

COMMUNITY BENEFIT SOCIETY

BUSINESS PLAN

Members of the local community and wider public are now invited to participate in and support the Radnor Arms Hotel to once again become a thriving pub in the village

Share Offer opens on March 2024 and closes on April 2024 (Minimum Five Weeks)

Minimum target £130,000

Optimum target £180,000

Maximum target £220,000

*The Radnor Arms Hotel Limited Community Benefit Society (registration number 8974)
Registered Office: Brookside Farm, Park Road, New Radnor, Powys LD8 2SU*

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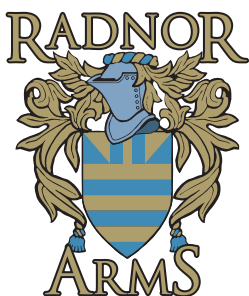
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COMMUNITY STANDARD MARK

The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice. For more information



about the community shares, the Community Shares Standard Mark and the Community Shares Unit, visit:

uk.coop/support-your-co-op/community-shares

OUR VISION & VALUES

KEY THEMES FROM COMMUNITY ENGAGEMENT

PEOPLE

- To return the Radnor Arms to the heart of the Community
- Provide a comfortable and accessible space that accommodates diverse needs
- Provide a warm welcome to people of each generation, from near and far
- Work in partnership with stakeholders, to enable our vibrant community to interact instinctively
- See old friendships re-kindled and new friendships form

COMMERCE

- Offer drinks, light bites (and, in time, meals and accommodation) at affordable prices
- Celebrate the skills within our community by engaging local trades and enterprise
- Recognise and create local supply chains, (bringing opportunities and benefits to businesses in the Radnor Valley and neighbouring areas)
- Create opportunities for volunteering, employment, training and work-experience
- Run an efficient and competitive business.

HERITAGE & ENVIRONMENT

- Protect the architectural heritage of the Radnor Arms and New Radnor
- Respect and complement the surrounding natural and built environments
- Be mindful of sustainability, utilising sustainable building materials throughout the renovation
- Encourage and respect the use of the Welsh language

VALUES

- We will listen to our customers
- Be fair and honest in all we do
- Be welcoming and inclusive
- Safeguard our community resource for future generations
- Have fun!

1 EXECUTIVE SUMMARY

1.1 INTRODUCTION

The purpose of this Business Plan is to inform and encourage you to consider buying shares, through the time limited Share Offer, in The Radnor Arms Hotel, New Radnor, Powys. The Business Plan formulated from community engagement of individuals and stakeholders, will consider the process, benefits, and risks. Further detailed and supporting information can be found in the appendices, our website, and through contacting a member/s of the Management Committee to have a conversation. **The Radnor Arms Hotel Limited Community Benefit Society** was successfully formed on the 11th November 2022 (registration number 8974) under the Cooperative and Community Benefit Societies Act (2014) and is registered with the Financial Conduct Authority (FCA), who have systems in place to ensure the Society is meeting their obligations under society law. The registered office (which will be the Radnor Arms once purchased) is Brookside Farm, Park Road, New Radnor. Powys, LD8 2SU.

This Society has been established to offer people, organisations, and businesses the chance to invest in a community project that prioritises social benefits over financial gains. We will open the Radnor Arms to create a welcoming space for our local and wider community to become their 'local' once again. The welcome will be extended to visitors staying in the pub, local holiday lets and passing trade. At the same time, we aim to create a sustainable building, business, and environment for today's and future generations. Through this we will create a truly local enterprise that is owned and accountable to the community, who will also serve and benefit from it.

The Business Plan is to be read in conjunction with our Share Offer Document which is an invitation to invest and become a member of a Community Benefit Society.

Disclaimer *This document contains forward-looking statements, including forecasts relating to the financial position of the Society at the time of the Share Offer launch. The Management Committee believes that the forecasts reflected in these statements are reasonable but will inevitably involve unknown risks and uncertainties which may cause the actual results, financial performance, or achievements of the Society to be different.*

1.2 THE PROJECT

Plunkett Foundation plunkett.co.uk, who have been working with us to develop the Radnor Arms project, state 'in rural areas, pubs are often one of the last local businesses standing, offering vital services and social opportunities reducing isolation'. Plunkett Foundation in a recent report also indicated that 92% of their community run businesses survive long term. (See link for more details on rahl-cbs.org). This is an opportunity for us as a community to have a sense of pride, and a drive to ensure that renovating and opening the Radnor Arms is a success.

Our Story

Although there are several hotels and pubs in the UK called the Radnor Arms, The Radnor Arms, New Radnor is the only one that is in the village which bears its name. Its closure in 2016, as the last pub in the village, has had a significant and ongoing impact on the local and wider community, visitors to the area, and passing trade.

