

The Punch Bowl Community Inn 'Launching the Share Prospectus'

4th Village Meeting

11th July 2024,
Thursday, 7:30pm
Burton Village Hall



Starting in a couple of minutes.....

What's changed since our last meeting on 21st May?



The impact of the Government Election on COF

Plunkett: *"Regardless of the Election result, it may be many months before any alternative or continuation of COF becomes known"*

We have contacted key people to find things out and develop support - Julian Smith, Michael Gove's Office, Angela Rayner, Malcolm Birks; the Yorkshire Mayor's Office

We have changed the Business Plan to reflect the new funding landscape

We have moved to a Manager model (instead of Tenant) to give the community more influence on the pub & reflect the possibility of tax relief

Great news! -- We have been awarded the Community Shares Standard!



What's hasn't changed?

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Our commitment to the project...

The total cost of the project...

The need for as wide a shareholder base as possible...

The duration of the ACV...

BUT REMEMBER...

...the Punch Bowl will disappear if we don't do enough!

...the minimum we need is £275k to buy the pub - but it is essential we aim higher



What we need from the Community

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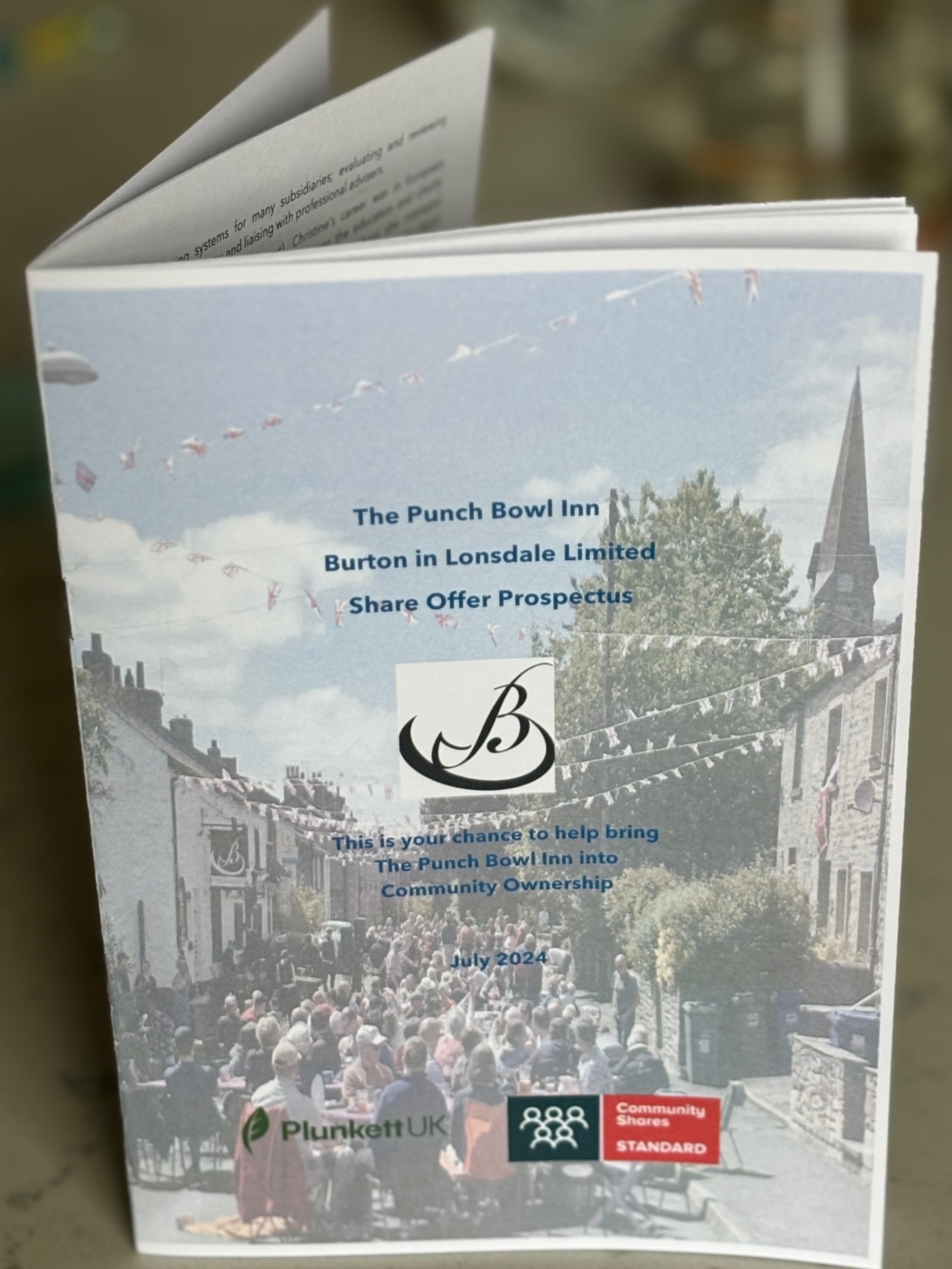
We really need you to purchase as many shares as you can!

