

**THE BLACK LION**  
Ireby  
Cumbria



A traditional village pub on the edge of the Lake District National Park

The Black Lion Community Group Limited is a Community Benefit Society registered with the Financial Conduct Authority. It was first registered on the 15<sup>th</sup> December 2023. Registration number: 9199

## Contents

1. Introduction.....	3
Background:.....	3
The Black Lion Community Group: .....	4
2. What is our community and what would they like: .....	6
3. Delivering our aims.....	8
4. Our customers.....	10
5. Our competition.....	11
6. Strengths, weaknesses, opportunity and threat analysis.....	13
7. Our supporters.....	14
8. The Figures .....	15
Appendix : The Black Lion .....	21
Appendix : Critical Success Factors (Risk register).....	23
Appendix : SWOT Analysis.....	24
Appendix : Stakeholder Analysis .....	26
Appendix : Aims, Objectives, Actions, Outputs, Outcomes, and Timescales .....	27
Aim 1: Form Steering Group and attain legal incorporation, raise funds for start-up costs.....	27
Aim 2: Produce business plan, commission valuation and raise funds for initial project costs.....	29
Aim 3: Issue shares to raise funds to purchase pub and cover other project costs. Project Stage 3.....	30
Aim 4: Engage tenant and establish operational procedures.....	32
Aim 5: Open the pub. Enhance community facilities.....	33
Aim 6: Open the pub. Enhance community facilities.....	33
Aim 7: Business monitoring .....	36
Aim 8: Routine Business Management.....	37
Appendix : Financial Analysis .....	38
Estimated Costs to Buy, Decorate & Prepare the Black Lion Pub.....	39
Financial Scenarios – Budget & Cash Flow Projections.....	40
Projected Trading Curve.....	40
CBS Profit & Loss Forecast (Black Lion Community Group Limited) .....	42
CBS Balance Sheet Forecast (Black Lion Community Group Limited).....	43
Tenants’ Cash flow Forecast Year .....	44
Tenants Cash Flow Based On Fair Maintainable Trading ( £178,800 Turnover (£149k plus VAT)).....	44
Appendix : Visitor Profile.....	45
Appendix : Community Survey Results .....	50

## 1. Introduction.

### Background:

The Black Lion is a traditional village pub with two self-contained holiday lets, located in the village of Ireby at the Northern most end of the Lake District National Park. To the North, it overlooks Scotland across the Solway Firth and to the South, it overlooks Skiddaw and the Northern Fells. It runs directly on to the most Northern of the Wainwright Fells: Binsey. Ireby is 12 miles North of Keswick, 7 miles from Bassenthwaite Lake and 23 miles west of Penrith. Its location makes it an attractive venue for walkers, cyclists and those who wish to experience the less crowded delights of the Northern Fells.



Although now seen as a village, Ireby is the oldest Market Town in Cumbria, famed for its fair and market and which were first licensed in 1236 and 1275. Although it never commenced trading, the Ireby Bank was nearly launched in 1810. Notable literary visitors over the years have included: Charles Dickens, John Keats, Hugh Walpole and more recently Melvyn Bragg who recently shared: *I had scores of terrific nights drinking in the Black Lion with friends. It was the perfect pub for many years. Truly local, classless, and always welcoming.*

In 1858 there were four public houses in the Village and one in each of the neighbouring villages. Now only the Black Lion remains.

The Black Lion was closed for several years in 2010, before being rescued by the current owner in 2016. In July 2021 after 5 years of custodianship, the owner wished to move on. The pub was placed on the market with a change of use to residential accommodation becoming a possibility. In response to this possibility, the property was listed as an Asset of Community Value on the 30<sup>th</sup> September 2021. Although unsold, the pub remained trading until March 2023 when the doors of the pub were shut for what was feared to be the last time. In response to the realisation that the village might be without a pub and social hub, over 100 members of the local community came together at a public meeting to save the Black Lion. After a survey of views and further meetings of over 20 individuals who had expressed their willingness to contribute to the project, a decision was taken to set up a small technical group to explore the scope to secure a community purchase of the pub, drawing on the example of the Crown at Hesketh, located at the Eastern end of the Northern Fells. The Crown was the first community pub to trade and continues to successfully do so, as a highly valued community asset. The Black Lion Community Group was born.

In response to the level of community concern, the landlord very kindly agreed to re-open the pub to provide the community with a period of time to secure the purchase of the pub as a community owned venture.



The Black Lion Community Group:

The current Management Committee:



Richard Ellison lives in Boltongate and is a Friday night regular at the Black Lion. He moved into the community in 2019 along with his wife and disobedient terrier Purdey. Richard is an Executive Director of the Cumberland Building Society.

Richard's career after an interesting start in the wine trade has been in financial services. Richard spent 14 years at PwC in Scotland, overseas and in London as an auditor before moving to Clydesdale Bank which he helped take public in UK and Australia in 2016. Subsequently he was Interim Finance Director of Newcastle Building Society before joining the Cumberland.

Richard is actively involved in Christchurch Cockermouth and having hung up his rugby boots during the pandemic is outside most weekends with country sports or exploring the fells with Purdey.

Richard has helped build the financial models and draft the Prospectus. Richard is not a signatory of the BLCG Bank account as he works for the Cumberland Building Society.



Malcolm our Secretary recently retired from his role as Director of ACAS West Midlands, where he had responsibility for dispute resolution and business consultancy services. He has worked on a number of

Government projects to design and deliver support packages, to promote business growth. He is currently a member of the Advisory Board at Keele University Business School and the Board of Trustees at Friends of the Lake District.

He has considerable experience of running a community business, having been Secretary and Vice Chair of Stafford RUFC, where he continues to be a Trustee. During this time, he worked with a small team to transform the Club by securing its relocation from its old premises to a modern £6.5m community sports facility.

Although only moving to Ireby three years ago, he has for the last twenty years spent his free time enjoying all that the Lakes has to offer from his static caravan in nearby Ouse Bridge, using the Black Lion as his local.



Laura Crane is Business Operational Manager at Castlehead Medical Practice in Keswick. She has always worked in the health service. She has lived in Ireby for just over two years. She has two daughters and a Labrador, Nora.

She is an active member of the PTA of Ireby School and a trustee of The Globe Hall. In her spare time she enjoys paddleboarding and fell walking.

Laura has supported Andrew on community engagement as well as working on our policies.



Andrew Knights is a retired rural GP and has always been very much involved with his village community. He lives in Ireby with his wife, Janet, and labrador, Nancy. Their daughter and granddaughters live just over the road.

He enjoys fell walking (all 214 Wainwrights) and running – running or volunteering at Whinlatter Parkrun most weeks. He is an Ireby school governor and volunteer minibuss driver, and volunteer at Theatre by the Lake in Keswick.

Andrew has led the Community Engagement effort of the BLCGL.

Denise Hardy



Denise Lives with Husband Tim in Ireby after moving there from south lakes.

Previously working for the Progressive employee-owned company Savant as a senior software configuration controller. This involved the control, processing and logistics of all blood products in the NHS blood service.

She now enjoys working in the Galleries with Tim as business partner as well as having a keen interest in interior design, Horses, Gardening and walking 4 dogs. With 7 Grandchildren too she has a busy and interesting life.

Denise is our Treasurer

Tim Hardy



Tim has lived with Wife Denise in Ireby for 6 years. He has been in business for over forty years and currently has 2 successful retail art Galleries in the Lake district along with holiday cottages here and Yorkshire.

He has extensive experience in small business start up mentoring. He also has a keen interest in local country activities, Horses, farming and enjoys the grandchildren coming to stay in the holidays.

Tim is the Management Committee Chairman.



Steve Proctor moved to the village of Ireby 3 years ago with his wife and family, and is a regular at the Black Lion as both client and resident quizmaster. He is also a trustee of the Globe Hall.

Steve is an independent IT Consultant working mostly in Fashion and Sports Retailing advising clients on various IT related topics. Such as Finance, Logistics, Financial Services, and E-Commerce

He enjoys the surrounding countryside and enjoys fell walking the Wainwrights and wild swimming (in the summer). He is also a keen amateur musician and likes to try his hand at most things DIY.

Steve built our initial Website and has worked on building the business plan.

With the assistance of advisors from the Plunkett Foundation and the Department for Levelling Up, Housing and Communities, the group considered a range of options and business models. In June of 2023, the group engaged Mike Hughes of MJD Hughes Limited, a recognised expert in the field, to undertake a full evaluation of the commercial viability of the pub and determine a fair market price. Based on his report and having sought advice from other community run pubs, the group decided to attempt a purchase of the pub. The funding required being drawn from the match funding support provided by the Community Ownership Fund, other available grants, finance raised through a community share launch and other fund-raising activities. To facilitate this, a Community Benefit Society was formed, based upon the Plunkett Model Rules and the desire to operate as a community hub. The CBS was registered by the Financial Conduct Authority on the 15<sup>th</sup> December 2023 (registration number 9199). The Black Lion Community Group Limited was born.

On the 18<sup>th</sup> January 2024, a bank account with the Cumberland Building Society was opened, enabling the group to trade and seek other grant funding.

## 2. What is our community and what would they like:

The pub serves two groups: the local community and those from surrounding areas, and visitors to the Lake District National Park and Cumbria. Although Ireby and the Northern Fells is a fantastic place in which to live and work, the area experiences the recognised problems associated with rural isolation and lack of employment options. The problems affect the young and elderly alike and are exacerbated by the lack of public transport which only runs one day per week for the summer months and the lack of affordable taxis.

The Black Lion is located within the Parish of Ireby and Uldale, an area of 5,000 hectare with a population of 458 and a density of 5 per hectare. The pub serves the wider administrative area of the Boltons, an area of 14,500 hectares with a population of 1,832 and a density of 0.1 per hectare. The area is predominantly rural with several hamlets such as: Aughtertree, Bewaldeth, Boltongate, Ruthwaite, Sandale and Snittlegarth. The census data of 2021 across the Parish and administrative area, shows little variation. The figures for Ireby and Uldale being shown in brackets.

The area reflects the ageing demographic of the Lake District. Over 44% (25%) being over 65 and only 14% (16%) under the age of 16. In line with the rest of the Lake District, the permanently resident population continues to decline. The lack of facilities for young and old, coupled with the almost complete absence of public transport are major contributory factors. Around 21% (17%) of the population meet the legal definition of having a disability. Not surprisingly, 93% (95%) of household own at least one car. Census data confirms the absence of community facilities. Developing the pub as a community hub and working collaboratively with the Globe Hall will help to address these issues.

Around 60% (61%) of the population are married or in a civil partnership. Lone parent households account for 5% of the community. In keeping with the rural location, 57% (49%) live in detached housing, 24% (33%) in semi-detached housing and 15% (16%) in terraced housing. Ownership levels are high at 75% (55%), with 53% (22%) being mortgaged.

Unemployment rates are lower than the national average : 73% (73%) are in full time employment with 24% (26%) being self-employed. The gender breakdown of economic activity varies: male 77% (76%) and female 69% (68%), males full time 39% (32%) and female full time 27% (26%), self-employed males 29% (34%) and self-employed females 19% (20%). The main areas of employment being: hospitality 17.7% (10%), agriculture 12% (20%) and retail 10% (11%). There is a greater incidence of employment in education amongst females 14% (14%) and healthcare 17% (15%). A greater proportion of males are skilled tradesmen 30% (35%) compared to females 10% (13%).

Professional 16% (19%) and Director 18% (15%) level roles are evenly distributed between the genders. Educationally, 20% (25%) of the population has no qualifications with 37% (38%) having achieved level 4 or higher.

In common with other parts of the Lake District, the area has a significant number of second/holiday homes. In Ireby they account for 12% of the total housing stock. Whilst considerably less than Keswick with 25%, they bring advantages in terms of the increased spend per visitor and disadvantages in terms of contributing to the lack of affordable housing. The issues are well documented in the House of Commons Library Debate Pack CDP 2022/0001 and the submission by the Lake District National Park July 2022 to the UK Parliament.

A number of key points can be drawn from the above data. The community hub will service a large lightly populated rural area with no public community facilities. Whilst there are high levels of employment, nearly 40% of these are in low wage occupations and 40% part time. The viability of the pub will be enhanced by the ability to draw on the high daily spend of tourists which can be used to cross-subsidise the spending capacity of the relatively small local community.

The problems of the adverse impact on mental and physical wellbeing resulting from rural isolation are well documented: Rural England – Older People in Rural Areas – Vulnerability Due to Loneliness and Isolation 2016 being an example. More recently, a position paper by Action with Communities in Rural England ACRE. The absence of access to a shop, pub and public transport are all major contributors to isolation. Developing an inclusive community hub and working in collaboration with the Globe Hall will help to reduce isolation by providing a place meet and engage with others regardless of their age or background.

We have worked with the community to establish how they would like to see the pub function as a community hub. This has been done through several channels: public meetings, surveys (see appendix “Community Survey Results”), social networking and most importantly – individual face to face communication. The feedback has informed our strategy and business plan. There is a clear desire to see the pub used for a range of community activities: a warm meeting place in winter, an advice centre in conjunction with the Northern Fells Group, arts and crafts groups, music groups and fund-raising events for local charities through quizzes and other events. It is also seen as a natural hub, to be used as a short-term contingency in emergency situations, such as power outages.

We are actively involving younger people and carers in the project and have included their feedback in our plans. A vibrant social hub, which facilitates inter-generational mixing will help encourage young families to settle and remain in Ireby and the surrounding villages, helping to protect the future of our local primary school. A school built in 1880 for the sum of £1,095.

The Black Lion will provide jobs and training opportunities for local people in an area with few local employment opportunities. The 'Business Plan' gives details of how we intend to work with local businesses to support them and reduce our carbon footprint.

Ireby is in the heart of an area which attracts tourists who come to walk the local fells, cycle around the less busy roads and enjoy all that nearby Lake Bassenthwaite has to offer. Our engagement with individuals, organisations such as the Ramblers Association and Cumbria Tourism highlights the scope for the Black Lion to open its doors during the day to provide a service to them, increasing the attractiveness of the area to visitors and attracting them away from the heavily overused areas of the Central Lake District.

The impressive turnout for the annual switching on of the Christmas tree lights in the square demonstrated how central to village life the Black Lion is.