People knew they could go into the Radnor Arms and immediately feel welcome. It was a place of acceptance and inclusivity. An intergenerational melting pot, where people would happily interact and have a chat.

New Radnor resident

The fabric of the building has suffered years of neglect. In 2016, concerned about the future of the pub and its likely closure, a small group of people came together, creating the Radnor Arms Action Group (hereafter referred to as RAAG) and was formally constituted in the same year. The closure of the pub on the 2nd of April 2016, was a huge and significant loss to the village, where all homes in New Radnor are within walking distance of the pub.

A public meeting was called where over 80 people met and overwhelmingly voted to support efforts to buy the last pub in the village from the then owner, with a view to renovating the site, returning the traditional pub to the main street, where all would be welcome.

Despite those efforts and support from the village, the then owner still refused to sell the property until an opportunity in 2022 reignited the community, and the pub came up for sale. RAAG launched a share pledge to gauge the support of the community which totalled £114,500 in eight weeks. Such was the level of support and with RAAG being unable to collect the pledges in time, an Interim Owner stepped forward to buy the pub, to ensure the 'Radnor' would not be lost to the community.

The Society was formed as a legal entity by the Management Committee of RAAG to forge ahead with applying for grants, and issuing the Share Offer to purchase the pub.

The Management Committee and sub-groups are made up of volunteers with complementary skills. During this period to purchase, rebuild and open the pub, opportunities have and will be created for further volunteering. This can lead to improved health and wellbeing, social interaction and strengthening the resilience of the community. Currently, the building and grounds are a constant reminder of what was, but more importantly, what it still could be. Opening the Radnor Arms will serve not just the local community; New Radnor also sits within the Radnor Valley and the pub will become a local hostelry for smaller settlements and those living outside of a settlement, who do not have a pub to call their local.

The Radnor Arms is also well placed to become a central point within the Radnor Valley for accessible tourism with a focus on eco-tourism. Situated just a few hundred yards off the busy A44, the main trunk road across Wales from the East to the West. The closest settlements with facilities and rest breaks are seven miles in any direction from New Radnor. The pub is ideally placed for people as a destination point or for those requiring a much-needed break when travelling through the area. A thriving pub will provide a convenient stop off point for accommodation, refreshments, toilets, baby changing facilities, electric charging points/hook-ups. Opening the Radnor Arms represents an opportunity to establish a traditional pub with a big heart for both the local and tourist communities.

1.3 COMMUNITY INVOLVEMENT

Public meetings, letters of support, pledges for the Share Offer, information days, exhibitions, fundraising, individual discussions, and chats at community events are at the heart of our Share Offer and Business Plan. Three questionnaires have generated a wealth of ideas and common themes.

As a Society moving forward, the member and public meetings will increase, to provide valuable support and information to continue to create an inclusive, community space. When the Radnor Arms closed, regulars from all walks of life, were asked what losing their pub meant to them:

It was the opportunity to have a drink, socialise and keep up to speed with everything that was going on in the village.

People have suffered mentally. People have lost contact with each other. The wider community have lost touch with each other. The Community has become fragmented.

We would network, chat, find out what's happening within the village and its surrounds. "It was a meeting place, and it was important that the pub was open regularly, giving people the freedom to come and go as they pleased. We knew that different people might be in the pub at different times.

It was a place of acceptance and inclusivity. One where ages and abilities mixed happily. An intergenerational melting pot, where a wide mix of people of different ages would mix, interact, and have a chat.

Even years ago, you would get families coming into the pub together, they were accepted, they met each other, had fun, children were spoken to, recognised and treated with respect.

There was a wide mix of people from different backgrounds. It was important to the village.

1.4 THE CURRENT OWNER

The Radnor Arms Hotel is owned by an Interim Owner. This Share Offer is significant, as the pub remains in jeopardy if we are unable to demonstrate that we can purchase the pub early in April 2024.

1.5 PROJECT COSTS & FUNDING

Plans of the existing footprint of the building in *Appendix 1* show the ground and first floor layout along with the flat roof areas. The Management Committee estimate that the costs for the purchase, making the building safe and the initial development of the two bars will be in the region of £400,000.

Due to the scale, complexity, and cost of the project it will be necessary for the full renovation to be undertaken in four phases over three to four years depending on funding. Funding will be sourced from public and private income streams, our community share issue, grants, fundraising and, if necessary, but not our ambition, short-term community loan facilities. All other options would be exhausted before looking at short-term loans.

