, multiple quotes will be obtained before committing expenditure.

The focus and the initial financial projections are to get the Black Lion open and functioning. Future 'bells and whistles' can be added later, depending on needs and in conjunction with the tenant. Our initial focus is to fund the purchase and re-open the Black Lion as a valuable resource for the community.



Environmental Sustainability

Throughout the renovations, and subsequently, we will include where possible measures such as:

- Solar panels and battery storage.
- Air/ground source heat pumps.
- EV charging points.
- Solar thermal heating.
- LED lighting.
- Upcycling and recycled furniture.
- Efficient kitchen appliances.
- Improved insulation.
- Local & homegrown food.
- Low energy cellar equipment using local breweries and food suppliers.
- Waste reduction and recycling.
- Employing local community to reduce employee travel mileage.
- Waterless urinals.
- Window replacement.
- Wildflower meadow / garden.

Financials - Introduction

Key 5-year financial projections follow. Please note that these are annual summaries of detailed monthly projections.

Cashflow will be key and the overriding assumptions in these forecasts are:

- No bank overdraft facility will be required.
- Expenditure will be paid for as incurred. This is therefore 'worst-case' - where possible, we will obtain credit facilities from suppliers to ease cashflow.
- Purchase of the Black Lion freehold is the priority. If other sources of funding are delayed, the renovation project can be re-phased.
- SPHL is registering with HMRC for VAT and will apply for an 'Option to Tax' – therefore VAT on the acquisition will be recoverable (and VAT will be chargeable on the rent charged by SPHL to the tenant.)
- All amounts in the Project Costs, Profit & Loss and Balance Sheet **exclude** VAT (which is only relevant for cashflow projections.)
- Depreciation will not be charged on land and buildings as the Black Lion will be an investment property in SPHL's accounts. We have assumed for these projections (we believe conservatively) that the fair value of the Black Lion will remain at the purchase price value.
- Depreciation on fixtures & fittings and plant & equipment has been calculated monthly at a rate of 10% per year.

Financials - Project Costs and Sources of Funding

CAPITAL COSTS

Purchase of freehold	£350,000
Refurbishment and renovation	£228,000
Stamp duty	£5,000
Legal fees	£5,000
Professional fees	£2,000
TOTAL CAPITAL COSTS	£590,000

REVENUE COSTS - YEAR 1 *

		Funding Source	
		Donations	COF Grant
Repairs & renewals - ongoing	£0		£0
Electricity	£8,000		£8,000
Gas (LPG) / Heating Oil	£2,000		£2,000
Water rates	£600		£600
Phone and Internet	£600		£600
Computer / website expenses	£300		£300
Legal and professional	£3,000		£3,000
Plunkett subscription	£240	£240	£0
Accountancy	£2,000		£2,000
Insurance	£5,000		£5,000
Valuation fee	£1,800	£1,800	£0
CBS registration	£310	£310	£0
Printing, stationery, banners etc.	£430	£430	£0
Structural survey	£2,000		£2,000
Building control & planning	£2,000		£2,000
Project management - 6 months	£12,000		£12,000
Fire assessment	£2,500		£2,500
Disability assessment	£1,000		£1,000
Health & safety	£1,000		£1,000
Asbestos assessment	£3,000		£3,000
Consultancy (solar, heat pumps etc.)	£3,000		£3,000
Independent pub trade consultant	£2,000		£2,000
Other expenses	£2,000	£2,000	£0
TOTAL REVENUE COSTS	£54,780	£4,780	£50,000
TOTAL PROJECT COSTS	£644,780	£4,780	£50,000

FUNDING SOURCES

Community share issue	£300,000
COF Capital Funding	£250,000
COF Revenue Funding	£50,000
Donations	£4,780
Other sources (minimum required) **	£40,000
TOTAL	£644,780

* Revenue costs are our best reasonable estimates. The COF Revenue Grant will depend on agreed actual spend; therefore, accuracy and firm quotes are not needed at this stage.

** Other sources might include National Lottery, energy grants, crowdfunding & further support from local businesses. This is flexible... if this additional funding is not obtained in time, the renovation budget can be adjusted and/or re-phased.