### 3. Delivering our aims.

i, **Our aims:** We want the Black Lion to be an inclusive community owned pub, using local suppliers and providing employment and training to the surrounding community. A commercially viable, not for profit cafe/pub that is the hub of the village of Ireby and the surrounding communities. A hub providing facilities and services that benefit all the residents of our communities and one which caters for the needs of the many tourists who come to enjoy the Northern Fells of the Lake District National Park. These aims have been informed by a survey of the community (Appendix vii), feedback from consultation meetings, analysis successfully trading operations and customer engagement.

We want the pub to be at the heart of the community. A meeting place offering a friendly welcome to all, somewhere for groups and clubs to use as their base, and a constructive collaborative partner to help deliver externally organised community events. The pub is well placed to enhance the offering of the adjacent village hall, the Globe Hall, which is well known venue for music, theatre, film and indoor activities. We want to help re-establish the Ireby Music Festival an annual event which attracted large crowds, but sadly ended due to Covid.

This is a developing project. Subject to affordability and the need to maintain the long-term sustainability of the pub, we intend to use the hub to support and engage with a wide range of community activities. The community fund will come from the operating profits of the group, additional fund-raising events and providing a waive interest option to shareholders, enabling them to further invest in the community.

The future direction of the BLCGL will be determined by members. Not just at the AMM, but through regular contact through our Community Engagement Office, updates on facebook and the website, and most importantly, face to face contact between members of the Committee and Members. Attendance at the AMM will be encouraged and the importance of securing a stream of future Committee Members is addressed in a structured way within our Governance Policy.

The Tenancy Agreement will be structured around the need to ensure that the Tenant is aware that this is a community hub, not just a pub, and that they will play a pivotal role in helping to achieve the aims of the Group by engaging and working with volunteers and other collaborative partners. Establishing the Black Lion as the heart of the community will significantly enhance the commercial viability of the business.

We will be able to help fill the gap in local authority service delivery: maintaining footpaths and providing benches, supporting initiatives to increase inclusivity and access to the countryside for the disabled and members of the Black and Minority Ethnic community. As a successful and high-profile community hub, we will be able to influence the Parish and County Plans to help ensure that they best represent the interest of the community.

Even at this embryonic stage, our profile has initiated discussions with our local MP, County Councillors, those responsible for transport across Cumberland and bus operators, to re-introduce and increase the availability of public transport to the area. A bus service linking Keswick with Ireby, Caldbeck and Hesket would increase the sustainability of the businesses in those villages, draw tourists away from the over-visited areas of the National Park and reduce rural isolation.

Our essential underpin is our desire to safeguard the future of the Black Lion, ensuring that a vital community asset remains open to serve the needs of the community, saving the site from possible residential development in the future.

ii, **Feasibility:** The steering group consists of individuals, with a range of skills and experience relating to the delivery of commercial and community-based operations, operating both within the private and public sectors. The group continues to draw on the willingness of others within the hospitality sector and community organisations to share their knowledge to help ensure the initial success and sustainability of the project.

Mike Hughes of MJD Hughes Limited was engaged to critically assess the commercial viability of the project and determine a realistic value of the business. Negotiations were held with the current owner, drawing upon the finding of Mike Hughes, and a purchase price of £395,000 agreed. Additional costs will be incurred in respect of stamp duty, professional fees and initial start-up costs. These will bring the initial outlay costs to around £450,000.



Income and expenditure projections for the purchase and running of the pub are detailed below at Section 8 They cover the initial purchase and a five-year period. The projections have been made for the Black Lion Community Group Limited. We also include an indicative tenant operational cashflow to demonstrate the financial stability of the project.

The project differs from other similar community purchases, in so far as we were able to persuade the owner to re-open the pub and continue trading, to provide the community with the time to raise the required funding. In addition to maintaining a pub which continues to operate within the village, the arrangement gives rise to significant cost savings relating to re-opening a closed/dormant pub: refurbishment, cellarage replacement and expense associated with having to apply for a new license. The pub is currently fully compliant with Food and Hygiene, Fire and general Health and Safety requirements.

**iii, New operating model:** The current owner does not run the Black Lion as his main business. Hours are very restricted: 6.00 to 10.00 Tuesday to Friday, 3.00 to 10.00 Saturday and 4.00 to 8.00 on a Sunday. The pub does not open on every Bank Holiday and there are no additional opening hours for the summer months and other peak visitor times.

Going forward the community hub will open as a cafe/hub in the morning, transitioning into a more traditional pub model as the day progresses. This model arose out of the findings within the Hughes Report, customer surveys and an analysis of similar business models used elsewhere by commercial operators, such as the Titanic Brewery. It recognises the absence of a cafe in the village, the desirability of having a drop in place for parents dropping off their children at the neighbouring school and the popularity of the area with walkers, cyclists and tourists who arrive by car.

Based on customer feedback, we will provide a wider range of food, changing with the time of day and bring back Sunday lunches. All food and beverages will be locally sourced, as far as possible. We will also provide a small area to facilitate the sale of locally produced products. Doing so will provide a revenue stream, support the wider business community and help fill the void created by the absence of a village store.

We will work with the Trustees of the Globe Hall to help them enhance their offering to the wider community, by providing food and refreshments service their events.

The site also includes 2 Holiday Let units. One of which we expect the tenant to occupy. The income from the other will be shared equally between the tenant and the BLCGL.

None of the above are outside of the current operating License for the pub.

**iv, Management structure:** The Plunkett model rules for a Community Business have been adopted which ensure the participation of the membership. These also require that the benefit of the wider community is at the heart of the enterprise. Over time, the Management Committee members (max 12) will be replaced through election to reflect the changing demographic. The values of inclusivity and sustainability underpin the concept.

The Community Benefit Society Model and the Model Rules require an annual meeting of members (one member, one vote regardless of the size of shareholding). This meeting will elect the steering committee and vote on other matters arising. The Management Committee will meet on a regular basis at least once a month.

Whilst stability of leadership from the Management Committee over the initial years is important, inevitably people's personal circumstances change, or needs arise that require new team capabilities. To this end, the AMM of BLCGL provides the opportunity for members to stand down or stand for (re)election, thus ensuring confidence in and the legitimacy of, the Management Committee: democratically elected by all our members.

We want to ensure that this is a community asset, one where the community owns the asset and has a say in how it is run. We have structured our organisation in a way which best protects the future of the pub as a community hub.

**Day to day running of the pub:** based on the experience of the group and the views of Mike Hughes, we decided that the most effective way to run the business is to appoint Tenants, operating to an agreed business model with oversight from the Management Committee. We are fully aware of the importance of, and difficulties associated with securing the right tenant. The recruitment process is timed to commence in advance of the acquisition of the pub, as we wish to ensure that the tenants are engaged with our view of a community pub, can contribute to the ongoing sustainability of the operation and be in place at or near the time of transfer of ownership.

After an initial period which is likely to involve ongoing structured meetings, the BLCGL will instigate a formal monthly review meeting between the tenant, the BLCGL Secretary and one other committee member.

Our business plan includes an illustrative tenant cashflow forecast and we have taken soundings from a number of existing community owned pub tenants who have confirmed that this represents a fair and reasonable assessment of the financial opportunity the Black Lion represents. We have provided rent reductions in the first 2 years to make this an attractive proposition as we are keen to attract the right tenant who is keen to work collaboratively with a community group. An illustrative tenant cashflow is included within this business case which illustrates the attractiveness of this opportunity. In determining the Tenancy Agreement, we will draw on examples of similar tenancy agreements which specify the different accountabilities of the tenant and the BLCGL

The new model will result in significantly increased opening hours. We are aware of the need to accommodate the work-life balance of the tenant with our desire to meet the needs of the community and other users. The proposed opening hours are not outside those operated at other tenanted outlets, but we have explored contingencies, should this be an issue. We have already had offers from individuals with experience of running cafes who would be willing to take on the operation of the cafe until a time in the day, to be agreed with the tenant, when the premises transitions into more of a traditional pub. This provides us with a fall-back position.

We are also aware of the need to have contingencies in place to ensure the running of the pub in the event of suitable tenants not being found or any unplanned departure of the tenants. Should that be the case, we have already secured the commitment of individuals with experience of running a pub and working within the hospitality sector who would step in on an interim basis.

**v, Funding:** The main sources of funding will come from a public share launch and matched funding from the Community Ownership Fund (COF), a scheme operated by the Department for Levelling Up, Housing and Communities. With support from the Plunkett Foundation, initial approval of our plan has been received from COF. We have also been able to secure the support of a COF funded adviser to assist with the formulation of our submission for funding from COF.

Now that we have become a registered Community Benefit Society and have our own bank account, we are able to seek additional grant funding from other organisations which support community groups, such as the Co-operatives UK Community Shares Booster Fund.

In addition to the main sources of funding, we have undertaken several fundraising events and continue to do so. These have been well supported by the community,

Should we fail to reach our required target, we will consider the feasibility of doing so by accessing low interest loans through organisations such Co-operatives UK and a Public Works Loan with the support of our Local Parish Council.

## 4. Our customers.

Our customers can be divided in to three categories:

**The local community:** Ireby lies in the local authority ward of the Boltons, a rural area with a radius of no more than 10 miles. A total of 1,832 people live within the area. ONS Census 2021

**The wider community:** 57% of visitors to the area are from the Northwest

**Tourists:** Around 18m visitors come to enjoy the Lake District and surrounding parts of Cumbria. Of those 7.26m visited Allerdale, the administrative district in which Ireby is in, prior to the recent local government reorganisation. The visitors to Allerdale had a total spend of over £7m.

- ✚ New visitors to Cumbria spend on average £120.51 per day.
- ✚ The most popular activities were visiting towns and villages, lakes and the countryside.
- ✚ 42% of visited a pub.
- ✚ 80% consumed locally produced food and drink
- ✚ 65% were between the ages of 25 and 59
- ✚ 16% were from an ethnic background
- ✚ 14% had a disability
- ✚ 30% were accompanied by their dogs.
- ✚ Half of visitors took short walks of up to two miles in length.
- ✚ Cycling continues to grow in popularity, having increased to one in ten visitors.

Cumbria Tourism Research 2022

## 5. Our competition.

A tearoom can be found in Uldale which is 2 miles away from Ireby and falls within the same Parish. A pub and a tearoom can be found in Caldbeck which is 8 miles away, across Caldbeck Common. A pub can be found at Hesketh Newmarket which is one mile further on. Caldbeck is heavily visited by tourists, being the birthplace of John Peel. So much so, that it experiences significant day time parking issues during the tourist season, especially in roads around the pub. The success of a recently opened pop-up cafe operating out of a shed in a car park has exacerbated the situation. It has however demonstrated the popularity of cafes with those who live within and visit the area. Given that over 7 million tourists visited the area, there is significant demand to be catered for.

The businesses in the local area are keen to enhance the attractiveness of the Northern Fells to visitors, luring them away from the attraction of Keswick which is 12 miles away. Increasing the number and variety of good quality outlets will enhance the reputation of the area as a go to place for refreshments. Cumbria Tourism are currently developing a strategy to attract visitors away from the oversaturated tourist areas between Keswick and Windermere. A key part of this strategy is the enhancement of the provision of public transport to rural areas, using funding released by the cancelling of HS2 and their “Go Car Free” campaign to reduce carbon emissions. We are working with our local Member of Parliament, County Councillor, Parish Council and County Council Officers to obtain BSIP+ (Bus Support Improvement Plan +) funding to introduce a bus service, linking Keswick to the Ireby and the other two villages within the Northern Fells.

Our business model is built around the concept of being a cafe in the morning transitioning into a cafe/pub as the day progresses. The menu on offer will change during the day and periodically, using locally sourced produce. Although we will be increasing the number of outlets, we are seen by our competitors as expanding the size of the cake, rather than redistributing the share.

We have the support of other local cafes, bistros, pubs and dining experiences. These include the winner of the Cumbria Tourism Award 2023 and the Silver Award Winner at the Visit England Awards for Excellence. - Bassenthwaite Lake Station. They have already contributed to our fund raising and have offered to share their expertise. They are keen to ensure that we help them to grow the popularity of our part of the Lake District.

The table below summarises the offering from others within a 10 mile radius.