Our target funding from all sources for Phases 1, 2 & 3 of the development is £400,000. The Radnor Arms Hotel Limited Community Benefit Society (hereafter referred to as **the Society**). We are delighted that our community, through the Society has been awarded a grant of £240,000 from the Community Ownership Fund (hereafter referred to as **COF**), managed by the Government Department for Levelling Up, Housing and Communities. To access the grant the Society must match fund, pound for pound, any money that is drawn down from the grant to a maximum of £200,000. The additional £40,000 is revenue money that does not have to be match-funded. A successful Share Offer will enable the full grant to be drawn down to pay for the purchase of the Radnor Arms, renovation and opening of the two bars. The grant money must be allocated by the end of June 2024.

The phased plans are the purchase of the freehold of the pub early 2024, the renovation and opening of the two bars by Summer 2024 and the fourth phase is for the shareholders to develop the whole site and produce a renovation plan.

The current target for funding from all sources for the completion of the pub development is £1,145,000. A substantial proportion of these monies will need to be raised from grant funding, and we are confident with advice from Plunkett Foundation, the Architectural Heritage Fund, and Cwmpas (cwmpas.coop) that our Business Plan meets the criteria for several active sources of grant funding moving forward.

The financial plan for the business is based on income from the opening of the two bars, sale of drinks and simple snacks/food. Staffing costs will not be incurred until a clear trading pattern is established. A part time project manager will be appointed to oversee the development of the site, coordinate volunteers and work with contractors.

Turnover and profit have been modelled and draw on comparisons from The Hub in New Radnor, set up as a volunteer-led space in 2018, after the Radnor Arms closed in

2016. The Hub runs a successful volunteer wet bar one night a week, with volunteer cooks preparing a set meal. Research has been carried out to help shape our financial forecasts. This includes investigating industry standards and our market appraisal valuation, along with having *pro bono* professional advice from architects, established breweries and by talking to local pubs in the area.

1.6 THE SOCIETY ITSELF

The Society has adopted the Community Benefit Society Model Rules drawn up by Plunkett Foundation a national charity that works with rural communities in the UK to help them set up and run community-owned businesses. You can find a copy of the Model Rules at rahl-cbs.org The Society is organised on the principle of one member, one vote.

Members have a voice in the Society's affairs as provided by our Model Rules. **The shareholders will be the decision makers.**

This type of Society fosters a fundamental equality between members, which is the backbone of the success of this model. Within three months of the Share Offer closing the current Management Committee will stand down and an Inaugural Members' Meeting will be called in the Community Centre in New Radnor to form a new Management Committee moving forward. Existing Management Committee members can stand for re-election.

Members and members of the community will make up sub-committees, with recommended groups to include finance, business operations, project development, building renovation and maintenance of the site, community engagement, retail operations, governance, audit and volunteer management.

Membership was originally set at a minimum of £250 shares. A public meeting prior to the sale of the pub, indicated a strong desire for the shares to be open to all members of the community and £250 could be cost prohibitive. The public meeting voted to reduce the Share Offer minimum to £25, enabling all members of the community to help save the pub. Please see our website for our Share Offer document at rahl-cbs.org

1.7 THE SHARE OFFER

HOW WILL THE RADNOR ARMS COMMUNITY BENEFIT SOCIETY SHARE OFFER WORK?

What is a community Share Offer? In this instance, a community Share Offer is a way for people and local businesses to raise capital by allowing people (aged 16+) to invest in this enterprise. You can buy shares through Individual Membership, Joint Membership, for groups of individuals that buy shares together, which are then held in one person's name, and they vote for the group and Corporate Membership which involves nominating someone to act on behalf of the corporate body, who support the objectives of the Share Offer. Purchasing shares allows you to buy into a community project that prioritises social benefits over financial gains. As a shareholder

you can vote at the Annual Members' Meeting, you can stand for election to the Management Committee, volunteer to help, support ongoing fundraising, or just make use of the pub. *Once the Share Offer closes, members of the community will not be able to buy shares or become members, and vote on the future development of the pub, until another Share Offer is launched.*

Your Invitation: You are invited to buy shares and become a member of the Radnor Arms Hotel Limited Community Benefit Society to help with purchase and renovation. You will be investing in a community enterprise which will secure the long-term future of New Radnor's valued pub. There will be limited financial reward, but you may earn interest and your liability will be limited. You may also be able to save tax by investing.

What is our minimum & maximum target for the Share Offer? The Society aims to raise a minimum of £130,000. Our optimum figure is £180,000, and our financial forecasts reflect this figure. The maximum of £220,000 is set from this Share Offer.

This is not just about buying a pub; it is primarily about helping to sustain the community.

How much do the shares cost? The minimum investment is £25. The maximum investment is £20,000.

How long is the Share Offer open for? The Share Offer will be open for 6 weeks. If the minimum Share Offer is not met or is oversubscribed a shareholders' meeting will be held to decide the next steps. The Share Offer will close early if the maximum target of £220,000 is reached. The Share Offer may be extended if the optimum target is not reached within the Share Offer period.