We also need you to spread the word -- so others can invest!

We'd like your ideas on how we might get the word out (talk to us!)

This is how you do it:

- Go to the webpage on the pub website for all the documents
- Read & absorb them!
- Fill in the paper or electronic share application form
- Forward the link to whoever you can, so they can buy shares too!



The Business Plan

IC

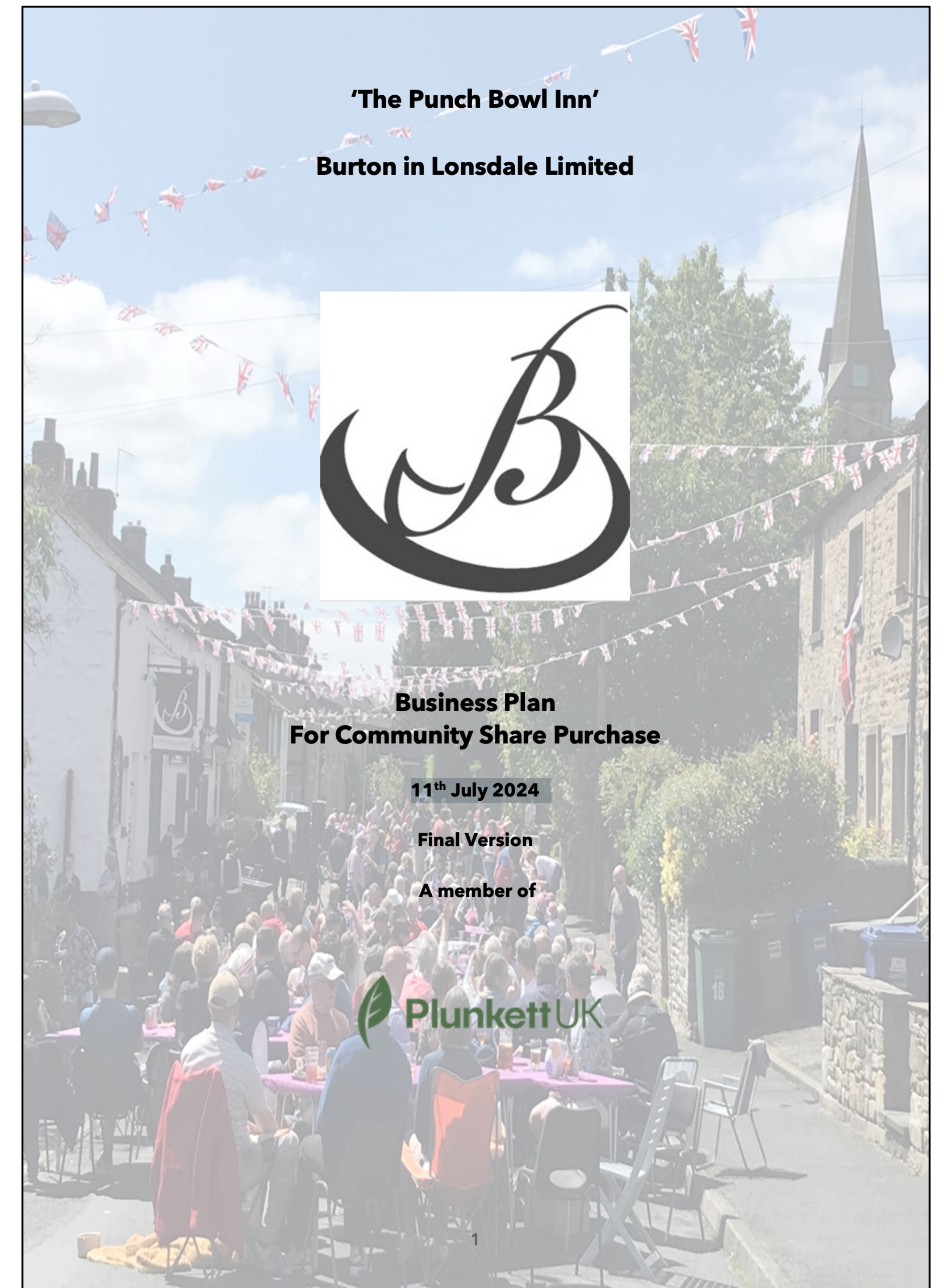
Detailed evaluation and proposal

A 72-page document detailing our insights and strategy that justifies a community purchase. It is underpinned by an equally detailed Community Engagement Plan

Both will be on the Pub purchase webpage when launched tomorrow morning, along with the application form to enable you to buy shares

7 Sections

1. Introduction
2. Strategic Planning
3. Marketing Context
4. Community Engagement
5. Operational Management
6. Infrastructure Planning
7. Financial Planning and Forecasting



The Business Plan Summary IC

The Business Plan has a 4-page summary to give you an overview

We urge you absorb both the Summary and the full Business Plan alongside the Share Prospectus – to fully inform your investment!

If necessary, ask us questions to gain clarity...

3 points to stress:

1. If we don't get at least £275,000, we lose the pub!
2. There is a possibility of Tax Relief on your individual investments...we will let you know as soon as we know!
3. Our chances improve once we own the pub

The Business Plan Summary:

Vision for The Punch Bowl

We considered strengths, weaknesses & opportunities

Addressing risks

Objectives

Management

Timeline

The opportunity

The Punch Bowl's value proposition

Community engagement

Running the pub

Design of the pub

Finances & forecasting

Conclusion

Timescales

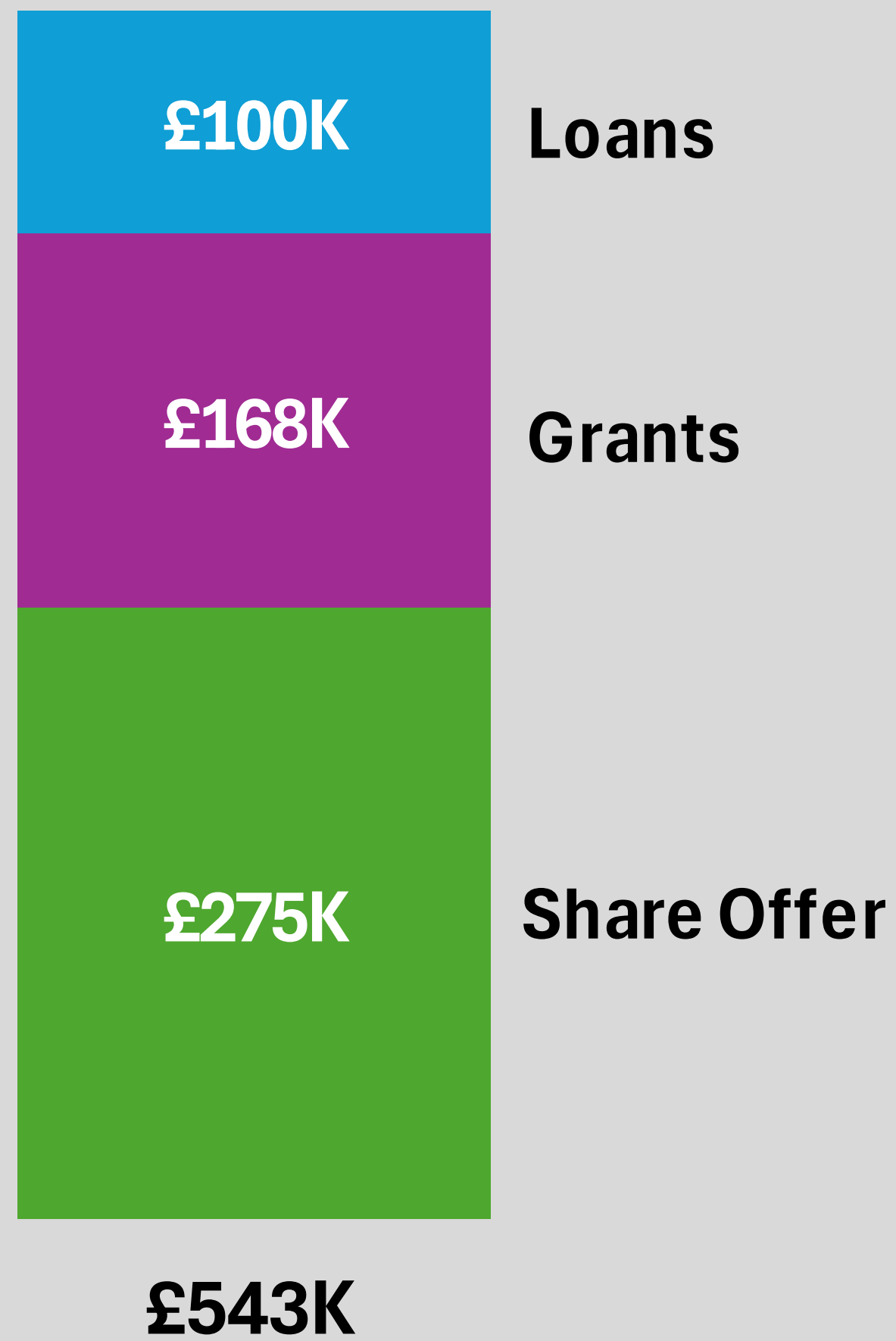
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May	Proposed purchase price agreed at £275,000
October	Completion of the purchase
December	'Wet' Sales to start
January	'Food' Sales to start
July 2025	Guest Accommodation to open