Type	Name	Location	Distance	Food	Drink	Rooms	Outside Catering
Hotel	Woodlands Country House	Ireby	0	Yes	Yes	Yes	
Café	Mae's Tea Room	Uldale	2	Yes	Yes		Yes
Hotel	Overwater Hall	Overwater	3	Yes	Yes	Yes	
Pub	The Greyhound Inn	Bothel	4	Yes	Yes		
Pub	The Oddfellows	Bolton Low Houses	5	Yes	Yes		
Pub	The Sun Inn	Bassenthwaite	9	Yes	Yes		
Café	The Craggs Coffee House	Bothel	5	Yes	Yes		
Hotel	Armathwaite Hall	Bassenthwaite	7	Yes	Yes	Yes	
Hotel	Castle Inn Hotel	Bassenthwaite	6	Yes	Yes	Yes	
Hotel	Greenhill Hotel	Red Dial	5	Yes	Yes	Yes	
Outside Catering	Ann Parry	Caldbeck	6	Yes			
Pub	The Oddfellows	Caldbeck	8	Yes	Yes	Yes	
Pub	The Sun Inn	Red Dial	6	Yes	Yes		
Café	Muddy Duck Tea Room	Caldbeck	6	Yes	Yes		
Café	Watermill Café	Caldbeck	6	Yes	Yes		
Bistro	Herdwick Willys	Bassenthwaite	8	Yes	Yes		
Bistro	Bassenthwaite Distillery	Bassenthwaite	8	Yes	Yes		
Pub	The Grey Goat	Blennerhasset	6	Yes	Yes		
Outside Catering	Choice Catering	Hesket Newmarket	6	Yes			
Hotel	The Pheasant Inn	Bassenthwaite	9	Yes	Yes	Yes	
Pub	The Old Crown	Hesket Newmarket	9	Yes	Yes		
Café	Bassenthwaite Lake Station	Bassenthwaite	9	Yes	Yes		
Hotel	Ravenstone Manor	Bassenthwaite	8	Yes	Yes	Yes	
Outside Catering	Stanicas	Wigton	7	Yes			
Bistro	Ravenstone Manor Stable Bar Bistro	Bassenthwaite	8	Yes	Yes		
Café	The Old Sawmill Tearoom	Dodd Wood	8	Yes	Yes		
Pub	De Brito Craigs Wheatsheaf Inn	Embleton	8	Yes	Yes		
Pub	Ye Olde Greyhound Inn	Bromfield	8	Yes	Yes		Yes
Pub	Masons Arms	Gilcrux	10	Yes	Yes		
Outside Catering	Chocolate Delight	Cockermouth	10	Yes			
Outside Catering	Get Stuffed	Cockermouth	10	Yes	Yes		
Pub	The Bitter End	Cockermouth	10	Yes	Yes		
Pub	The Swan Inn	Cockermouth	10	Yes	Yes		
Pub	The New Cock & Bull	Cockermouth	10	Yes	Yes		
Pub	Seths Bar	Cockermouth	10	Yes	Yes		
Pub	Castle Bar	Cockermouth	10	Yes	Yes		

Restaurant	Blocks	Cockermouth	10	Yes	Yes		
Restaurant	Koppers Café Bar	Cockermouth	10	Yes	Yes		
Pub	The Black Bull	Cockermouth	10	Yes	Yes		
Restaurant	Spice Club	Cockermouth	10	Yes	Yes		
Pub	Bush Inn	Cockermouth	10	Yes	Yes		
Pub	The Huntsman	Cockermouth	10	Yes	Yes		
Pub	The Bush	Cockermouth	10	Yes	Yes		
Hotel	Trout Hotel	Cockermouth	10	Yes	Yes	Yes	
Hotel	The Manor House	Cockermouth	10	Yes	Yes	Yes	
Bistro	Shills Of Cockermouth	Cockermouth	10	Yes	Yes		
Hotel	Allerdale Court Hotel	Cockermouth	10	Yes	Yes	Yes	
Hotel	Tithe Barn Hotel	Cockermouth	10	Yes	Yes	Yes	
Hotel	Croft House	Cockermouth	10	Yes	Yes	Yes	
Bistro	Wild Zuchinis Bistro	Cockermouth	10	Yes	Yes		
Restaurant	Derwent Restaurant	Cockermouth	10	Yes	Yes		
Restaurant	Tarantella	Cockermouth	10	Yes	Yes		
Café	VeeVa	Cockermouth	10	Yes	Yes		
Restaurant	Aspava Restaurant	Cockermouth	10	Yes	Yes		
Café	Rendezvous	Cockermouth	10	Yes	Yes		
Café	The Moon & Sixpence	Cockermouth	10	Yes	Yes		
Café	The New Bookshop	Cockermouth	10	Yes	Yes		
Café	Fika	Cockermouth	10	Yes	Yes		
Café	Bubble Bea Tea	Cockermouth	10	Yes	Yes		
Café	Norham Cofee House	Cockermouth	10	Yes	Yes		

## 6. Strengths, weaknesses, opportunity and threat analysis.

We have undertaken a SWOT analysis of the business (Appendix iii). This has informed our thinking and was a key input into our presented business plan, financial forecasts and assessment of risk.

## 7. Our supporters.

In addition to the support of the local community, we are grateful for the support of the following;

- ✚ Mark Jenkinson, Member of Parliament (Conservatives)
- ✚ Markus Campbell-Savours – Labour Parliamentary Candidate
- ✚ Julia Aglionby – Liberal Democrat Parliamentary Candidate
- ✚ Jill Perry, County Councillor and Green Party Parliamentary Candidate
- ✚ Ireby and Uldale Parish Council, who match funded the donations made by individuals to pay for the initial valuation report.
- ✚ Cumberland County Council
- ✚ Cumbria Tourism
- ✚ Lord Melvyn Bragg
- ✚ Ross Hutchinson
- ✚ The Plunkett Foundation.
- ✚ The Globe Hall
- ✚ The Northern Fells Group
- ✚ BBC Radio Cumbria
- ✚ ITV Border News
- ✚ The Cumberland News
- ✚ The Cumberland Building Society
- ✚ CAMRA

## 8. The Figures

The overview of Potential funds based on achieving our target is as follows:

Source of Funds	Purpose	£
Share Capital	Purchase, set-up costs and working capital	£165,500
Community Ownership Fund	Purchase, set-up costs and working capital	£256,000
Community ownership Fund Revenue Grant	Year one revenue support	£20,600
Other Grants estimate	Year one support	£5,500
	<b>TOTAL</b>	<b>£447,100</b>

Other Funding Received and utilised pre Prospectus

Plunkett Grant (Small Revenue Fund)+	Pre launch professional costs (est.)	£9,678
Parish Council Support+	Initial Purchase Survey costs	£900
Local residents / Committee start up donation +	Initial Purchase Survey costs	£900
Initial expense fund donations to date +	Campaign costs / working capital from events	£4,979
	<b>Total</b>	<b>£16,457</b>

We have already raised funds locally and received Grants to get us to the point of writing this prospectus and business plan. These funds are shown above and marked (+) These funds and the Grants have already been utilised to cover items including the pre purchase valuation, subsequent structural survey, engagement of professional support, Plunkett membership, FCA registration, advertising for a tenant to date and our website build.

The Capital and start-up Costs can be summarised as follows:

<b>Overview of capital and purchase related costs</b>	<b>£</b>
Purchase Price (Land, Building, Fittings)	<b>£395,000</b>
Stamp Duty Land Tax	<b>£9,250</b>
Legal, searches, surveys (Conveyancing) est.	<b>£10,196</b>
Crowd Funder Costs	<b>£8,123</b>
Light Refurbishment	<b>£1,800</b>
Stock	<b>£2,500</b>
<b>SUB TOTAL</b>	<b>£426,869</b>

#### **Overview of Revenue Related Costs**

Reduction of Tenancy in initial years	<b>£10,000</b>
Building Insurance est.	<b>£1,200</b>
Repairs and renewals	<b>£2,000</b>
Associated Memberships (Plunkett etc)	<b>£240</b>
Bank Charges	<b>£180</b>
Contingency fund (25% of other costs estimated) and £5k buffer	<b>£6,120</b>
Website office costs, Accountancy	<b>£860</b>
<b>Sub Total</b>	<b>£20,600</b>
<b>Grand TOTAL REQUIRED</b>	<b>£447,469</b>

**Investors will identify that the funding target provides a 25% operating cost contingency and a further buffer of £5k. The further buffer is to reflect the likelihood of costs in year one that we can't definitively specify at the launch date. The minimum funding required to make acquisition viable in the committee's opinion is £427,000. As Grants and COF funding are contingent to the project's success, the minimum viable equity raise from investors is £165,000.**

The pub is currently trading as a going concern and is fully compliant with all licensing, food hygiene and health and safety obligations.

As a condition of securing support from the Community Ownership Fund, we have been obliged to secure a valuation of the pub from a recognised independent valuer. This was undertaken by MJD Hughes Limited, 2 Forest Farm Business Park, York, YO19 4RH.



**An approved purchase price of £395,000 has been agreed with the current owner. The completion date is subject to contract and the securing of the required funds.**

Beyond the purchase price, there will be other immediate costs to get the pub open which are included in all targets as estimates. We also believe that we need working capital to cover the unknown and to ensure that the pub has time to get up to levels of trading described in the business plan and to manage the unforeseen including delay in finding a tenant or unexpected capital works. We have included these in a prudent but not excessive basis in our targets above.

**We are working with tight time constraints due to the pending closure of COF funding.**

We have already received pledges of support from tradesman and volunteers to undertake any redecoration and repairs on a cost only basis.

#### **Non-urgent works**

Non-urgent works will be funded out of future cashflow and by drawing on grants available from organisations such as The Pub is the Hub. Alternatively, we could explore taking on a loan to undertake them. If a loan were considered, any proposal to borrow will be brought to a members' meeting for consultation, given the impact on members' interests. As the Black Lion is operational today and has been surveyed (full electrical and structural surveys) as part of the process to get to this point we are confident there is no major work required. The structural survey does identify matters such as The Lion's guttering which will require swift attention.

## The share launch:

Shares will initially be offered to those living in Ireby and the surrounding Parishes. This is to ensure that they can invest in their community hub. Thereafter, shares will be made more widely available through our Website and through Crowdfunder.

## How we get there

Our **target** scenario – the one our business plan is based around – is where we raise £448,000 including grants to fund the purchase, the related essential works and provide working capital without the need for additional finance from any other sources.

The **minimum** share offer target is **£165,000** which enable us to move ahead provided we secure the additional matched and revenue funding from COF grants (£276,600). In the unlikely event that we are unable to raise £165,000 from the share offer and thereafter successfully obtain grant funding, the Management Committee will explore the scope to secure the low interest loans which are currently available through the Co-operative Booster Fund, Local Authority Public Works Loans and other similar community business support organisations. If the project fails any money raised from this share offer will be returned to investors.

The minimum share subscription has been set at £1-00 per share with a minimum purchase of 50 shares. This has been set to ensure that all members of the community feel that they can contribute and secure an interest in their local community hub.

The maximum subscription per one person has been set at £45,000.

Each shareholder will be entitled to one vote at any shareholder meeting, regardless of the size of their holding. This limitation has been set to ensure that the community, rather than a small group of individuals, will determine how the community hub is run.

Interest will be payable on each share, but none paid until year 4 to ensure that the contingency fund is added to, thereafter interest payments (illustrated at 3%) will be subject to positive trading conditions (including having initially raised £415,000 to cover purchase and renovation without loans), at a rate to be decided by the Management Committee annually.

Apart from the death of a member, withdrawal of capital by members if requested is targeted from year 4 onwards and solely at the discretion of the Management Committee who will always seek to maintain the long-term viability of the pub.

The rules of the society contain an **Asset Lock** and so members will not have rights over residual assets of the company. In this regard it is also important to note that the Department for Levelling Up and Communities may require a charge on the asset for seven years as part of COF funding provided. If it is dissolved, after paying back creditors' claims and then shareholders, any residual amount will be invested in another similar organisation in the local area committed to providing community benefit with a similar asset lock.

This limitation has been set to ensure that anybody seeking to invest is doing so to support the community rather than as a speculative venture.

### **Oversubscription**

The Society's ambition is to utilise grant funding where possible, then equity, and lastly debt as a last resort. As we don't yet know how much we will secure in grants, the precise amount of share capital we need to execute our business plan is also somewhat uncertain. We will accept all applications for investment up to £448,000, as raising this level of funds will mean we are not reliant upon any grant funding. Beyond this, invested funds will be held by the Society but not processed until we have a better picture of the final grant position and costs over the acquisition and set up period. These later investors will not become members of the Society until we have determined whether these funds are needed. If we have received more capital than we need, any unused funds will be returned on a last-in, first-out basis. Funds held by the Society in this manner will be held for no longer than 6 months after the closure of the share issue. This length of time is primarily in order to allow settlement of any grants awarded and for the property transaction to close.

### **Future share issues.**

In the event of any future Share offers, though none are currently planned, we would use at least 50% of new capital introduced, through an open or further time-bound share offer, to allow some existing shares to be withdrawn, with up to 50% being retained for capital investment in the business.

### **Grant funds.**

We have had our Expression of Interest application accepted by The Community Ownership Fund (COF) and successfully passed the second-round assessment of the project. COF have awarded us consultancy hours to help us develop our full application and indicated that we are also eligible for Grants to support the professional services necessary to support our share offer and the purchase process. Concurrent with this share offer we are continuing to seek further grants such as from the Pub is the Hub.

Any money paid to The Black Lion Community Group Limited will be held in a single purpose BLCGL deposit account which has been opened with The Cumberland Building Society, withdrawals from which require the signature of two members of the committee. If the project fails, these funds will be returned by direct transfer or by cheque.

### **Investor Benefits.**

- Interest may be paid on your investment in year 4 onwards. This will be at a rate decided by the Management committee on an annual basis in accordance with the Society's Rules. The maximum rate will be 5% or 2% above the Bank of England Base Rate, whichever is the greater. This will be in the form of shares or cash.
- Investors (18 or over) are eligible to vote at the AMM on important matters facing the Society.
- Investors (18 or over) have the chance of standing for election to join the Management Committee.
- If we raise our minimum or maximum targets in our share issue, Investors will have the chance to have their money returned on a first-come-first-served basis, if share capital is available for withdrawal from year 4 onwards.



Appendix : The Black Lion



Main Bar Area



Flat 1



Flat 2



Outside



<p><b>Location</b></p>	<p>The property is in Ireby, a village near the town of Wigton, Cumbria, located on the northern boundary of the Lake District National Park.</p> <p>It is situated in a prominent position in the villages former Market Square, the main road connects to the B5299 and B5291 and there on to the A595.</p> <p>The nearest town is Wigton, which is 7.5 miles away. The popular tourist town of Keswick is 12 miles South.</p> <p>The property is surrounded by good quality residential dwellings and farmland. The village has a Church, Primary School and Village Hall.</p>
<p><b>Description</b></p>	<p>A two-story semidetached building of stone construction with rendered elevations beneath a mixture of multi-pitched roof with tile and slate covering, and flat roof. On street parking.</p>
<p><b>Accommodation</b></p>	<p>Public house at ground floor with main bar with dining area and a snug.</p> <p>Fully equipped trade kitchen, store room and cellar.</p> <p>Two holiday let apartments.</p> <p>No designated private accommodation</p>
<p><b>Tenure</b></p>	<p>The Property is Freehold.</p>

Appendix : Critical Success Factors (Risk register)

Critical Success Factor	Probability achieved easily?	Influence on Enterprise?	Importance (probability x influence)
Funding	2	3	6
Customers	2	3	6
Tenants and Staff	2	3	6
Business Plan	2	3	6
Building and Land	2	2	4
Action plan targets	2	3	6
Shareholders	2	3	6
Feasibility Study	1	1	1
Local Authority approvals	1	1	1
Local community support	1	1	1
Management Cttee/Board of Directors	1	3	4
Expert Advice	1	1	1
Brewery, good beer and good food.	2	3	6
Media coverage	2	2	4
Local suppliers	3	2	6

*Score 1: Easily achieved/less influence. Score 3: Harder to achieve/greater influence*

*The probability and influence of each factor are scored according to their relative importance. The higher the 'Importance' final score, the more critical the factor to the success of the project.*

This analysis shows that funding, customers, and tenants and staff are among the top factors vital to the success of the project and represent the areas that require focused management of risk to ensure success.