What's in it for me? Depending on what you want to put into the project, your involvement can be as much or as little as you wish. It is not just about rebuilding the pub; it is about helping to sustain a community. There is limited financial reward. However, if you pay tax, the government provides 50% tax relief to investors who invest in small and early-stage companies. For everyone who invests, in the project it is about securing the future of the pub for the village and investing in our young people and families, investing in a community space that is run for the good of everyone.

Why should I care? New Radnor is a supportive community, but it's becoming increasingly easy to feel isolated in village settings across the country. This can affect everyone, whether you're a young person without transport, a young family, someone who works outside of the village, a new resident, a retired resident, or someone who lives alone. Having our community pub back would revitalise our lives, offering connection and belonging through the cherished space of 'our local'.

What should I do before buying shares? We strongly recommend that you read both the Share Offer document and the Business Plan before buying shares.



How do I buy shares? The investment application form is at the end of the Share Offer document, and on our website rahl.org. The form can also be requested by email at contact@rahl-cbs.org or by calling our dedicated mobile **07469 094 136**. An acknowledgement of your application for shares will be made by email or posted within five working days.

Please Note: finance@rahl-cbs.org is a dedicated email address for the Share Offer and will be held in line with data protection. The joint treasurers (Libby Roe & Paul Norton) are the signatories and the only people that can access this account. Share monies will be kept in the Radnor Arms Hotel Share Account with Lloyds Bank until the Share Offer closes. Our data protection policy can be found on rahl-cbs.org

Can I buy shares if I live abroad? Yes, shares in a community benefit society can be bought if you live abroad. However, it is important to note that the rules and regulations regarding community shares may vary depending on the country you live in. If you are interested in buying shares in the Radnor Arms, it is recommended that you consult with a financial advisor or a legal professional to ensure that you are aware of all the rules and regulations that apply to your specific situation.

How does the share offer work and what guarantees do I have when I buy shares? This is a long-term investment for the benefit of the community. Shares in the Society will not increase in value. If the Society is wound up and the value of the Society's assets is more than the value of the share capital, shareholders will still only get back their original investment. Given the shares are issued by a corporate body, shareholders have no liability other than the value of the shares they purchase.

Do I get interest on my shares? Interest payments on shares have been forecast from Year 3 (2027), dependent on business success and availability of sufficient surpluses. The rate has been forecast at 4%, however, each year the Management Committee will submit a recommendation regarding interest payments on shares to the Annual Members' Meeting for approval.

Can I sell or transfer my shares? Shares can only be sold back to the Society after a lock-in of three years. This ensures the business has an initial period of financial stability. This is also a requirement of His Majesty's Revenue and Customs Department (hereafter referred to as **HMRC**) for shares to qualify for tax relief.

Can I withdraw my shares? Share withdrawals must be funded from trading surpluses or new share capital. The withdrawal is discretionary, subject to the Management Committee's satisfaction that the action is consistent with the long-term interest of the Society. Three months' notice must be given. Share withdrawal is anticipated from Year 4 (2028) onwards. The members Management Committee will monitor the trading position of the business throughout the project, and will put recommendations to a members meeting, if opportunity to allow withdrawals before Year 4 (2028) arises.

When it is possible to consider share repurchase, the Management Committee will set out appropriate criteria

and annual limits (potentially only up to 10% of initial share value). The Management Committee may suspend withdrawals depending on the long-term interests of the Society, the performance of the business, difficult trading conditions, the need to maintain adequate reserves, and the commitment to the community. Your shares cannot be sold or transferred except on death or bankruptcy and their value cannot be realised except on application to the Society itself for their original value.

Nomination on Death Form A nomination on death form is attached to the Share Offer document (and available on our website) allowing shareholders to nominate a person to become entitled to their shares in the event of their death. This can be filled in and sent with your investment form or can be filled in during your lifetime.

Will my shares increase in value? The shares you buy attract limited interest, generally getting back what you paid for them. It is important to understand that valuation factors demonstrate a level of risk for your investment and your share value can go down. Risks include a COF charge on the asset, and can be determined by financial performance, market conditions, asset value, intangible assets, and/or lack of future growth.

Is this the only Share Offer for the Radnor Arms Hotel? The new Management Committee will consider further Share Offers if funding is required for the project. This could be due to grant funding not being available or to match fund future grants, if the Society does not have the capital to do so.

Can I get tax relief on my investment? The Society has obtained Advance Assurance from HMRC that individual investments made through this Share Offer will qualify for Seed Enterprise Investment Scheme (SEIS) tax relief. This is a UK government initiative that encourages investment in small and early-stage startup businesses by offering tax relief to individual investors who buy initial shares in our Society. If this assurance is received and you pay tax, you are eligible to apply to receive a credit from HMRC of up to 50% of your investment, dependent on the rate at which you pay income tax.