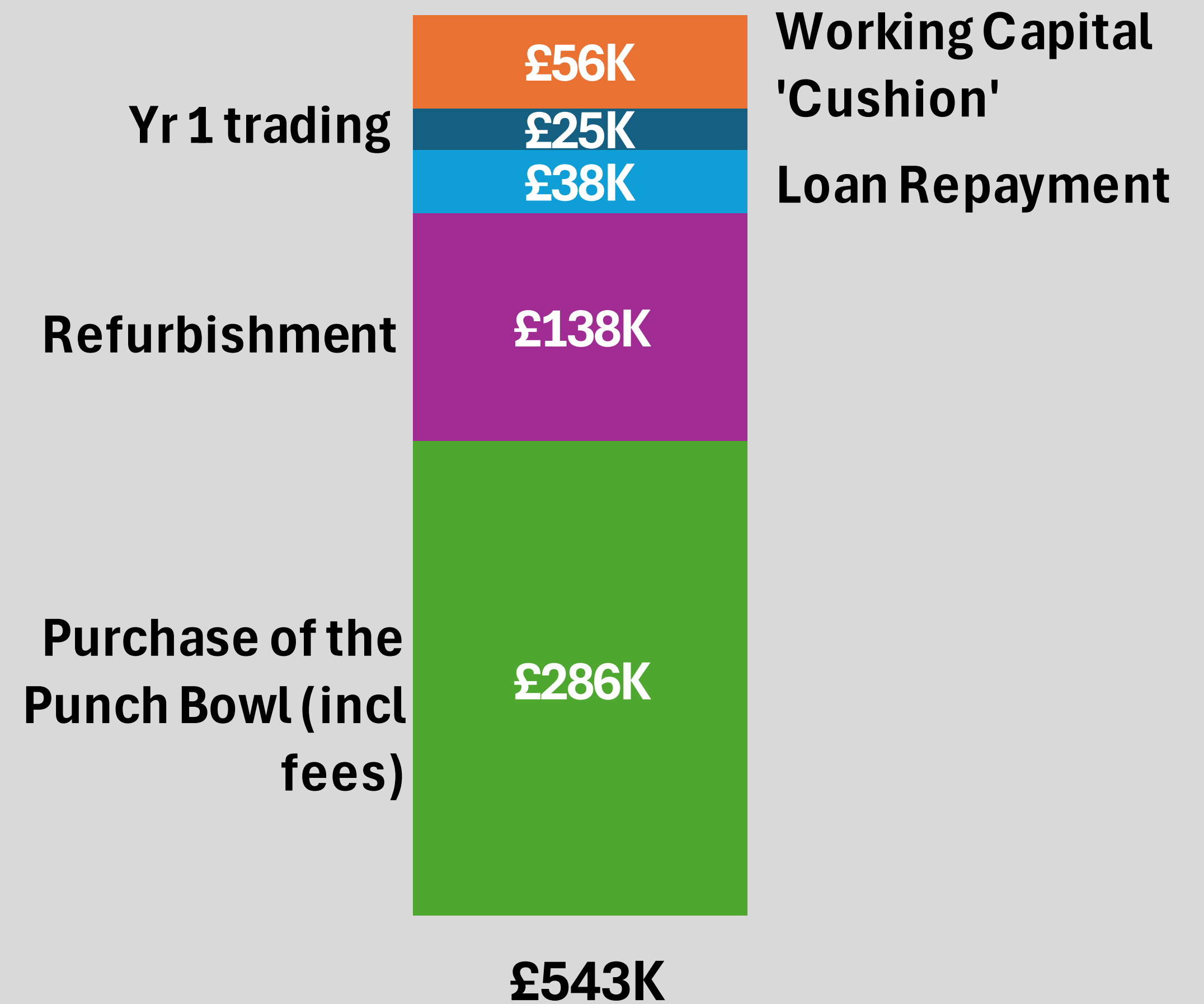
CAPITAL IN

YEAR 1



CAPITAL OUT