## Appendix : SWOT Analysis

### Strengths

1. Only local pub (>4-mile radius)
2. Central prominent location – obvious to passing trade
3. On site accommodation for tenant, or use as holiday let(s)
4. Business still open- no need for relicensing or recommissioning cellar
5. Excellent level of local support
6. Sound building – no significant problems shown by full survey
7. In a popular holiday area – desirable location
8. Significant passing tourist trade, cars, cyclists
9. Adjacent to Globe Hall (village hall which holds events)
10. Village tradition of arts / music events

### Weaknesses

- Limited space to grow business / provide extra facilities
- Little external space / no beer garden
- Some need to improve facilities e.g disabled toilet
- Need for a modest level of redecoration / renovation
- Potential for problems with current employees (? Right for job, TUPE)
- Perceived current poor reputation for food / drink / management
- Need to move significantly beyond locals for share sales

### Opportunities

- Increase appeal to local / passing tourist trade, cyclists, walkers
- Enhance local support with community ownership status
- Encourage loyalty of shareholders
- Develop services in line with local survey results – café, takeaway food, local groups
- Develop menus incorporating local produce
- Develop drinks menus incorporating local and craft beers, artisan spirits
- Utilise social media with more targeted posts
- Work collaboratively with local partners, suppliers, walking groups, country pursuits group
- Work with Globe Hall to increase joint events
- Listings in relevant local guides e.g. Good Beer Guide (CAMRA), tourism (Visit Cumbria)
- Develop positive online reviews
- Continued use of holiday let(s)
- Private events

### Threats

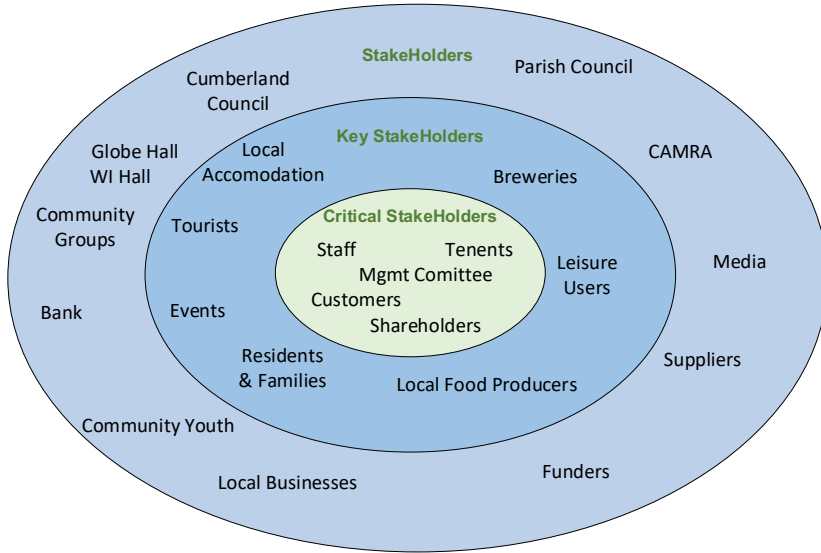
- Inability to raise enough funds/ sell sufficient shares
- Existing landlord may change his mind or close business
- Risk of attempted sale for residential use
- Difficulty recruiting or retaining quality tenants
- Low numbers on committee – risk burnout
- Low trade levels in off-season
- Economic downturn
- Negative online reviews
- Regulatory challenges



Mitigations.

- Scope to expand: we will consider buying the adjacent premises, should they become available. Doing so would facilitate further covers, a larger kitchen, a beer garden and free up a letting room by providing owners accommodation.
- Landlord changes mind/seek change of use: this is an Asset of Community Value. We would resist any planning application for change of use and seek to ensure that the Local Authority use their powers to ensure that the pub remains open, including the option of compulsory purchase. We are aware, that the level of funding raised will influence the action which the LA can take.
- Difficulty recruiting tenants: we have a contingency which calls on members of the community with experience in hospitality and catering to temporarily manage the hub, working with volunteers.
- Perceived poor quality of current offering: we will act on feedback received in terms of the menu and varying nature of the offering as the day progresses, focussing on consistent and good quality food and drink, within a realistic and manageable menu.
- TUPE issues: we will be guided by legal practitioners.
- Lower sale in off season: we will seek to extend our season by using the quieter months to run community events which draw on a wide community. Operating as a coffee shop in addition to a pub will enable us to draw on the longer season provided by use of coffee shops.
- Committee burnout: we recognise that churn is inevitable. Encouraging volunteers to make suggestions and acting on them when appropriate will increase engagement and the willingness of individuals to take on roles.
- Economic downturn: through our contingency of volunteer workers, we have scope to reduce running costs. Flexing opening hours is another option.

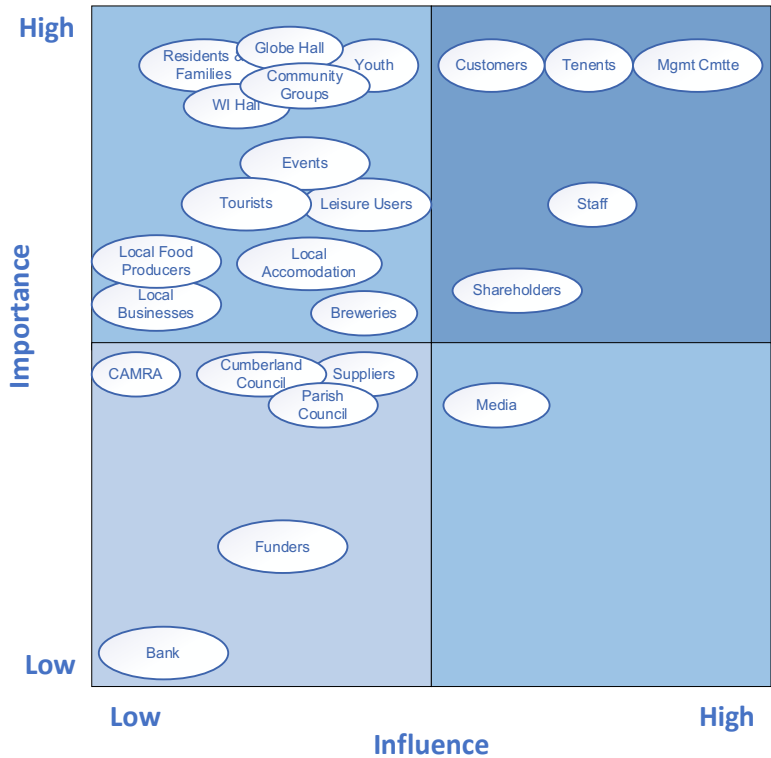
Appendix : Stakeholder Analysis



The inner circle shows critical stakeholders (e.g. customers), the next circle includes tourists and local food producers, the outer circle Local Authority and business. The intention is to give a visual impression of the overall importance of the Various Stakeholders involved.

The grid (right) shows the relative importance of stakeholders in terms of influence and importance.

The top right-hand section shows the most important and influential, including Regular Customers, Tenant, Staff, Management Committee and Shareholders.



## Appendix : Aims, Objectives, Actions, Outputs, Outcomes, and Timescales

Aim 1: Form Steering Group and attain legal incorporation, raise funds for start-up costs.

Objective	Action(s)	Responsible person	Resources/Output	Output	Outcome	Impact	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
By October 2023 to determine community opinions and gain commitment from volunteers to form a Steering Group to manage the project	Hold Public Meetings and consultations	Management Committee	Survey document. Meeting place.	Public views obtained	Help identify and plan course(s) of action.	Increased community involvement	✓				
	Form Steering Group	Management Committee	Volunteers.	Steering group formed	Group steers the project	Increase support for venture, build sound project foundations and demonstrate potential for success.	✓				
	Open bank account	Sec	Sec	Official bank account opened	Greater accountability. Allows access to funding.		✓				
	Liaise with vendor and/or agent	Chair	Chair	Better communications. Clarity.	Improve chances of project success		✓				
By Jan 2024 start to source other funding stream.	Identify sources and make contact.	Sec Mgt Comm.	Sec Plunkett Co-operative fund. Local authority	Access to sources of funding and collaborative working.	Reduced reliance on COF and share raised capital. Contributions to ongoing running costs.		✓				
Produce Plunkett Action Plan to accompany Bursary	Write Action Plan	Chair & Secretary	Guidance Documents.	Completed Action Plan	Awarded Bursary	✓					
By December 2023 create a website	Seek website designer Formulate design	IT lead	Website designer. Website brief	Website	Project details visible to a much wider audience. Greater inclusivity. Greater take up of share offer.	✓					
By Jan 2024 create a public Facebook Page	Seek FB expert	IT lead	FB brief	Public Facebook page				✓			
By October 2023 create publicity banners, logo, pledge forms and stationery	Design publicity material	IT Lead Engagement lead	Designer Design brief Sup	Logo Banners	Increased product branding and visibility.	✓					

			plier								
The Steering Group to become a legally constituted organisation (eg Community benefit Society) by October 2023	Undergo legal incorp process.	Sec	Sec	Constitution & Rules. Cert of Incorp & FCA oversight	Legal status. Structured operating structure. Clarity in terms of roles and responsibilities. Access to third party funding. Visible public accountability.		✓				
By Jan 2024 open a/c with online banking	Research options. Open bank a/c	Sec.	Application forms. Signatory ID	Bank account opened	Access to third party funding. Greater accountability. Ability to trade.		✓				

Aim 2: Produce business plan, commission valuation and raise funds for initial project costs.

Objective	Action(s)	Respons person	Resources	Output	Outcome	Impact	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
By October 2023 obtain formal market appraisal/valuation to determine in the pub/project is a viable enterprise	Liaise with Plunkett, Agent and vendor	Sec	MJD Hughes Limited	Consultant's report and fair market valuation.	Independent assessment of the initial value of the pub long term project viability.	Improve business viability. Provides recognized management data to be shared with third parties. Increases chance of securing COF funding.	✓				
By October 2023 , produce financial costings for the project, based on Business Valuation report	Liaise with Valuer, Experts and Steering Group	Secretary	Expert advice (eg publication, Plunkett) Reference docs	Draft financial costings, Cash-flow	Realistic idea of project costs and improved chances of project success	Sound and focused basis for the project.  Measurable performance measures.  Data for inclusion in share launch.	✓				
By October 2023 , produce Draft Business Plan to: (a) outline project aims obj, resources, actions, & timescales, (b) support funding applications, (c) support share issue	Research and assemble information. Write business plan.	Chair.	Expert advice Mgt Committee	Draft business plan	Clear outline of project.	Sound and focused basis for the project.  Measurable performance indicators.  Data for inclusion in share prospectus.	✓				
To liaise with agent and/or vendor to maintain ongoing open communications, obtain access to premises & be advised of other offers.	Liaise with Agent and/or vendor	Sec	Expert advice. Structural and electrical surveys.	Access gained to premises. Increased trust. Good communications.	Expert independent assessment of building related risk.	Increased business viability. Increased likelihood of COF funding. Outcomes for inclusion in share prospectus.	✓				
By October 2023, determine need for planning permission and License.	Contact Local Authority Planning and Licensing Departments.	Sec	Sec	Confirmation of position.	Ability to trade. Avoidance of breach of planning regulation.	Ability to lawfully trade. Information for inclusion in the share prospectus.	✓				

Aim 3: Issue shares to raise funds to purchase pub and cover other project costs. Project Stage 3.

Objective	Action(s)	Respons person	Resources	Output	Outcome	Impact	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
By Feb 2024, produce complete business plan incl all elements required by Plunkett, funders, sponsors & share issue	Research info required Write Business plan	Chair	Mgt Comm. COF advisor.	Updated Business plan	Clear guidelines for full project implementation	Sound and focused basis for the project. Data for inclusion in share prospectus. Data required to support COF application.	✓				
By October 2023, submit an offer for the pub	Submit offer to the Agent	Chair	MJD Hughes Limited - Valuation Report	Offer Document	Offer is accepted.	Project aims are clarified. Viability of project determined.	✓				
To purchase the pub by June 2024 at a realistic market value.	Seek Funding to: Buy pub Run publicity campaign. Bridge the gap between COF funding and the purchase price.	Share issue working group	Mgt Committee. Other share issues. Engagement lead.	Funding Plan Detailed timetable of activities Publicity plan	Initial stage of share launch.	Allows group to proceed with the share launch.	✓				
	Maintain relationship with current owner.	Sec	Sec	Controlled comms. Continued collaborative working.	Coordinated approach to share launch.	Consistency of message. Increased take up of share launch.	✓				
	Prepare share issue	Chair	Share issue adviser. Community Share Kitemark. Crowdfunder	Share prospectus & Certificate	Well managed, legally-compliant, share issue	Successful share issue	✓				
	Maintain accurate accounts	Treasurer	Bank statements Expenses records	Regular reports	Well managed accounts, Audit & FCA compliance	Discharge of fiduciary duties. Easier project management. Provision of management data to inform and	✓				

					enhance decision making.					
Publicity Campaign Public meeting	Engagement lead Mgt Comm	Publicity Co-ordinator Materials, Website, Facebook (internal and both local Facebook pages.) Parish Council Website Parish magazine ITV and BBC regional news. Local media. Engagement with local MP, key intermediaries and suppliers.	Regular newsletters/media Publicity material & timetable	Wider advertising, raise profile of campaign. Gain wider support. Maximise chance of selling shares.	Increased public support for project.  Increased potential sales of shares.	✓				
Organise share launch event. Sell shares. Record names shareholder	Chair IT lead	Village Hall. Volunteers Share register Crowdcube.	List of shareholders Shares database	Shares purchased.	Target met or exceeded.	✓				
Negotiate final terms	Mgt Cttee	Legal Expert	Agreement in writing, exchange contracts. Transfer of license secured. Pre-completion checks undertaken.	Agreed purchase	Move towards transfer of ownership.		✓			

Aim 4: Engage tenant and establish operational procedures.