The SEIS scheme is offered for share offers targeted to raise up to a maximum of £250,000.

Four months after starting to trade (i.e. towards the end of 2024) the Society will enter a claim providing HMRC with details of investments made by individuals. HMRC will issue the Society with a letter confirming that SEIS tax relief will be available, together with a compliance certificate for each Member. The Society will send this certificate to each member who must then claim their tax relief either through their annual tax return or by requesting a new PAYE code from HMRC.

To qualify, the shares must be held by an investor for a minimum of three years. Investors thinking of investing jointly should consider whether there would be tax advantages in allocating the greater part of the investment to the person best able to take advantage of the tax relief available. Your investment in shares in the Society may also qualify for business relief under inheritance tax rules. The granting of the SEIS will ultimately rest with HMRC. We believe the Society

has taken the necessary steps to ensure that nothing in this Share Offer or the way in which proceeds will be used is in contravention of the HMRC rules.

Who will own the building that accommodates The Radnor Arms? The building freehold will be owned by The Radnor Arms Hotel Limited Community Benefit Society.

What happens to the asset if the project fails? The Society's rules include a legally binding asset lock, which is a constitutional element in the model rules that prevents the distribution of residual assets to members. The purpose of an asset lock is to ensure that the community benefit of any retained surplus or residual value cannot be appropriated for the private benefit of members. Asset locks are a defining feature of community shares. This is irrevocable and cannot be changed by members.

What is the Legal Charge connected to COF grant? This is a restriction on the Radnor Arms, in the grant funding agreement signed by the Management Committee. It is in place for seven years, as a safekeeping measure, as a community owned asset to protect public funds. The charge grants the fund certain rights if the organisation breaches the grant agreement. For example, if the asset is sold without permission, the fund can recover their investment, up to the grant amount. This doesn't mean they own the asset, but rather have a claim on it under specific circumstances.

Will the members be paid? Members will not benefit financially in any way from the activities of the Society, other than through participation in the Society's shares.

If a member of the Management Committee declares an interest in which they, or their spouse, partner or immediate relative have a personal, financial, or other material interest they shall not vote on any matters relating to that interest. Members of the Management Committee are not entitled to any remuneration, but they may be reimbursed for reasonable expenses incurred in connection with the Society's business.

What are my risks if the purchase goes ahead? The Society wants to be fully open and transparent to its potential investors about the risks as well as the benefits of investment in community shares. It is important to understand the following:

- As a member and shareholder of the Society you will have a stake in the Society. If the Society is unable to meet its debts and other liabilities, you could, in principle, lose some or all your investment held in shares. You will have no other financial liability for the project.
- The Financial Services Compensation Scheme, which applies to bank accounts, does not apply to your investment, which is exempt from regulation and therefore does not require authorisation from the Financial Conduct Authority.
- Your investment in your share account is withdrawable without penalty after the current modelling of five years, at the discretion of the Management Committee under the Society's rules.

- The Financial Ombudsman Service does not apply to your share account or your relationship with the Society, but any dispute may be the subject of arbitration as set out in the Society's rules.
- Your investment in your share account does not enjoy any capital growth but may receive interest.
- The return on your investment will be through a 'social dividend' i.e. the preservation of a local asset servicing the community and potentially through a modest interest on your shareholding.
- Any surplus profits arising from the business would be used for the benefit of the community.

What happens if we don't raise all the money? The Society has undertaken the initial work at risk. If the minimum Share Offer is not met a shareholders' meeting will be held to decide the next steps. If we are still unable to move forward with the purchase of the pub, due to insufficient funds, any funds raised from the Share Issue will be returned to the investors with minimal admin costs deducted, if incurred. However, the response so far from the community, potential investors and grant awarding bodies make us confident that we will succeed.

If the project fails before completing Phase 2, activities will stop, and grant owners will absorb their losses. The Community Ownership Fund will maintain a legal charge on the property for community benefit. Despite this, positive feedback from funding agencies makes us believe this scenario is unlikely. Our approach is low-risk, with phased development and mostly grant-funded. However, this unregulated investment carries risk. Investors may not recoup their full investment and should verify our Business Plan's credibility before investing.

Will the project make any money? Hospitality is a difficult sector with tight margins. However, community owned businesses have some advantages over a traditional business model. There will be no commercial owner seeking to make a profit. All income can therefore be used for operation and development, the following three points support the project:

- Grant finance is available for community assets. We intend to cover a large proportion of the set up and renovation costs in this way.
- Those who invest will be inclined to use and support the venture. We also intend to garner practical support from local community tradespeople and businesses during the refurbishment phase, working with contractors who support community owner projects and volunteer input. These works and volunteers will be managed by the contractor.
- Lastly, by adopting a phased approach, it might take longer to develop the business. However, this also means that the business can remain financially secure throughout. If we need to slow phases to allow consolidation of the business, we would do so.