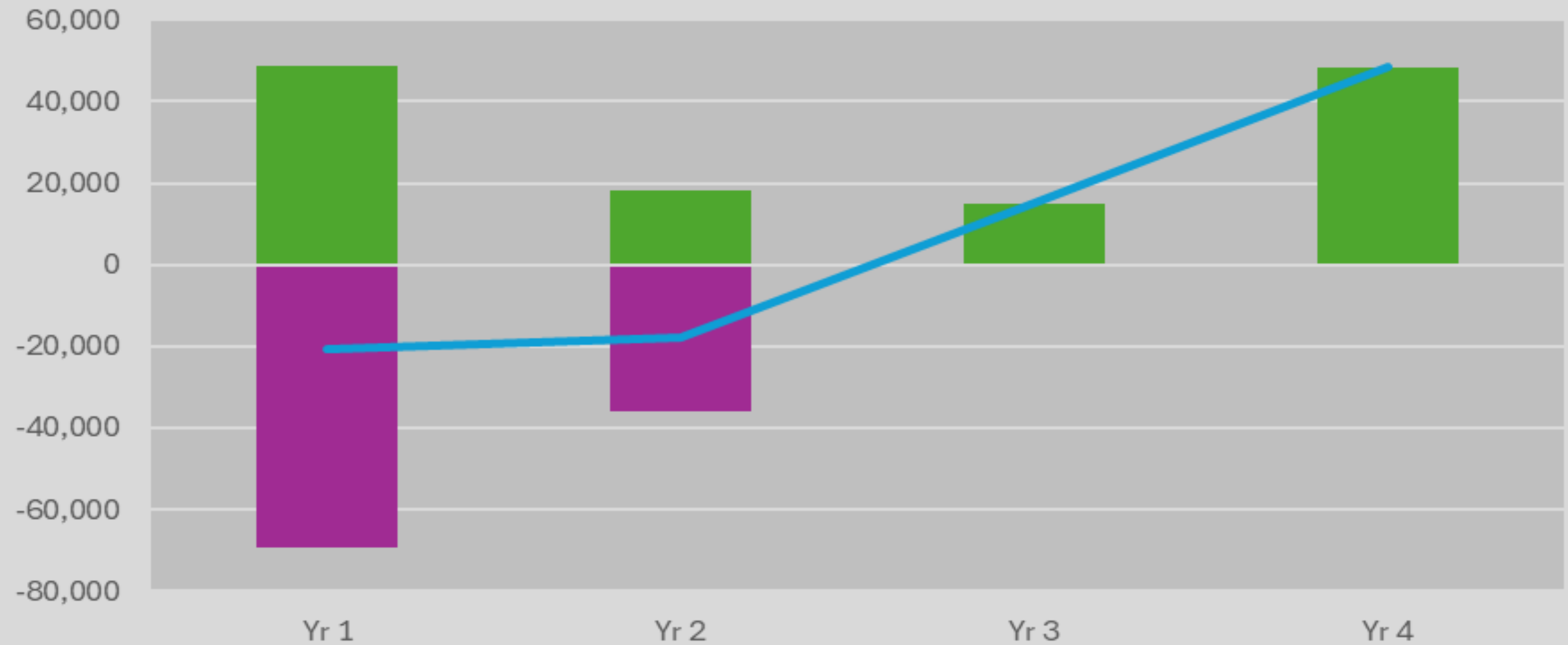
YEAR 1



Year end Cash Position (£,000's)

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