Objective	Action(s)	Respons person	Resources	Output	Outcome	Impact	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
To seek and engage suitable tenant(s) within the agreed project plan timescale.	Advertise vacancy Interview candidate(s) Produce Tenancy Agreement	Mgt Cttee	Website. External recruitment media.	Engagement of tenant(s) Tenancy Agreement	Recruit tenants. Clarity of roles and responsibilities.	Business sustainability.  Enables the pub to operate as a community hub.  Clarity of roles and responsibilities.	✓				
In conjunction with the tenant, prepare a business Delivery & Mktg Plan within the timescale agreed in the Project Plan.	Work with Tenant(s) on the plans to identify customers & mkt the pub	Mgt Cttee Tenant(s)	Business Plan Market Research info	Business Delivery Plan Marketing Strategy	Clear guidelines for business management and development			✓			



Aim 5: Open the pub. Enhance community facilities.

Objective	Action(s)	Respons person	Resources	Output	Outcome	Impact	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
To seek and engage suitable tenant(s) within the agreed project plan timescale.	Advertise vacancy Interview candidate(s) Produce Tenancy Agreement	Mgt Cttee	Website. External recruitment media.	Engagement of tenant(s) Tenancy Agreement	Recruit tenants. Clarity of roles and responsibilities.	Business sustainability.  Enables the pub to operate as a community hub.  Clarity of roles and responsibilities.	✓				
In conjunction with the tenant, prepare a business Delivery & Mktg Plan within the timescale agreed in the Project Plan.	Work with Tenant(s) on the plans to identify customers & mkt the pub	Mgt Cttee Tenant(s)	Business Plan Market Research info	Business Delivery Plan Marketing Strategy	Clear guidelines for business management and development			✓			

Aim 6: Open the pub. Enhance community facilities.

Objective	Action(s)	Respons person	Resources	Output	Outcome	Impact	Yr 1	Yr 2	Yr 3
Business Continuity	Continue to trade. Extend pub opening hours for wet sales and food. Open pub in the morning as a coffee shop and community hub. Advertise new offering.	Mgt Cttee Tenant(s)	Tenants. Mgt Comm. Feedback from surveys. Verbal feedback from users and current non users of the venue. Proven business models. Cumbria Tourism. Ramblers Association British Cycling Association. CAMRA	Greater engagement of local community and increased.  Cafe and pub concept will increase the range of individuals using the venue.	Maintain business sustainability.  Increased profile.  Greater appeal to the wider community.	Maintains and enhances viability.  Increased profile.  Increased ability to meet customer demand.	✓		
	Continue existing additional community supported activities based in the pub, e.g Pub Quiz, fund-raising for the local school.	Mgt Cttee Tenant(s)					✓		
Enhancing The Offering	From opening, obtain comments from customers about their experience at the time of their visit to the pub	Tenant Mgt Comm	Visitor Book Trip Advisor. Website User surveys	Customer feedback	Help improve quality of service and performance	Increases the success of the business.  Increased customer engagement.	✓		

	To identify at least three local Cumbrian breweries and range of quality beers to serve in the pub	Tenant Mgt Comm	Local knowledge	List of beer suppliers	Provision of high-quality beer. Increased customer and supplier satisfaction.	Helps local economy. Improved link to the "Lake District" brand. Creation of marketing opportunities.	✓		
	diversify the food offering using locally sourced products where possible and delivering changeable menu options to cater for the time of day, ensuring consistency of the offering	Tenant Mgt Comm	Local knowledge Online search	List of food producers, suppliers	The provision of healthy food, and support for local business. Increased customer satisfaction. Healthier people	Helps local economy. Improved link to the "Laje District" brand. Creation of marketing opportunities.	✓		
	Regularly update Website and other media channels.	Mgt Cttee Tenant(s)	Comms lead.	Updates relating to transitional issues and regular community activities delivered within the pub and across the community.	Increase visibility of Pub related topics	Increases the success of the business. Assists community engagement	✓		
Use As a Community Hub	Establish additional regular community activities such as Games Nights / Darts Team / Book Club / Variety Nights	Mgt Cttee Tenant(s)	Rural SE Hub ( <a href="http://www.ruralsehub.net">www.ruralsehub.net</a> ) / ACRE ( <a href="http://www.acre.org.uk">www.acre.org.uk</a> )	Engagement of local community and buy-in to the community facility	Increased community engagement	Increase social cohesion, wellbeing, and sense of community Increased business sustainability.	✓		
	Provide a complimentary service to work cooperatively with the Globe Hall to support drama, music and film events for the wider community.	Mgt Cttee Tenant(s) Trustees of the Globe Hall	Rural SE Hub ( <a href="http://www.ruralsehub.net">www.ruralsehub.net</a> ) / ACRE ( <a href="http://www.acre.org.uk">www.acre.org.uk</a> )	Greater uptake of events at the Globe Hall. Enhanced quality of life for the community of the Northern Fells.	Increased sustainability for both the pub and community Arts.	Increase social cohesion, wellbeing, and sense of community. Reduced social isolation related. Increased business sustainability.	✓		
	Youth nights to be organized at least twice a month in conjunction with the Globe Hall.	Mgt Cttee Tenant(s) Trustees of the Globe Hall.	Rural SE Hub ( <a href="http://www.ruralsehub.net">www.ruralsehub.net</a> ) / ACRE ( <a href="http://www.acre.org.uk">www.acre.org.uk</a> )	Engagement of local community and buy-in to the community facility	Increased community engagement. Organized activities & safe place for young people to meet.	Increase social cohesion, wellbeing, and sense of community		✓	
	Extend opening hours to allow use as Café / Drop-In location during Mornings	Mgt Cttee Tenant(s)	Rural SE Hub ( <a href="http://www.ruralsehub.net">www.ruralsehub.net</a> ) / ACRE ( <a href="http://www.acre.org.uk">www.acre.org.uk</a> )	Engagement of local community and buy-in to the community	Increased community engagement	Increase social cohesion, wellbeing, and sense of	✓		

	/ Afternoons. Engage with Cycling groups to encourage additional use			facility	Enhanced attractiveness of the Northern Fells as a place to visit in line with the Lake District levelling up agenda.	community. Increased business viability.			
	Provide opportunity for local artists/Crafters to display works and offer for sale and encourage 'How To Do It' arts and crafts events	Mgt Cttee Tenant(s)	Rural SE Hub ( <a href="http://www.ruralsehub.net">www.ruralsehub.net</a> ) / ACRE ( <a href="http://www.acre.org.uk">www.acre.org.uk</a> )	Engagement of local community and buy-in to the community facility	Increased community engagement.  Support to the Arts.	Increases chance of success and supports local businesses. Helps local economy Reduced social isolation. Increased health and wellbeing.		✓	
	Use as a 'warm hub' in winter and community meeting place	Mgt Cttee Tenant(s)	Rural SE Hub ( <a href="http://www.ruralsehub.net">www.ruralsehub.net</a> ) / ACRE ( <a href="http://www.acre.org.uk">www.acre.org.uk</a> )	Supporting the vulnerable within the community	Happier community. Reduce social isolation Improved carbon footprint.	Increase social cohesion, wellbeing, and sense of community	✓		
	Encourage usage by walking groups and by other wider community events such as fell race and music festival	Mgt Cttee Tenant(s)	Rural SE Hub ( <a href="http://www.ruralsehub.net">www.ruralsehub.net</a> ) / ACRE ( <a href="http://www.acre.org.uk">www.acre.org.uk</a> ) Ramblers Association	Increased usage of the facility. Support for the Arts and Sport.	Increased traffic to the village and potential increase in usage to other local businesses. Enhanced attractiveness of the Northern Fells as a place to visit in line with the Lake District levelling up agenda	Helps local economy. Increased business viability. Increases business viability.		✓	

Aim 7: Business monitoring.

Objective	Action(s)	Respons person	Resources	Output	Outcome	Impact	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Monthly performance management meetings to identify gaps in service provision & develop appropriate actions to meet identified needs. Service delivery.	Review financial and performance data	TenantMgt Com	Business Plan Business records Mgt Com. Tenant(s)	Progress report	Well-managed, sustainable, business	Proper discharge of fiduciary duties. Enhanced business viability. Increased engagement with the tenant.	✓				
Board to review monthly the key business records as identified in the business plan Financial delivery.	Review key business records	Tenant Mgt Com	Tenant(s) Mgt Com	Progress report	Well-managed, sustainable, business	Proper discharge of fiduciary duties. Enhanced business viability. Increased engagement with the tenant.	✓				
Monthly review individual aspirations and performance via the Delivery Plan Personal appraisals in accordance with investors in People Principles People issues	Review personal performance	Tenant Mgt Com	Tenant(s) Mgt Com.	Personal appraisal	Happy, well-trained, dedicated staff	Increased business viability. Engaged staff. Increased engagement with the tenant.	✓				

Aim 8: Routine Business Management.

Objective	Action(s)	Respons person	Resources	Output	Outcome	Impact	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Board to review key strategic aims as per Tenancy agreement and Business Delivery Plan.  Strategy	Review key strategic aims	Tenant	Tenant(s) Board of Directors	Progress report	Well-managed, sustainable, business	Improved business viability.	✓				

## Appendix : Financial Analysis

The financial analysis has been made based upon the following assumptions :

- Inflation rate 3% per annum
- Depreciation for building over 50 years.
- Depreciation for fixtures and fittings over 10 years
- Land not depreciated
- Interest paid to shareholder members at 3% with effect from year 4
- Annual share withdrawals of £15,000 per annum have been modelled in the financials with effect from year 4, to be replaced by new share capital from new investors. However, we do not believe investors are expecting return of capital from our Community Benefit Society
- Understanding is that small business rates relief will mean that rateable value will be £0 (zero).
- The Society will be below the threshold for registration for VAT and will not register for VAT.
- Cumberland Building Society do not charge year 1. Thereafter bank charges £15 per month
- The pub will be run as a tenancy from day 1. This will be organised by aligning the transfer date with the current landlord.
- The tenant will pay a rent of £15,000 per annum, plus 3% inflation. However the Society will allow the following reductions:  
Year 1: £5,000. Year 2: £10,000. Year 3: full rent.
- BLCGL will receive 50% of the income from one of the Holiday Let Units
- There is an annual contingency of 25% of the Society's annual operating costs to cover unexpected additional repairs or costs and an additional year one buffer.
- Corporation tax is payable at 19% - this is the rate from April 2023 payable by organisations with profits of £50,000 or below.
- Crowdfunder fees are at 3% on locally raised funds and all in 6.3% on platform raised - we have assumed £71.25 local raise balance on Crowdfunder

Estimated Costs to Buy, Decorate & Prepare the Black Lion Pub

*Assumes pub can open and run as it is, however, volunteers have offered to decorate etc. Assumes community buy-out. Assumes price of £395,000.*

**Purchase & Pre-Opening Costs**

<b>Item</b>	<b>Maximum</b>
<i>Purchase</i>	
Building purchase	£245,000
Land Purchase	£125,000
Fixtures and fittings	£25,000
<b>Running Total</b>	<b>£395,000</b>
<i>Start-up Costs</i>	
Stamp duty	£9,250
Solicitors fees ( <i>est 1.5% of purchase price</i> )	£6,396
Crowd funder local raise fees	£2,138
Crowd funder national fees	£5,985
In situ stock	£2,500
Solicitors' fees re tenancy agreement and employment law	£3,800
<b>Sub-Total - Start-up Costs</b>	<b>£30,069</b>
<b>Running Total</b>	<b>£425,069</b>
<i>Light Refurbishment</i>	
Light Refurbishment	£1,800
<b>Sub-Total - Light Refurbishment</b>	<b>£1,800</b>
<b>Running Total</b>	<b>£426,869</b>
<i>Operating Costs</i>	
Reduction in tenancy rent in year 1 and 2	£10,000
First year of CBS annual operating costs	£10,600
<b>Sub-Total - Operating Costs</b>	<b>£20,600</b>
<b>Total</b>	<b>£447,469</b>

<b>Funding Sources</b>	
Share Capital	£165,247
Donations and other grants	£5,500
Community Ownership fund Capital Grant	£256,121
<b>Sub-Total - Capital funding</b>	<b>£426,869</b>
Community Ownership fund Revenue Grant	£20,600
<b>Sub-Total - Revenue funding</b>	<b>£20,600</b>
<b>Total</b>	<b>£447,469</b>

Financial Scenarios – Budget & Cash Flow Projections

These show Black Lion Community Group Profit & Loss and Cashflow.

The assumption is that the Pub will be operated under a Tenancy Agreement we show a detailed first year cashflow

- Fair Maintainable Trading on the tenants cashflow is determined as a turnover of £149k (Ex VAT)

Projected Trading Curve

The projected trading curve is based upon a monthly trading percentage weighted by factors including Seasonal Events, Holiday Periods, and Prevailing Climate. These projections demonstrate the seasonal nature of the business and the need to ensure that any performance/financial profiling takes account of the trading pattern.