1.8 TIMETABLE OF THE SHARE OFFER

The Share Offer opens in March 2024 and closes in April 2024. Our aim is to purchase and re-open the two original and existing bars by Summer 2024. Further grant applications, design and planning applications will follow throughout the project development. Prior to the adoption of final plans, tendering and appointing contractors, it is envisioned that a full renovation Business Plan will be implemented by December 2024.

1.9 MARKETING

The Society has a vibrant marketing team. They have developed a focused marketing plan to reach all members of the community and wider public with leaflet drops, posters, a Share Offer specific website, utilisation of all social media and using different age groups to populate content. They are creating a transparent campaign to ensure that we give a consistent and unambiguous message.

We have a current database of 175 people who responded to our questionnaire with 154 individuals who have opted to receive updates via Mailchimp. Most of our Management Committee live in the village, and are heavily involved in local events, societies, clubs, and activities. Word of mouth is so important in a community setting.

Our focus is to continue to reach out to the local and wider community along with those who will stay at the pub, rent holiday lets in the area, or are passing through. Using a clear and vibrant message we will share the unfolding story of the pub so once again it can become a focal point at the heart of the village.

1.10 ACCURACY OF INFORMATION

As a Management Committee, the Society accepts responsibility for the information contained in this document. We have taken all reasonable care to ensure that the information is in accordance with the facts and contains no omission likely to affect its substance.

This Business Plan sets out the background to the project and drives our Share Offer, in which members of the community will be invited to participate, thus supporting the opportunity to buy and renovate the Radnor Arms as an asset for community ownership.

Our thanks on behalf of the Society and community, go to the many professionals, traders in the area and volunteers, who have given *pro bono* advice on key aspects of this Business Plan.

2 INTRODUCTION

2.1 THE NEED FOR THIS PROJECT

Twenty years ago, the village had two pubs, a substantial grocery store and butchery, a post office, bakery, and hairdressers. By 2008 the Radnor Arms was the only pub left, the post office had closed, and the shop had been much reduced in size. As the last pub, the Radnor Arms became a focal point for our village and those visiting the area on holiday or passing through.

The pub is a double-fronted, slate and flat roofed building, with later-built accommodation, kitchen, and restaurant extensions. The original building is thought to be Georgian. There is now no sign of its brewhouse, or the large public room used for balls and concerts, which we know to have existed.

Currently, New Radnor lacks a pub or eatery (apart from a set meal on a Friday night at the Hub and occasional Sunday lunches). The Radnor Arms aims to fill this gap, providing a space where all are welcome and adopt the pub as their local. It will offer a place for socializing, dining, working, and learning. The community envisions restoring and upgrading the two bars. Once renovations are complete, the pub will serve meals to promote sustainability, tourism, and local business. Community pubs, like the Radnor Arms, are deeply connected to their communities, providing unique value and resilience. The community cherish the pub's history and aims to preserve its legacy for future generations.

2.2 THE WIDER CONTEXT

The project aims to build a resilient community by empowering people to participate fully in shaping their local environment and influencing decisions that affect them. The Society enables local people to decide how their pub is designed, run, staffed, and what services it offers. The restoration of the building will support the heritage value of the village to visitors and local businesses. The business will, in time, also provide opportunities for volunteers and regular employment for local people. Research has shown that pubs can provide a vital resource in reducing social isolation, especially for the farming community and older people. Our community surveys have shown that this connection with others was a key factor in support for the pub.

The Mid Wales Regional Investment Plan 2022-25 Vision for Growing Mid Wales identified the rich natural beauty and significant historical architecture of the area. However, visitors and people staying in the area have commented that there are few places to eat or drink in the area, and if they do find them, they have limited opening hours, thus encouraging a limited number of return bookings.

Throughout the region, tourism offers investment to generate higher value returns for the economy. This is delivered in partnership and aligned with Government and key stakeholders to develop Mid Wales's distinctive message. Specifically, our project meets Powys County Council's Unitary

Development Plan **Adopted LDP (2011-2026) - Powys County Council** which sets out a clear and strong strategy for meeting the future needs of the county's communities over the next decade. *“By focusing development on our market towns and largest villages, it provides the direction and certainty to support investment and enable economic opportunities to be fostered on the key areas of community, tourism, transport, and the environment”.*

2.3 DOCUMENT STATUS

The Business Plan will also support our grant applications.

Appendix 6 outlines some of the grant funds for which we may be eligible, which will be developed with advice and resources from Plunkett Foundation, Cwmpas, the Architectural Heritage Fund and the Welsh Council for Voluntary Action.