Financials - Black Lion Refurbishment & Renovation Costs

Project	Budget	Month
Zoned heating system	£20,000	Nov-23
Electric rewiring	£30,000	Nov-23
Lighting external	£1,000	Mar-24
Kitchen deep clean	£700	Dec-23
Part bar refit	£2,500	Dec-24
Toilet refit x 3	£8,000	Feb-24
Security system	£2,000	Mar-24
Fire alarm system	£3,000	Mar-24
Damp specialist	£1,500	Dec-23
Main pitched roof insulation	£3,000	Dec-23
All new flat roof	£9,000	Nov-23
Repair gutters and rainwater pipes	£1,500	Jan-24
Main rooms refurb x 2 right hand side	£7,000	Feb-24
Carpets / flooring 1st phase only	£10,000	Mar-24
Rising damp hallway	£1,500	Jan-24
Cellar move to inside building	£8,000	Nov-24
Front beer garden	£500	May-24
Fire signage, extinguishers	£1,000	Mar-24
Signage	£1,500	Mar-24
Chimneys refurb incl repointing	£3,300	Feb-24
Flat Roof at 1st floor	£2,000	Jan-24
Pointing	£3,500	Jan-24
Kitchen / café equipment	£9,000	Mar-24
Kitchen refit	£3,000	Feb-24
Main rooms refurb x 2 left hand side	£7,500	Feb-24
Wooden floor sand revarnish	£1,000	Feb-24
Carpets flooring downstairs	£7,000	Mar-24
Downstairs hallway refurb x 2	£2,000	Jan-24
Windows, upgrade to more thermally efficient	£18,000	Mar-24
Upstairs rooms refit x 6	£9,000	Mar-24
Upstairs bathroom	£4,000	Jan-24
Upstairs kitchen	£5,000	Feb-24
Solar panels	£14,000	Apr-24
Heat pumps	£10,000	Jul-24
Carpets flooring upstairs	£7,000	Mar-24
Beer garden	£3,000	Apr-24
Doors	£5,000	Jan-24
Scaffolding	£3,000	Dec-23
Total	£228,000	

Please note: these budgeted costs are realistic, conservative estimates. We have obtained professional estimates about costs where possible. Clearly, before work commences, firm quotes will be obtained for the major projects and donations of time & materials will be sought where possible.

Financials - Skelton-on-Ure Pub and Hub Ltd - Profit & Loss

	YEAR 1 31/03/24	YEAR 2 31/12/25	YEAR 3 31/12/26	YEAR 4 31/12/27	YEAR 5 31/12/28
SALES					
Rental income	£0	£24,000	£28,000	£30,000	£33,000
TOTAL SALES	£0	£24,000	£28,000	£30,000	£33,000
OVERHEADS					
Repairs & renewals - initial	£12,000	£0	£0	£0	£0
Repairs & renewals - ongoing	£0	£2,000	£2,400	£3,000	£3,300
Electricity	£8,000	£0	£0	£0	£0
Gas (LPG) / Heating Oil	£2,000	£0	£0	£0	£0
Water rates	£600	£0	£0	£0	£0
Cleaning & hygiene	£0	£0	£0	£0	£0
Phone and Internet	£600	£0	£0	£0	£0
Computer / website expenses	£300	£600	£720	£900	£900
Legal and professional	£3,000	£996	£1,200	£1,500	£2,004
Plunkett subscription	£240	£240	£240	£240	£240
Accountancy	£2,000	£2,400	£2,950	£2,760	£3,000
Insurance	£5,000	£2,400	£2,400	£2,400	£3,000
Valuation fee	£1,800	£0	£0	£0	£0
CBS registration	£310	£0	£0	£0	£0
Printing, stationery, banners etc.	£430	£0	£0	£0	£0
Structural survey	£2,000	£0	£0	£0	£0
Building control & planning	£2,000	£0	£0	£0	£0
Project management - 6 months	£12,000	£0	£0	£0	£0
Fire assessment	£2,500	£0	£0	£0	£0
Disability assessment	£1,000	£0	£0	£0	£0
Health & safety	£1,000	£0	£0	£0	£0
Asbestos assessment	£3,000	£0	£0	£0	£0
Consultancy (solar, heat pumps etc.)	£3,000	£0	£0	£0	£0
Independent pub trade consultant	£2,000	£0	£0	£0	£0
Depreciation	£1,563	£8,117	£8,838	£9,198	£9,558
COF capital grant amortisation	£0	£0	£0	£0	£0
Shareholder interest paid (2%)	£0	£0	£0	£6,000	£6,000
Other expenses	£2,000	£1,800	£1,800	£1,800	£1,800
TOTAL OVERHEADS	£68,343	£18,553	£20,548	£27,798	£29,802
OPERATING PROFIT /-LOSS	-£68,343	£5,447	£7,452	£2,202	£3,198
OTHER INCOME					
Donations	£4,780	£0	£0	£0	£0
COF revenue grant	£50,000	£0	£0	£0	£0
Other income *	£33,335	£7,765	£1,200	£1,440	£1,800
TOTAL OTHER INCOME	£88,115	£7,765	£1,200	£1,440	£1,800
PROFIT /-LOSS BEFORE TAX	£19,772	£13,212	£8,652	£3,642	£4,998
Tax (19%)	£3,756	£2,510	£1,644	£691	£950
RETAINED PROFIT /-LOSS	£16,016	£10,702	£7,008	£2,951	£4,048
Cumulative	£16,016	£26,718	£33,726	£36,677	£40,725