These percentages are:

Month	Turnover	Expected % Of Turnover	Seasonal Factors	School Holidays	Weather Factors
Jan	4470	2.5	New Year		Cold/Wet
Feb	11800.8	6.6		Spring Half Term	Cold/Wet
Mar	12516	7			Cold/Wet
Apr	19846.8	11.1	Easter	Easter Holidays	Better
May	18595.2	10.4		Summer Half Term	Better
Jun	23780.4	13.3			Better
Jul	26998.8	15.1		Summer Holidays	Better
Aug	21456	12		Summer Holidays	Better
Sep	16270.8	9.1			Better
Oct	9476.4	5.3		Autumn Half Term	Wet
Nov	6258	3.5			Wet
Dec	7152	4	Christmas and new year	Christmas Holidays	Wet





CBS Cash Flow (Black Lion Community Group Limited)

**The Black Lion Community Group Limited**

Cash Flow Forecast	Inflation	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Opening balance</b>		<b>£0</b>	<b>£25,440</b>	<b>£40,725</b>	<b>£58,406</b>	<b>£75,697</b>
COF Capital Grant		£256,121				
COF Revenue Grant		£15,600				
Community Shares		£165,247			£15,000	£15,000
Donations & Other Grants		£5,500	£0	£0	£0	£0
Pub quiz and fundraisers	3%	£1,940	£1,998	£2,058	£2,120	£2,183
50% of Emilys Nook revenue	3%	£8,500	£8,755	£9,018	£9,288	£9,567
Rental income	3%	£5,000	£10,300	£15,450	£15,914	£16,391
Capital purchase - Land		- £125,000				
Capital purchase - Building		- £245,000				
Capital purchase - Fixtures and fittings		-£25,000				
Start-up costs (legal fees, survey, stamp duty etc)		-£30,069				
Crowd Funder Fees (Local Captital)						
Crowd Funder Fees (National Captital)						
Initial light refurbishment costs		-£1,800				
Annual operating costs (insurance, website, refurbishment)	3%	-£5,600	-£5,768	-£5,941	-£6,119	-£6,303
Share withdrawals		£0	£0	£0	-£15,000	-£15,000
Share interest		£0	£0	£0	£0	-£4,957
Corporation tax at 19%		£0	£0	-£2,904	-£3,911	-£3,087
<b>Closing balance</b>		<b>£25,440</b>	<b>£40,725</b>	<b>£58,406</b>	<b>£75,697</b>	<b>£89,491</b>

CBS Profit & Loss Forecast (Black Lion Community Group Limited)

**The Black Lion Community Group  
Limited**

<b>Profit and Loss Forecast</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<b>Operating income</b>					
Rental income	£5,000	£10,300	£15,450	£15,914	£16,391
Holiday Let income share	£8,500	£8,755	£9,018	£9,288	£9,567
<b>Total operating income</b>	<b>£13,500</b>	<b>£19,055</b>	<b>£24,468</b>	<b>£25,202</b>	<b>£25,958</b>
<b>Operating expenses</b>					
Annual operating expenses (insurance, website, repairs and renewals, etc)	-£5,600	-£5,768	-£5,941	-£6,119	-£6,303
<b>Total operating expenses</b>	<b>-£5,600</b>	<b>-£5,768</b>	<b>-£5,941</b>	<b>-£6,119</b>	<b>-£6,303</b>
<b>Operating profit EBITDA</b>	<b>£7,900</b>	<b>£13,287</b>	<b>£18,527</b>	<b>£19,082</b>	<b>£19,655</b>
<b>Other income</b>					
Revenue grant	£15,600	£0	£0	£0	£0
Capital grant released to profit and loss	£5,122	£5,122	£5,122	£5,122	£5,122
Donations and grants	£5,500	£0	£0	£0	£0
Pub quiz and fundraisers	£1,940	£1,998	£2,058	£2,120	£2,183
<b>Total other income</b>	<b>£28,162</b>	<b>£7,121</b>	<b>£7,181</b>	<b>£7,242</b>	<b>£7,306</b>
<b>Other expenses</b>					
Start-up and light refurb costs	-£31,869	£0	£0	£0	£0
Depreciation	-£7,400	-£7,400	-£7,400	-£7,400	-£7,400
Interest to shareholders at 3%	£0	£0	£0	-£4,957	-£4,957
<b>Total other expenses</b>	<b>-£39,269</b>	<b>-£7,400</b>	<b>-£7,400</b>	<b>-£12,357</b>	<b>-£12,357</b>
<b>Profit/loss before tax</b>	<b>-£3,206</b>	<b>£13,008</b>	<b>£18,307</b>	<b>£13,967</b>	<b>£14,603</b>
<b>Taxable profit</b>	<b>-£929</b>	<b>£15,285</b>	<b>£20,585</b>	<b>£16,245</b>	<b>£16,881</b>
Corporation tax at 19%	£0	-£2,904	-£3,911	-£3,087	-£3,207
<b>Profit/loss after tax</b>	<b>-£3,206</b>	<b>£10,103</b>	<b>£14,396</b>	<b>£10,881</b>	<b>£11,396</b>
<b>Retained profit/loss</b>	<b>-£3,206</b>	<b>£6,897</b>	<b>£21,293</b>	<b>£32,174</b>	<b>£43,570</b>

CBS Balance Sheet Forecast (Black Lion Community Group Limited)

Balance Sheet	Year 1	Year 2	Year 3	Year 4	Year 5
<b>ASSETS</b>					
<b>Fixed assets</b>					
Land	£125,000	£125,000	£125,000	£125,000	£125,000
Land - No depreciation	£0	£0	£0	£0	£0
Building	£245,000	£240,100	£235,200	£230,300	£225,400
Building - Depreciation over 50 years	-£4,900	-£4,900	-£4,900	-£4,900	-£4,900
Fixtures and fittings	£25,000	£22,500	£20,000	£17,500	£15,000
Fixtures and fittings - Depreciation over 10 years	-£2,500	-£2,500	-£2,500	-£2,500	-£2,500
<b>Total fixed assets</b>	<b>£387,600</b>	<b>£380,200</b>	<b>£372,800</b>	<b>£365,400</b>	<b>£358,000</b>
<b>Current assets</b>					
Cash at bank	£25,440	£40,725	£58,406	£75,697	£89,491
<b>Total current assets</b>	<b>£25,440</b>	<b>£40,725</b>	<b>£58,406</b>	<b>£75,697</b>	<b>£89,491</b>
<b>TOTAL ASSETS</b>	<b>£413,040</b>	<b>£420,925</b>	<b>£431,206</b>	<b>£441,097</b>	<b>£447,491</b>
<b>LIABILITIES</b>					
<b>Long term liabilities</b>					
Deferred capital grant income	-	-	-	-	-
	£256,121	£250,999	£245,876	£240,754	£235,631
Amortisation of capital grant	£5,122	£5,122	£5,122	£5,122	£5,122
<b>Total long term liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	£250,999	£245,876	£240,754	£235,631	£230,509
<b>Current liabilities</b>					
Interest to shareholders at 2% owed	£0	£0	£0	-£4,957	-£4,957
Corporation tax owed	£0	-£2,904	-£3,911	-£3,087	-£3,207
<b>Total current liabilities</b>	<b>£0</b>	<b>-£2,904</b>	<b>-£3,911</b>	<b>-£8,044</b>	<b>-£8,165</b>
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	£250,999	£248,780	£244,665	£243,675	£238,674
<b>Net current assets</b>	<b>£25,440</b>	<b>£43,629</b>	<b>£62,317</b>	<b>£83,741</b>	<b>£97,656</b>
<b>Total assets less current liabilities</b>	<b>£413,040</b>	<b>£418,021</b>	<b>£427,295</b>	<b>£433,053</b>	<b>£439,327</b>
<b>NET WORTH</b>	<b>£162,041</b>	<b>£172,145</b>	<b>£186,541</b>	<b>£197,422</b>	<b>£208,818</b>
<b>Made up of</b>					
Members' shares	£165,247	£165,247	£165,247	£180,247	£195,247
Share withdrawals	£0	£0	£0	-£15,000	-£30,000
Retained profit/loss	-£3,206	£6,897	£21,293	£32,174	£43,570
	<b>£162,041</b>	<b>£172,145</b>	<b>£186,541</b>	<b>£197,422</b>	<b>£208,818</b>

Tenants' Cash flow Forecast Year

This profile has been included to demonstrate the feasibility of the tenanted run operation. They are based on 'Fair Maintainable Trading' from the report that was produced as a condition of securing support from the Community Ownership Fund from a recognised independent valuer. This was undertaken by MJD Hughes Limited, 2 Forest Farm Business Park, York, YO19 4RH.

Tenants Cash Flow Based On Fair Maintainable Trading ( £178,800 Turnover (£149k plus VAT))

Illustrative Tenant Cash Flow Forecast																
Total Sales inc VAT		178800														
Monthly % Of Sales		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year	Jan year 2	
Income		2.5	6.6	7	11.1	10.4	13.3	15.1	12	9.1	5.3	3.5	4	99.9		
Income Stream % Of Sales																
Total Wet Sales	30	1341	3540.24	3754.8	5954.04	5578.56	7134.12	8099.64	6436.8	4881.24	2842.92	1877.4	2145.6	53586.36		
Food Sales	65	2905.5	7670.52	8135.4	12900.42	12086.88	15457.26	17549.22	13946.4	10576.02	6159.66	4067.7	4648.8	116103.8		
Rental Accomodation	5	223.5	590.04	625.8	992.34	929.76	1189.02	1349.94	1072.8	813.54	473.82	312.9	357.6	8931.06		
Total Sales	100	4470	11800.8	12516	19846.8	18595.2	23780.4	26998.8	21456	16270.8	9476.4	6258	7152	178621.2		
Cumulative Turnover		4470	16270.8	28786.8	48633.6	67228.8	91009.2	118008	139464	155734.8	165211.2	171469.2	178621.2			
Cost Of Sales		Cost Of Sales Per Stream	Specific / Overall Cost Of Sales %	c38%												
Wet Sales Costs	46	616.86	1628.51	1727.208	2738.858	2566.138	3281.695	3725.834	2960.928	2245.37	1307.743	863.604	986.976	24649.73		
Food Sales Costs	34	987.87	2607.977	2766.036	4386.143	4109.539	5255.468	5966.735	4741.776	3595.847	2094.284	1383.018	1580.592	39475.29		
Rental Accomodation Costs	40	89.4	236.016	250.32	396.936	371.904	475.608	539.976	429.12	325.416	189.528	125.16	143.04	3572.424		
Total Cost Of Sales	120	1694.13	4472.503	4743.564	7521.937	7047.581	9012.772	10232.55	8131.824	6166.633	3591.556	2371.782	2710.608	67697.43		
Other Costs		Costs	Fixed Costs as a % Of Sales													
Business Rates	1.6	71.52	188.8128	200.256	317.5488	297.5232	380.4864	431.9808	343.296	260.3328	151.6224	100.128	114.432	2857.939		
Contents Insurance	1	44.7	118.008	125.16	198.468	185.952	237.804	269.988	214.56	162.708	94.764	62.58	71.52	1786.212		
TV Licence	0.5	22.35	59.004	62.58	99.234	92.976	118.902	134.994	107.28	81.354	47.382	31.29	35.76	893.106		
PRS Licence	0.1	4.47	11.8008	12.516	19.8468	18.5952	23.7804	26.9988	21.456	16.2708	9.4764	6.258	7.152	178.6212		
Telephone & Wifi& Marketing	1.5	67.05	177.012	187.74	297.702	278.928	356.706	404.982	321.84	244.062	142.146	93.87	107.28	2679.318		
Card Machine/ PAT Testing	0.94	42.018	110.9275	117.6504	186.5599	174.7949	223.5358	253.7887	201.6864	152.9455	89.07816	58.8252	67.2288	1679.039		
Waste/ Cleaning / Hygiene	1.2	53.64	141.6096	150.192	238.1616	223.1424	285.3648	323.9856	257.472	195.2496	113.7168	75.096	85.824	2143.454		
Repairs & Renewals	2.2	98.34	259.6176	275.352	436.6296	409.0944	523.1688	593.9736	472.032	357.9576	208.4808	137.676	157.344	3929.666		
Tenant's Rent	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Professional Fees	1.2	53.64	141.6096	150.192	238.1616	223.1424	285.3648	323.9856	257.472	195.2496	113.7168	75.096	85.824	2143.454		
Water Rates	0.56	25.032	66.08448	70.0896	111.1421	104.1331	133.1702	151.1933	120.1536	91.11648	53.06784	35.0448	40.0512	1000.279		
Heating/Lighting	6.4	286.08	755.2512	801.024	1270.195	1190.093	1521.946	1727.923	1373.184	1041.331	606.4896	400.512	457.228	11431.76		
Sundry Costs	1.5	67.05	177.012	187.74	297.702	278.928	356.706	404.982	321.84	244.062	142.146	93.87	107.28	2679.318		
Bank Charges	0.8	35.76	94.4064	100.128	158.7744	148.7616	190.2432	215.9904	171.648	130.1664	75.8112	50.064	57.216	1428.97		
Staff Wages	22.5	1005.75	2655.18	1005.75	1005.75	1005.75	1005.75	1005.75	1005.75	1005.75	1005.75	1005.75	1005.75	13718.43		
Total Costs		1877.4	4956.336	3446.37	4875.876	4631.814	5642.928	6270.516	5189.67	4178.556	2853.648	2226.06	2400.39	48549.56		
Gross VAT Liability		0	0	0	0	0	4756.08	5399.76	4291.2	3254.16	1895.28	1251.6	1430.4	22278.48		
VAT reclaim calculation							1502.129	1705.424	1355.304	1027.772	598.5926	395.297	451.768			
Total Costs		3571.53	9428.839	8189.934	12397.81	11679.39	19411.78	21902.82	17612.69	13599.35	8340.484	5849.442	6541.398	138525.5		
VAT reclaim cashflow							1502.129			4088.5				1445.658		
Cash Flow		Profit/Loss Per Month	898.47	2371.961	4326.066	7448.987	6915.805	4368.62	5095.979	3843.306	2671.451	1135.916	408.558	610.602	40095.72	
Cash Flow Profit/Loss		898.47	3270.431	7596.497	15045.48	21961.29	26329.91	31425.89	35269.19	37940.64	39076.56	39485.12	40095.72			
Opening B/F		0														
VAT Threshold		9000														

Appendix : Visitor Profile.

From Graham Kennedy Allerdale Borough Council  
2020

Initial Research

**Family #2**

**Bamber Family**

Camping allows **maximum time** away for **minimum money**.

Travels 3 Hours From Humberside

**Low/Mid Income**  
Little Disposable

**1 week+ Stay**

**Affordable Memory Making Holiday**

Prepare own food as don't like the expense of eating out

Drive 09 Nissan QASHQAI

Shop at **ASDA** **GO**

Enjoy the outdoors **rain or shine**

National Trust  
Like educational historic days out. Have a National Trust membership.