External review and advice have been provided by the above resource groups, to help us achieve the standard mark for our community share offer, offering potential investors confidence that the offer has been rigorously assessed for clarity, honesty, and compliance with good practice. This promotes trust and increases the likelihood of investment, supporting the success of this Share Offer to buy the pub and renovate the bars. We recognise that this Business Plan will evolve as members become involved in the project. A more detailed renovation plan, with architectural plans and cost estimates that have been inspired by community engagements, and developed and finalised for the building, will all be discussed in detail, voted on and agreed by the new members of the Society, prior to Phase 4 of the development plan.

3 ABOUT NEW RADNOR & THE RADNOR VALLEY

3.1 THE POPULATION

New Radnor sits in the Radnor Valley, Radnorshire, Powys. With a population of c. 440, and a combined population in the Radnor Valley of 1,562. The Radnor Arms is considered 'their local' by many in the Radnor Valley, an area known for its scenic beauty, historic sites, and wildlife (visit ons.gov.uk/visualisations/areas/areal?code=W04000334)

According to the Welsh Index of Multiple Deprivation, New Radnor and the surrounding area is ranked 60 out of 1909, placing our community in the top 10% with the worst access to services throughout Wales. Additionally, 50.9% of people do not own a car, 19% of people are living with a disability, and 9% of people are providing unpaid care to a family or friend in the village. People can go for days without seeing anyone, and support networks and places to meet are key.

The Radnor Arms will play a part in supporting all ages creating safe spaces for people of all ages to meet. We will encourage and enhance the local tourism infrastructure, offering a place to learn more about our community and history whilst also increasing hospitality and the opportunity to spend money. Once employment can commence, jobs will be advertised

without restriction on access or gender.

The challenges we experience are:

- An ageing population
- Decline of rural economy
- Loss of young people
- Lack of diversity

Currently, the people of New Radnor must drive several miles to find a hospitality venue. This is, of course, requires access to transport, which can be expensive, and environmentally unsound. More than this, New Radnor has an ageing population. The 2021 census shows that 43% of its population are over 60. The lack of a venue for daytime and evening drinks, food, and entertainment in the village falls disproportionately on this older age group. Our questionnaires reflect this analysis – with many respondents citing the social isolation and lack of affordable facilities for this age group as a major concern. At the other end of the scale, just over 21% of our community are in the 0-29 years age groups. Having a pub in the village would provide a safe and welcoming space for all ages to come together and build a stronger community.

Facilities & Assets

New Radnor has the following facilities and assets, they include:

- New Radnor Primary School
- The Community Centre
- The Old School Community Hub
- The Church in Wales and Baptist church
- Snooker club
- The village shop (Esco's) in the Town Hall
- Diversification in the area offers a wide range of accommodation for tourists and family members to stay in the area
- A static caravan park open nine months of the year
- There are no cafes, restaurants or take-aways within a 7-mile radius, although we do have The Hub serving volunteer-led meals once a week on a Friday and occasional Sunday roasts, and a Saturday café in Evenjobb serving breakfasts, light lunches, and cakes
- Public transport is not available during the evening.

Existing Community Groups

These include the football club, WI, gardening club, coffee morning at the Hub, snooker club, the Carnival Management Committee, Friends of Radnor Valley School, Hub Volunteers, Radnor Valley Band, Mothers Union, Music in New Radnor, art group, yoga & Pilates, line dancing, two badminton groups, a reading group, over 60's club and prior to the pubs closure the Radnor Arms darts team: all of which frequented the Radnor Arms as their 'local'. More recent groups include the Friends of Radnor Fforest and Resilient Radnor.

There is evidence to suggest that there would be strong support from further groups, including those for the younger members of our community with after school activities, homework clubs, and evening activities being suggested. Other activity groups suggested including support networks for people with disabilities, carers, history, chess, Welsh language lessons,



and basic training and support in IT skills.

Opportunities for young people locally are limited and given the lack of public transport after 6.20 pm, independent travel to activities and social venues further afield are prohibited, increasing the risk of isolation and loneliness for this age group.

3.2 POTENTIAL CUSTOMER BASE

The constant customer base for the Radnor Arms will be the local community, those living within walking distance of the pub, those with just a short drive, along with the surrounding villages, hamlets, and settlement communities in the Radnor Valley, who do not have a pub where they live.

Previous tenants/publicans through their own personalities and style became an integral part of the community and as such, we believe the pub can be a success in the future. Such was the community spirit, that if a stranger walked through the door, they were welcomed and a seat or place at the bar was made available. The community were interested in getting to know visitors to the area and hear their stories.

Clubs and societies that meet in the village draw their membership from a wide area and used to meet in the pub or pop in for a 'quick' drink on their way home, boosting trade during the week.