* Other income sources might include National Lottery, energy grants, crowdfunding & further support from local businesses. This is flexible... if this additional funding is not obtained in time, expenditure can be adjusted and/or re-phased.

Financials - Skelton-on-Ure Pub and Hub Ltd - Balance Sheet

	YEAR 1 31/03/24	YEAR 2 31/12/25	YEAR 3 31/12/26	YEAR 4 31/12/27	YEAR 5 31/12/28
FIXED ASSETS					
Land & buildings	£470,500	£482,000	£482,000	£482,000	£482,000
Fixtures & fittings	£20,986	£21,104	£20,982	£20,620	£20,018
Plant & equipment	£34,951	£55,616	£50,500	£45,264	£39,908
	£526,437	£558,720	£553,482	£547,884	£541,926
DEFERRED INCOME *	-£250,000	-£250,000	-£250,000	-£250,000	-£250,000
CURRENT ASSETS					
Debtors	£0	£0	£0	£0	£0
VAT repayable	£31,300	£0	£0	£0	£0
Other debtors	£0	£0	£0	£0	£0
Bank & cash	£12,035	£20,752	£32,742	£40,404	£50,761
	£43,335	£20,752	£32,742	£40,404	£50,761
CURRENT LIABILITIES					
Trade creditors	£0	£0	£0	£0	£0
VAT liability	£0	£244	£854	£920	£1,012
Corporation Tax	£3,756	£2,510	£1,644	£691	£950
Other creditors	£0	£0	£0	£0	£0
	£3,756	£2,754	£2,498	£1,611	£1,962
NET CURRENT ASSETS / -LIABILITIES	£39,579	£17,998	£30,244	£38,793	£48,799
NET ASSETS	£316,016	£326,718	£333,726	£336,677	£340,725
Share capital	£300,000	£300,000	£300,000	£300,000	£300,000
Reserves	£16,016	£26,718	£33,726	£36,677	£40,725
SHAREHOLDERS FUNDS	£316,016	£326,718	£333,726	£336,677	£340,725

* To be conservative, deferred income has been kept at the full COF grant value. Part of this will likely be released to (and therefore increase) profit and loss reserves, depending on:

- Accounting standards / best practice at the time.
- The apportionment of the £250,000 grant between land & buildings, other fixed assets, and repairs & renewals.
- COF requirements / restrictions.