Allerdale

Visitor Personas

Initial Research

**Family #2**

<p><b>Searching For:</b></p> <p>Main Summer Holiday</p> <p>Will travel further for the right destination</p> <p>Affordable things to do as a family</p>	<p><b>Attracted By:</b></p> <p>Range of things to do with children (Outdoors / Historical Educational / Fun)</p> <p>National Trust Properties/Car Parks</p> <p>Supermarket nearby for supplies</p>	<p><b>Booking:</b></p> <p>Lots of research at work on Desktop or home on family Laptop.</p> <p>Shopping around for best price</p> <p>Book directly via campsite/airbnb</p>
<p><b>Likelihood of visiting Allerdale:</b></p> <p><b>Currently:</b> <b>Likely</b> - enough activities to suit the family and willing to travel.</p> <p><b>For Future</b> - Try to encourage return visits, tell friends and family about the area.</p>		<p><b>Spending:</b></p> <p>Low/Mid</p>

Initial Research

# OAP 70+

Retired elderly day trippers

Beryl  
78

Day  
trips



Enjoy afternoon tea



Travels 1.5-2  
Hours  
from around  
North-West

Mid  
Income  
-----  
Disposable



Seeking  
Peace &  
Quiet



Like the ride out to somewhere different/  
nostalgic where they've visited before



Travel by coach

Shop at



Enjoy sitting and taking  
in the change of scenery

Allerdale

Initial Research

Visitor Personas



OAP  
70+



**Searching For:**

Day trips via Coach

Nostalgic return to  
area already visited  
in the past

Want a day out -  
but not too picky  
where



**Attracted By:**

Nice lunch / Afternoon tea

Nice Scenery

Company with others



**Booking:**

Through local tour  
operators

Age Concern

Local OAP club

No real online research -  
some may be more tech  
savvy and research

**Likelihood of visiting Allerdale:**

**Currently:** **Likely/Unlikely** - 'Attracted by' assets there,  
but reliant on tour operators/family to get there.

**For Future** - Engage with tour operators and local 70+ groups.

**Spending:**

Low

Initial Research

# Solo (or Couple) Adventurer

Enjoys spontaneous trips and being outdoors

Martin  
35



Travels 1.5 Hours from South Cumbria



Enjoys a hearty meal and cosy pub



Might adventure as a couple with friends/partner

Weekend+ Stay

Mid Income  
Some Disposable



Will travel round and stay in B&B's



Drives 15 plate Seat Leon and has a mountain bike



Shop at

Will Bivvy for adventure



Visitor Personas

Allerdale

Initial Research



## Solo (or couple) Adventurer



### Searching For:

Spontaneous Weekend Adventure

Mid - Short Journey Time

New place/route in area, visits regularly



### Attracted By:

Peace and Quiet

Mountain Walks

Nice pub/cafe



### Booking:

Last minute on mobile/tablet.

Book direct via airbnb or local B&B

### Likelihood of visiting Allerdale:

**Currently: Likely** - a destination that's quieter with more untouched places to explore.

**For Future** - Try to encourage return/extended visits,

### Spending:

Low

Initial Research

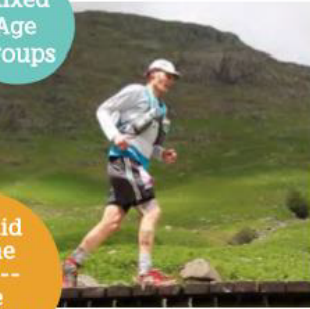
# "Extreme" Sports

Travel from various UK locations



Mixed Age Groups

Keswick 50k Trail Race Ultra



Might come up in a camper and be self sufficient

Weekend+ Stay



Low/Mid Income  
-----  
Some Disposable

Short Flexible Break



Fred Whitton / Explore parts of Fred Whitton

Kayaking

Shop at **PETE BLAND SPORTS** (Independents)

Will stay in B&B geared up for events

Allerdale

Visitor Personas

Initial Research



## "Extreme" Sports



### Searching For:

Adventure weekend

Mid - Short Journey Time



### Attracted By:

Ultra Events - Marathons

Extreme sports / activities  
Free swimming, Kitesurfing etc

Accommodation/Facilities to work alongside activity



### Booking:

Research and book on tablet/laptop.

Book direct via airbnb / B&B / Camper Rental / Campsite

### Likelihood of visiting Allerdale:

**Currently:** **Likely** - a destination for extreme outdoor activities, coastal and inland. Probably already visit regularly.

**For Future** - Try to encourage return/extended visits, tell friends and family about the area and share the experience.

### Spending:

Low



# Key Target Audience



## Appendix : Community Survey Results

### Results of Local Consultation Survey

A questionnaire (see appendix 1) was circulated to interested parties in the week beginning 22<sup>nd</sup> January 2024. It was adapted from models used by The Plunkett Foundation and CAMRA.

The questionnaire was distributed by hand to all households in the parish of Ireby and Udale, which includes High Ireby, Ruthwaite and Aughtertree, as well as other villages in the local vicinity, particularly Boltongate and Sandale. It was also distributed to all on our email list and was referenced on our Facebook account (shared with other local accounts), our 'X' (Twitter) account and was available to download from our website. The questionnaire was also offered to other users of village facilities who do not necessarily live in the immediate locality, such as parents at the school gate and members of the village choir.

The purpose of the questionnaire was to gauge the level of local support from potential stakeholders for the proposed community purchase of 'Emily's Black Lion', the pub in Ireby, by the 'Black Lion Community Group Limited'. It also acted as a reminder that action is ongoing and requires the engagement of the local population.

Respondents were asked for some demographic details, asked about their possible use of the pub, and for their opinions regarding a range of regular pub services and other services that could be provided in the future.

They were also asked about their potential future involvement and alerted to the forthcoming share launch and asked for some preliminary pledges.

The questionnaire could be returned by a variety of means. Including collection by hand, return to a central collection point, and return by email.

The process of distribution and collection of the questionnaire afforded valuable opportunity for discussion of the project, leading to further engagement with the locals.

Approximately 300 questionnaires were distributed by hand, together with another 100 by email, although there will have been overlap between the two.

The questionnaire has also enabled us to add at least 20 to our email list.

To date there have been 84 questionnaires collected and returned by hand and a further 16 by email. A total of 100 responses.

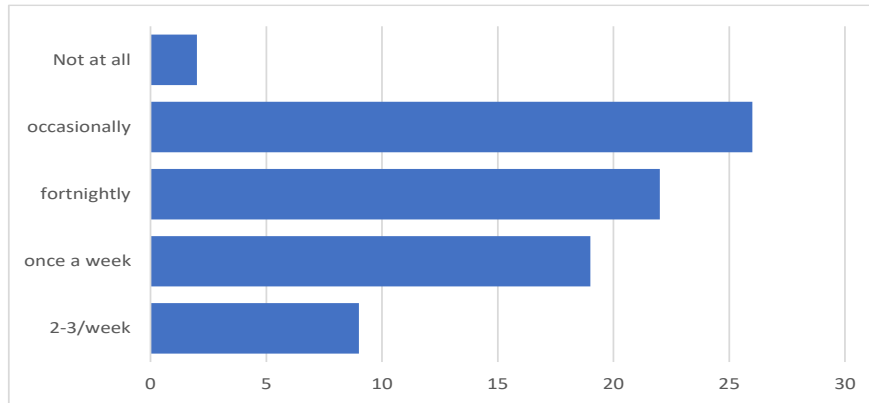
The questionnaire was potentially anonymous, nevertheless 29 respondents gave their contact details, most of these were new to our mailing list.

Results are discussed on the following pages with comments appended below.

It must be borne in mind that to some extent a survey of this type has a certain level of self-selection, as those disinterested parties are unlikely to return the questionnaire, nevertheless, a personal approach meant that I was able to speak to people personally, and only two households declined to fill one in on the grounds that they would never use the pub.

Q1 How often would you visit the pub if it was run by the community?

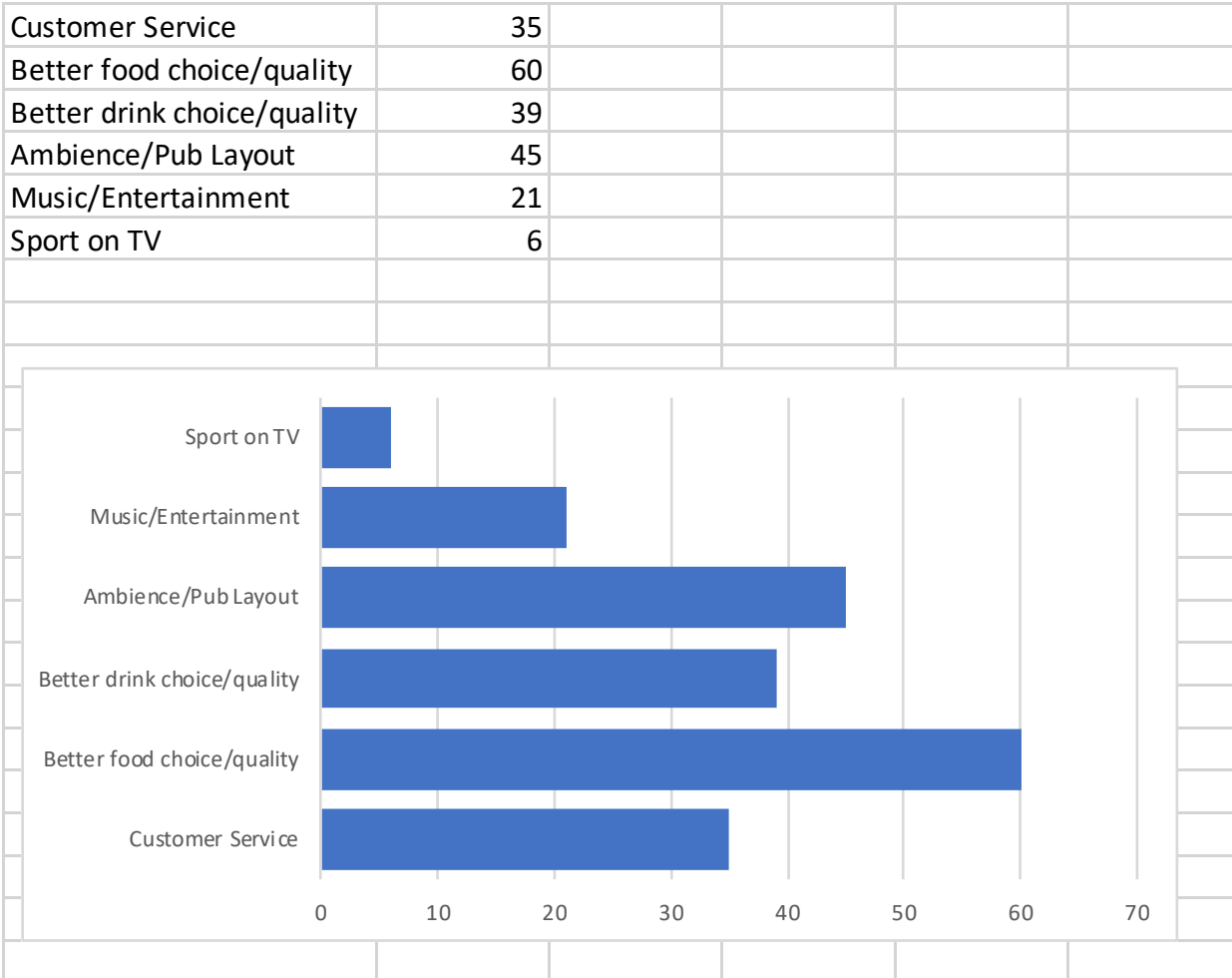
	frequency
Daily	0
2-3/week	9
once a week	19
fortnightly	22
occasionally	26
Not at all	2
	78



78% of respondents would therefore visit the pub at least occasionally, with 50% visiting fortnightly or more frequently.

These figures do not, of course, take any account of passing tourist trade, cyclists, fell walkers, special events, particularly at the Globe Hall, and the very significant trade generated by families staying in local holiday cottages.

Q2 What would make you more likely to visit the pub?

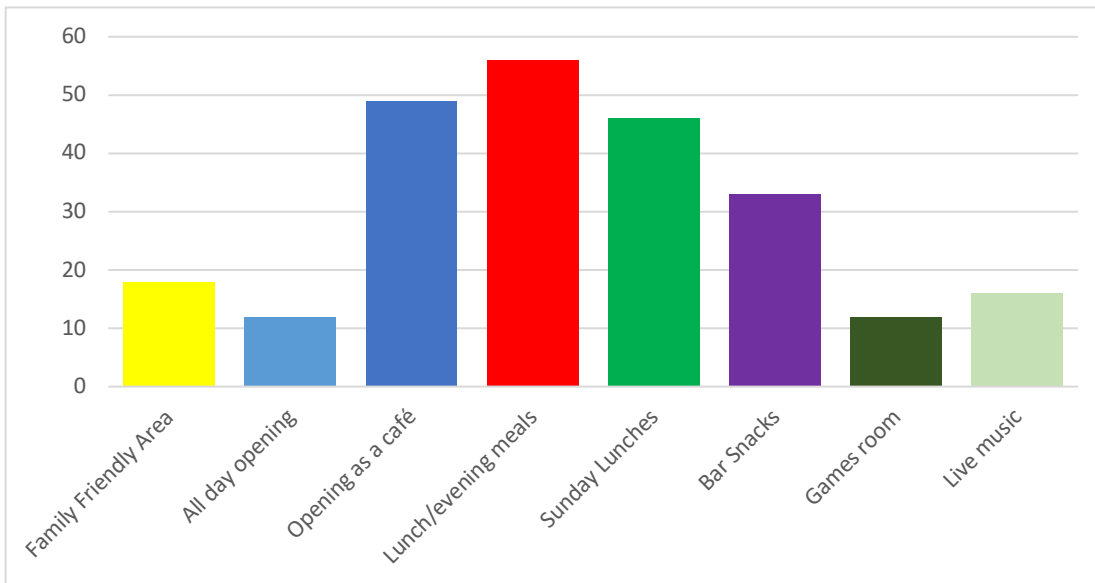


It is very clear that food and drink choice and quality is very important to potential customers, and very many made further comment referring to value for money, increased choice, real ales and local produce.

Music and particularly sport on TV had some fans, but they also attracted a significant number of negative comments with people going so far as to say that they would keep away if these were going on (particularly sport). These are not what most people appear to want from a rural pub in a tourist area.

Q3 What additional services would you like to see the pub offer?