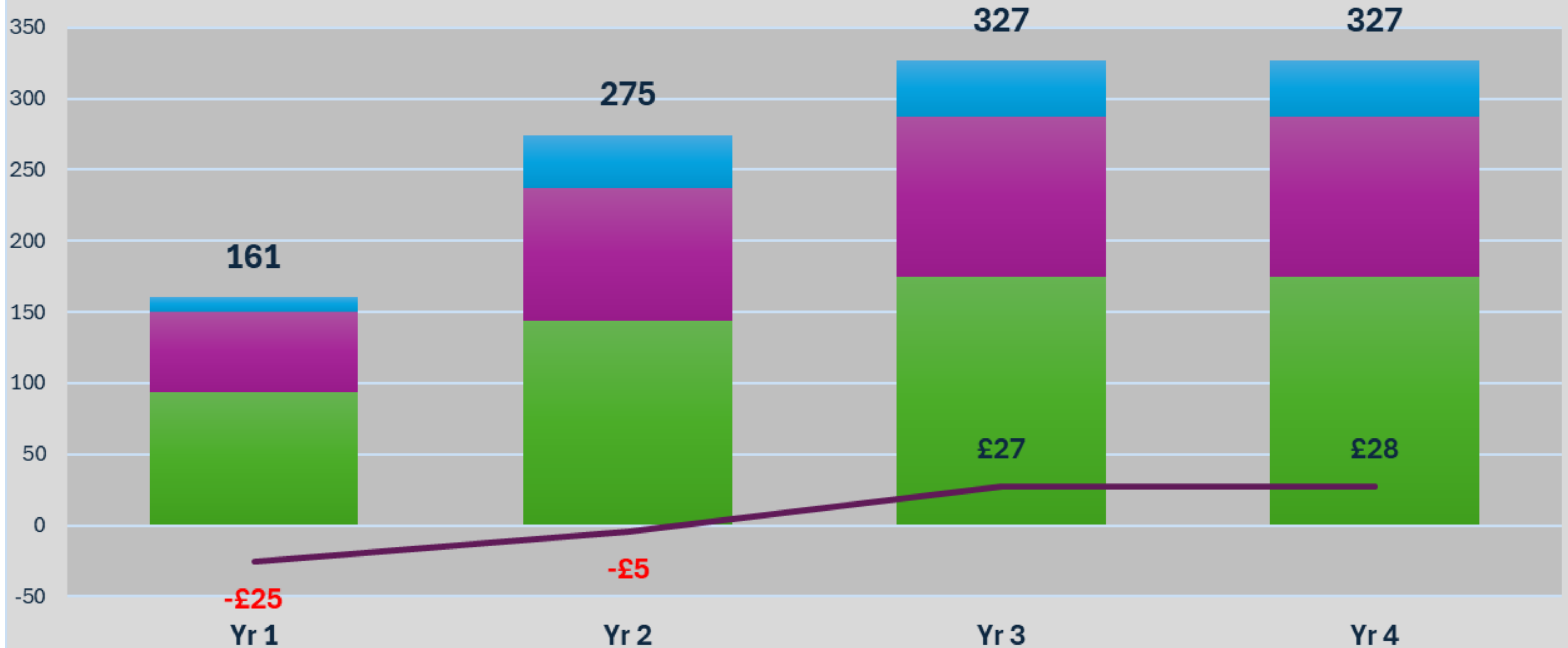
Bank Loans Net Cash Position