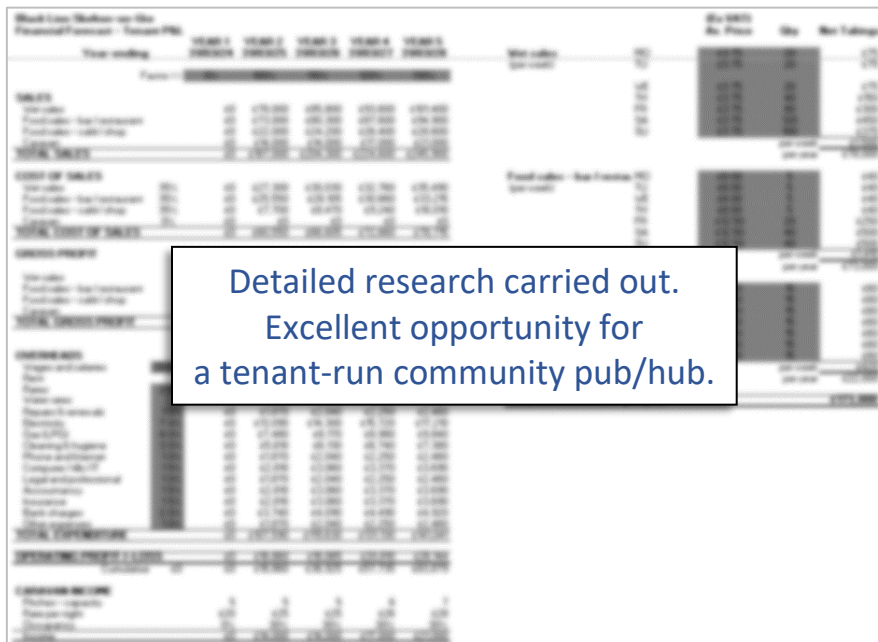
Financials - Skelton-on-Ure Pub and Hub Ltd - Cashflow

	YEAR 1 31/03/24	YEAR 2 31/12/25	YEAR 3 31/12/26	YEAR 4 31/12/27	YEAR 5 31/12/28
OPENING BALANCE	£0	£12,035	£20,752	£32,742	£40,404
INFLOWS					
Shares issued	£300,000	£0	£0	£0	£0
Rental income (inc. VAT)	£0	£28,800	£33,604	£36,000	£39,600
Donations	£4,780	£0	£0	£0	£0
COF grant - capital	£250,000	£0	£0	£0	£0
COF grant - revenue	£50,000	£0	£0	£0	£0
VAT repaid	£87,656	£36,912	£0	£0	£0
Other funding sources	£33,335	£7,765	£1,200	£1,440	£1,800
TOTAL INFLOWS	£725,771	£73,477	£34,804	£37,440	£41,400
OUTFLOWS					
Purchase of fixed assets (inc. VAT)	£633,600	£48,480	£4,320	£4,320	£4,320
Overheads (inc. VAT)	£80,136	£12,524	£14,052	£15,120	£17,088
VAT paid	£0	£0	£1,932	£2,694	£2,944
Corporation Tax	£0	£3,756	£2,510	£1,644	£691
Shareholder interest paid	£0	£0	£0	£6,000	£6,000
TOTAL OUTFLOWS	£713,736	£64,760	£22,814	£29,778	£31,043
CLOSING BALANCE	£12,035	£20,752	£32,742	£40,404	£50,761

Financials - Black Lion Tenant - Profit & Loss

We have prepared 5-year profit & loss projections for the business of a Black Lion tenant. These are clearly very subjective, dependent on the tenant and therefore not appropriate to include in this Business Plan. However, the most important and relevant assumptions for potential investors are:

- The rent that SPHL will charge the tenant will be affordable and consistent with levels suggested as reasonable by an independent consultant who has vast experience of community-run pubs.
- The rent gives SPHL enough income to provide a sustainable business, to allow for modest returns to shareholders and to build up adequate reserves for future unforeseen expenses / liabilities.
- We are confident that we will be able to attract a dynamic and successful tenant who embraces the ethos of a community pub/hub and who has a higher motivation than they would have in a traditional pub group or brewery owned pub.



Detailed research carried out.
Excellent opportunity for
a tenant-run community pub/hub.

Financial Controls

- Our Interim Treasurer has financial director experience over many years in various industries.
- A project manager will be appointed to manage the renovation project and keep a tight rein on expenditure.
- Co-Op Bank account has been opened which has appropriate user security / controls / fraud prevention.
- Monthly management accounts and ongoing accountability to the management committee, more frequently as required.
- Accountability to Community Ownership Fund and other stakeholders as required.
- Annual accounts to shareholders with regular updates during the year.

More Information

Share Prospectus: www.skeltonblacklion.com

Contact email: treasurer@skeltonblacklion.com