Family Friendly Area	18
All day opening	12
Opening as a café	49
Lunch/evening meals	56
Sunday Lunches	46
Bar Snacks	33
Games room	12
Live music	16



The overwhelming votes here were for food, with emphasis especially on lunchtimes and evenings and Sunday lunches. This is clearly going to be what brings people into the pub and keeps them coming back if the quality is good. It is also where there is significant potential for profits to be made.

It is clearly very important to have a good standard of food on a regular and reliable basis.

There was also much enthusiasm for the idea of the pub being open as a café during the day, and many people expressed this to me verbally as well. It was felt that this would go down well with passing tourists such as walkers and cyclists.

Games, live music, and a family friendly area scored relatively lowly, possibly as locals realise that there are some restrictions on available space.

Owners of local holiday rentals are aware of the importance that a good local pub, providing food, has on their rental business, this was clear in their comments and in conversation.

Q4 What community services would you like to see on offer at the pub?

- Basic Groceries - 10 comments
  - A pop-up shop – fresh bread
  - Ice cream
  - Small stock of household items
  - Post Office - 5 comments.
- Takeaway service
- Resource for other groups – a meeting hub 2 comments
- Community health services - 2 comments
  - Chiropody
  - Hearing aid checks
- A welcome and open space
- Open on Friday, after school pick up, while children play.
- Ramblers Association - 2 comments
- NFG (Northern Fells Group) Help Centre - 2 comments
- Craft Groups - 2 comments.
- Folk Night/Club
- Book Club - 3 comments
- Newspapers – collection point - 2 comments
- Reading Room
- Meeting Room
- Continuing Ukulele Group - 2 comments
- A swear box.
- Wine tastings
- Teaching IT
- Church meetings
- Monthly lunch club
- Parcel / courier services

An interesting and varied group of suggestions, many of which will bear consideration.

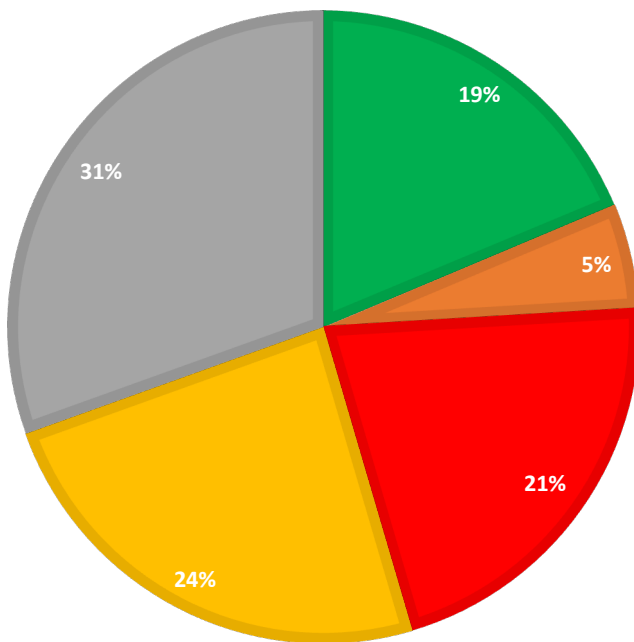
They demonstrate that there are no readily available meeting places in Ireby, and that there is a dearth of local services, in particular shops for basic and fresh supplies.

Q5 Please state how many people in each age range there are in your household.

0-16 years	35
17-25 yrs	10
26-45 yrs	40
46-65 yrs	45
over 65 yrs	57
Total	187

**AGE PROFILE REPRESENTED BY QUESTIONNAIRE**

■ 0-16 ■ 17-25 ■ 26-45 ■ 46-65 ■ over 65



Ireby is set in a very rural area, with large areas of the parish being agricultural, common land and fellside with a very low population density.

The population of the Parish of Ireby and Uldale (from the 2021 census) is 460.

Having captured the views of 187 people is, therefore, a very reassuring proportion of the local population.

I am aware that some of these are from neighbouring villages, and a few represent interested parties who are not locally resident.

It is also good to see that our data approximates well to local census age demographic data.

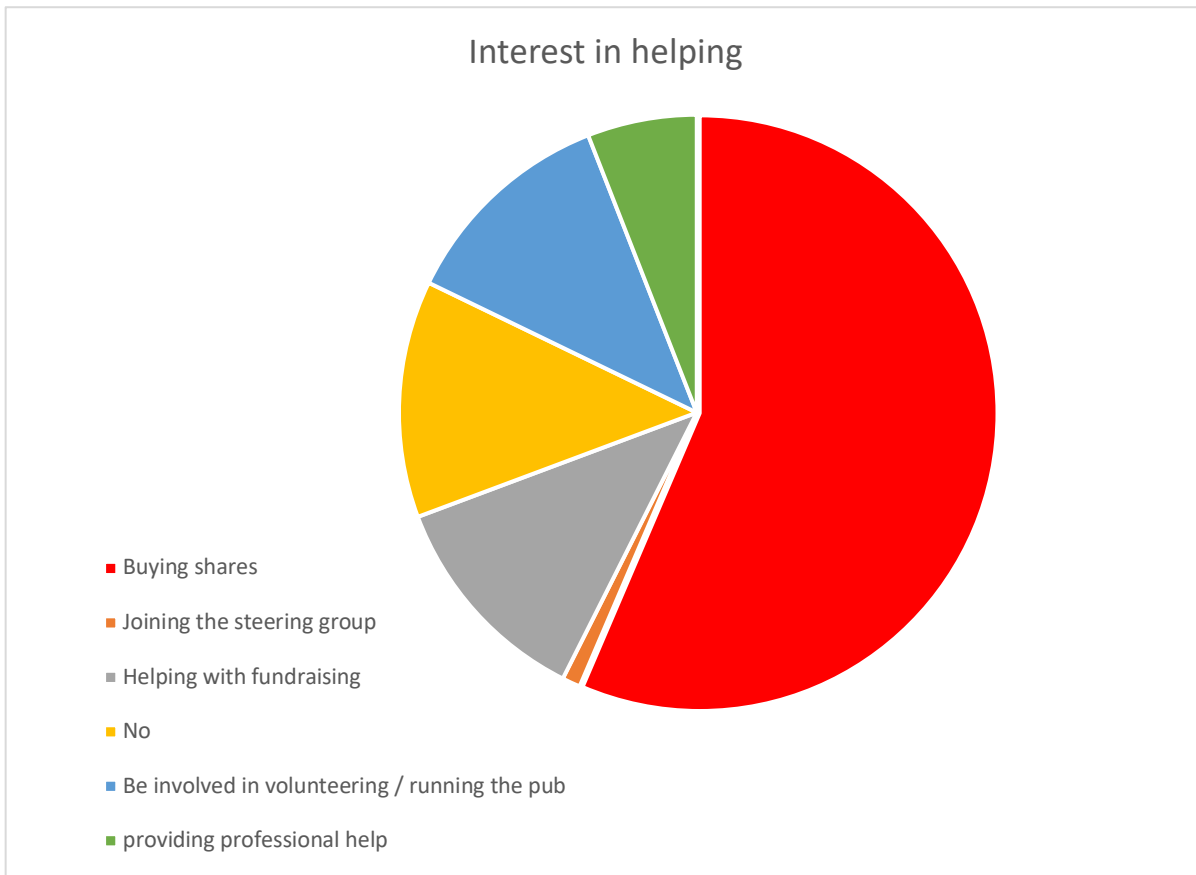
Approximate age profile from census data (2021)



■ 0-16 ■ 17-25 ■ 26-45 ■ 46-65 ■ >65

Q6 Would you be interested in helping a co-operative pub project in any way?

Buying shares	57
Joining the steering group	1
Helping with fundraising	12
No	13
Be involved in volunteering / running pub	12
providing professional help	6



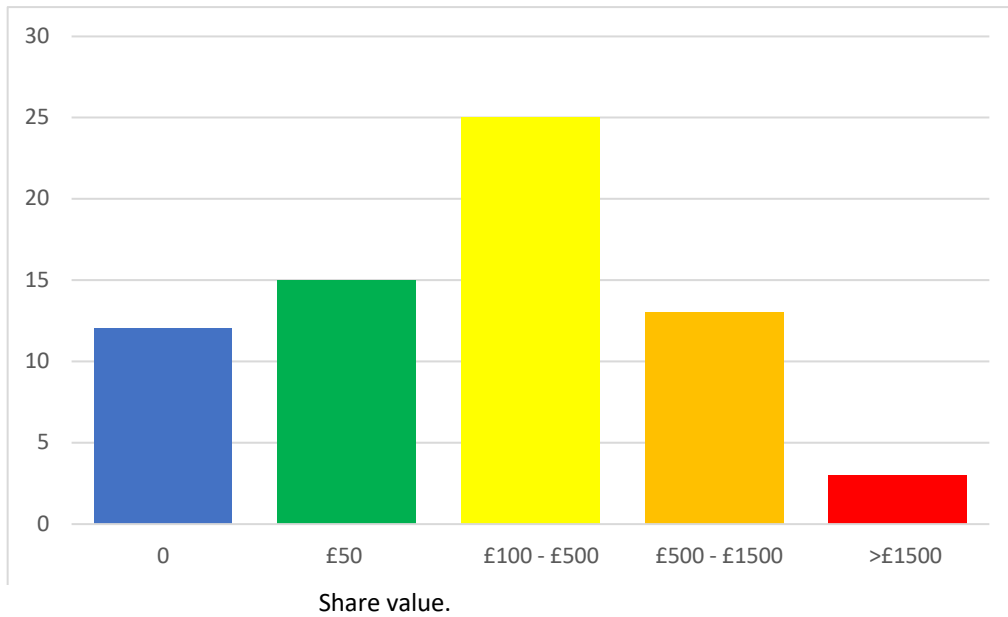
It is very good to see that an overwhelming majority of respondents are prepared to help in the community pub project, there is overlap within these categories as some people are prepared to help in more than one way, but a staggering 87% are prepared to offer help in some way.

It is also gratifying to see that 56% are prepared to buy shares (and some more, understandingly, said that they would consider it but needed more information).



Q6 Share buying intentions.

0	12
£50	15
£100 - £500	25
£500 - £1500	13
>£1500	3
Total	68

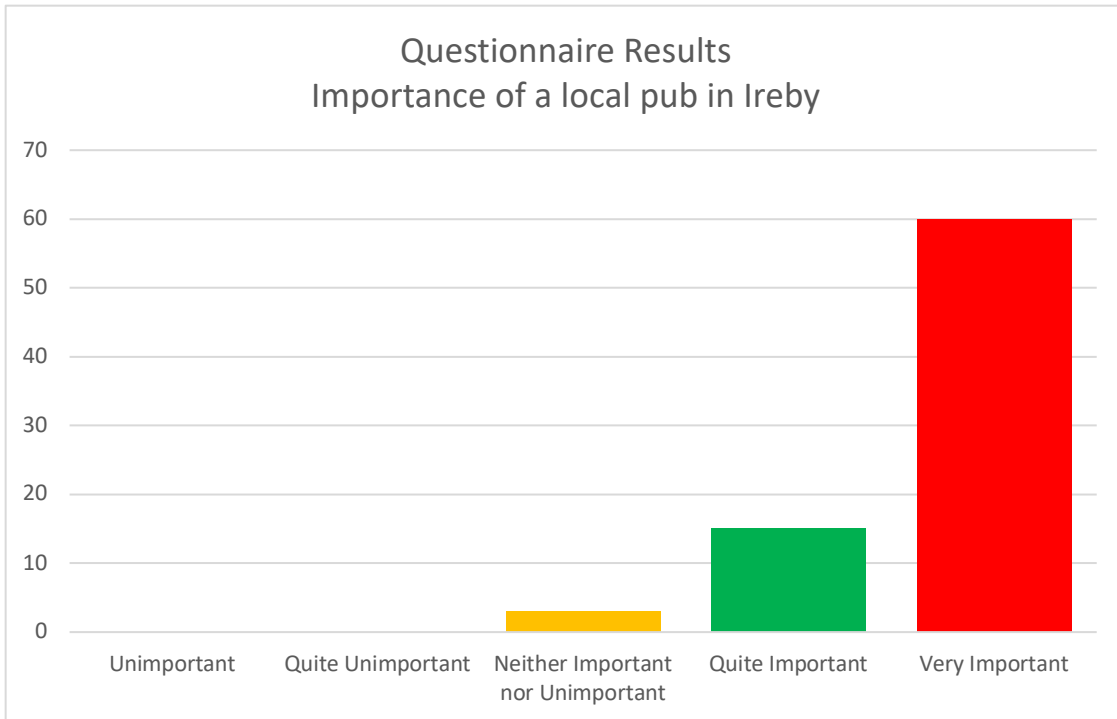


The share buying intentions were not in any way binding but are useful as an indication of pledges.

The initial aim of keeping minimum investment low to attract a wide range of shareholders seems to be paying off, and 60% seem prepared to make much more significant investment.

Q7. Importance of a local pub in Ireby

Unimportant	0
Quite Unimportant	0
Neither Important nor Unimportant	3
Quite Important	15
Very Important	60
Total	78



A stunning 77% of respondents believe that the presence of a pub in Ireby is very important, with absolutely no one being of the opinion that it is in any way unimportant.

This is a clear endorsement from our community for the Black Lion Community Group steering committee to continue to strenuously pursue the acquisition of the Black Lion for a community pub.

## Conclusion

This was a far-reaching survey which set out to canvas the views of the whole locality on their attitudes towards the purchase of the Black Lion in Ireby and it being run as a community pub.

Through a variety of means the questionnaire was made accessible to the whole local population. Care was taken so that those who had less or no ability of dealing with things through electronic means were equally able to make their views known.

The returns demonstrate a significant response from the whole demographic, with no significant groups shown as under-represented.

Analysis of the results shows that the Black Lion is felt by the vast majority to be very important to the community.

The greater part of those surveyed are prepared to help with the community effort to buy the pub, with more than half of them prepared to support the project by financial means.

In addition, it was made clear which aspects of the traditional provisions of the village pub were especially valued.

The respondents also made a very varied range of suggestions for possible future services and activities which could be explored and trialled, with the pub coming into its own as the village hub.

This is a clear mandate for the Black Lion Community Group steering committee to proceed with their efforts to buy the Black Lion for the community, by fund raising, a share issue and applications for funding through the Community Ownership Fund.