INCOME & NET PROFIT £'000's

FW

Drink Food Rooms Net Profit



Source: Business Plan assumptions Jul 24

DETAILED OPERATING PROFIT	Year 1	Year 2	Year 3	Year 4
KEY ASSUMPTIONS				
Rooms available	0.6	2.0	2.0	2.0
Room Rate (exc VAT)	£100	£100	£100	£100
Room Occupancy	44%	60%	64%	64%
Drink £ / days open	£360	£460	£560	£560
Drinks sold per week	546	697	849	849
Covers/week	80	100	120	120
Ave Cover price	£18	£18	£18	£18
INCOME	£160,668	£274,539	£326,795	£326,795
Food	£56,156	£93,593	£112,311	£112,311
Drink	£93,593	£143,509	£174,707	£174,707
Rooms	£10,919	£37,437	£39,777	£39,777

Source: Business Plan assumptions Jul 24

RURAL CHARACTER PUB - Offering food & drink			
Per Week	BBPA	PBI Yr 3	Variance
Drink	£3,717	£3,360	-£357
Food	£2,454	£2,160	-£294
Room	£0	£765	£765
Total Income	£6,171	£6,285	£114
Drink	£1,978	£2,103	£125
Food	£1,601	£1,339	-£262
Room	£0	£589	£589
Total Gross Profit	£3,579	£4,031	£452
Drinks GP %	53%	63%	9%
Food GP %	65%	62%	-3%
Room GP %		77%	77%
Total GP%	58%	64%	6%

Source: British Beer & Pub Association June 2024

Industry Benchmarking

- Latest report published by the BBPA in June 24.
- Based on data from 4100 member pubs, mostly tenanted and tied.
- The 'model' we compare against is the Rural character pub offering food and drink.
- Indicates our assumptions on food and drink sales, and food margin, are reasonable and achievable.
- The favourable gross margin on drinks is in line with expectations for a non-tied pub.
- Introduction of letting rooms is a small but significant element.

The Share Prospectus

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The Punch Bowl Inn

Burton in Lonsdale Limited

Share Offer Prospectus



**This is your chance to help bring
The Punch Bowl Inn into
Community Ownership**

July 2024



**Community
Shares
STANDARD**

What it Means: 'At a glance'

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THE PUNCH BOWL INN, BURTON IN LONSDALE LTD, COMMUNITY BENEFIT SOCIETY		
(Reg No: 9242)		
	SHARES	<p>Interest bearing, withdrawable (after a min. 5 years), asset locked (no share gain in any circumstances).</p> <p>Price per Share £1</p> <p>Minimum Investment £100</p> <p>Maximum Investment £27,500 (individual)</p>
	MEMBERSHIP	<p>Each member will get one vote (regardless of how many shares they own). Buying Shares makes you a member of the Community Benefit Society, and if we succeed in buying the Punch Bowl Inn, you will be a part owner of the pub.</p>
	PROJECTED RETURN	<p>Annual interest payments may be payable on shares at the end of year 5 depending on business performance and agreement of Members at Annual Members Meetings. Our target is to pay up to 5% annual interest.</p>
	SHARE OFFER TARGET	<p>Minimum: £275,000</p> <p>Optimum: £445,000</p> <p>Maximum: £495,000</p>
	SHARE OFFER KEY DATES	<p>Opens: 12 July 2024</p> <p>Closes: 8 Aug 2024</p>
Capital at Risk Warning: You could lose some , or all of your money you invest in this share offer, without recourse to the Financial Services Compensation Scheme or the Financial Ombudsman Service.		

Share Application Form

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Share Application Form

‘The Punch Bowl Inn, Burton in Lonsdale Limited’.

To become a member of The Punch Bowl Inn, Burton in Lonsdale Ltd please complete this application form and send it to the address below, accompanied either with a cheque made payable to ‘The Punch Bowl Inn, Burton in Lonsdale Limited’ or *preferably* through payment by bank transfer to:

Account Name: The Punch Bowl, Burton in Lonsdale Limited

Sort Code: 08-92-99

Account Number: 67351860

(please include your surname and initials as reference)

Please return form (& *cheque if applicable*) to:

Barton Cottage, Duke St, Burton in Lonsdale, LA6 3LG

Each individual or corporate entity must have a UK bank account & complete a separate form. Shares are available at £1 each. Minimum one hundred shares (£100); maximum for an individual 27,500 shares (£27,500)

I wish to purchase shares at £1 each (minimum £100) to the total value of £_____

Payment has been made by bank transfer ☐ or by cheque enclosed ☐

☐ **I am 18 years of age or over** (please tick to confirm).

Please note: you must be 18 or over to be eligible to become a member.

Corporate entities must nominate an individual who can legally act as its representative.

Corporate entity name (if applicable):

Name:

Address:

Postcode:

Tel No:

Email:

Your Bank Details for transfer of interest payments:

Account Name:

Sort Code:

Account Number:

I confirm that I have read the Share Prospectus, including Section 10.

Personal data will be protected and treated in accordance with requirements of the General Data Protection Regulation (EU) 2016/679. Under the 2014 Co-operatives and Community Benefit Societies Act, members have the right to inspect the register of members we maintain, where they can view the details kept on file about them and their investment, and view information about others members’ names and addresses (but not how much any other member has invested).

Signature:

Date:

Share Application Form

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We've tried to pre-empt your key questions and respond to them in the Share Prospectus (in the FAQs)

The QR Code and 'Hotlink' in the Prospectus mean you can either complete a hard copy application, or do it online

It is likely that there will not be any interest given on shares for 5 years

Both individuals and organizations can make financial donations instead of buying shares

Local businesses can also invest in the project by purchasing shares - they aren't restricted to individuals

Where else are we looking for funding?

CW

Remember, we need to own the pub to be able to apply to certain sources

Meantime, we are applying to:

- The Co-op Equity Booster Fund (submitted)
- The National Lottery - 'Reaching Communities' Programme
- The York & North Yorkshire Mayoral Fund

Crowdfunding might be an option to turn to

A short-term loan eases our initial cashflow



Where & how do we find out more?

CW

There will be regular email updates, from us to you

We have arranged surgeries (1:1 sessions in the Village Hall next week):

- **Tuesday 16th July 3-5pm**
- **Wednesday 17th July 5-7pm**

Just ask - we are also happy to have face-to-face meetings with you!

Next Step? - We will arrange for another Village Meeting in a month to review progress on share purchases



An aerial photograph of a village nestled in a valley. On the left, a large stone church with a tall, pointed spire stands out. The village is composed of numerous houses with dark roofs, interspersed with green trees. Beyond the village, the landscape opens up into rolling green hills under a cloudy sky. The text "Discussion / Q&A" is overlaid in the center of the image.

Discussion / Q&A