Another customer base was the local football team, who have just been promoted, (huge congratulations to them) when the pub was still open in the village. Another tradition was the duck race to raise funds for the club, which takes place on Boxing Day, it was standing room only in the pub that day, if you could squeeze through the door! The Radnor Valley Young Farmers recently had to travel over into England to find a pub open!

There is also a much broader visitor market, either passing through on holiday to the coast (families, cyclists, motorbikes, coaches, and walkers) along with drivers looking for food and much needed toilets. Eco-tourism is on the rise and individuals and families, staying in the pub, holiday lets and the caravan park, will all help boost the customer and volunteer base at the pub.

3.3 THE COMPETITION

There is little direct competition, with no comparable village pub within seven miles, apart from a destination pub, 3.5 miles away. This represents a real business opportunity for our community to re-establish the pub back into the village to meet consumer priorities. Since the Radnor Arms was purchased by the Interim Owner, two more pubs have closed, although we are excited to hear one is reopening April 2024. Existing local facilities include:

In New Radnor Village

- **The Hub** Volunteer led, opens on Friday evenings for food and drink, and occasional Sunday lunches. Can be booked for private hire.

Within seven miles of New Radnor

- **Saturday Café** (Evenjobb) offering breakfasts, light lunches, drinks and cakes
- **The Fforest Inn** (Llanfihangel-nant-Melan) currently closed, but reopening April 2024

- **The Red Lion** (Llanfihangel-nant-Melan) C16th inn, closed October 23.
- **The Harp** (Old Radnor) A 'destination pub', is currently on the market
- **The Royal Oak** (Gladestry) C17th inn, traditional pub.

Accommodation

- **Presteigne Holiday Park** with holiday cottage
- Bed and Breakfast Accommodation
- Airbnb properties
- Glamping sites

The long-term plan is to renovate the existing letting rooms at the pub, being mindful and involving local competition in that planning process. As a Society committed to working with all businesses and organisations in the area, we see this a positive opportunity for all to prosper, which will be in keeping with the community and wider community spirit that is alive and kicking! The competition for us all will lead to greater opportunities, higher quality services, more innovation, and lower prices.

4 COMMUNITY INVOLVEMENT & PARTNERSHIP WORKING

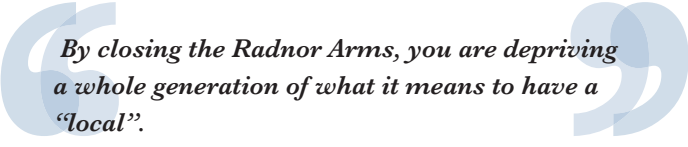
4.1 COMMUNITY & STAKEHOLDER ENGAGEMENT

Our community engagement aims to ensure that everyone's voice is heard through meetings, open days, informal chats, fundraising activities, consultations corners, our website, social media, and The Hub, where conversations could take place, questionnaires completed. Our stakeholders, both existing and new ones being identified, have been involved at different stages of the campaign to save the Radnor Arms. The Management Committee have not found this easy but have been able to capture the themes and similarities of the community and stakeholders to shape the project moving forward. The provision of accommodation and food will be a local resource for businesses in the area and our aim is to engage them on this project. *Appendix 3* identifies potential stakeholders and partners.

Meetings and Engagement Sessions

May/July 2016: The owner of the Radnor Arms met with the community to discuss the future of the pub. Over 80 people attended the first meeting and expressed their concerns about the loss of the pub and its impact on the village's identity and local economy. The community was informed of the different ways the pub could be brought into community ownership or could explore the current owner's suggestion of the community running the pub for him or possibly leasing the pub. A petition signed by over 300 people was sent to Kirsty Williams, the AM in the Senedd, to list the pub as an Asset of Community Value, which would give the community the right to buy but they would have to compete on the open market.

A detailed survey on the condition of the pub was



By closing the Radnor Arms, you are depriving a whole generation of what it means to have a “local”.

undertaken, and a register of users gathered 228 names of people who saw the pub as ‘their local’. Over twenty community groups, businesses, and individuals sent letters of support, sharing how the closure of the last pub in the village would impact their activities, examples can be seen in *Appendix 4*. Despite the deterioration of the fabric of the building, the pub was still seen as a busy and vibrant focal point of community life. One of the most emotive reasons to fight to keep the last pub in the village came from the Young Farmers in the Radnor Valley, who shared their collective reaction to the closure:

2018 a snapshot RAAG group survey of 59 respondents showed that:

- 43 people indicated that having a pub in the village was very important (scored 10), with 16 people scoring four and above
- Six people used the pub every day, 11 people two or three times a week, and 15 people two or three times a month
- Of the 51 responses to the question *would you be keen to be involved in helping?*, 30 people were keen on being involved, offers of support included help from two ex-publicans, decorating, construction, business skills, signwriting, cooking, music, and advice on fundraising
- The top ten facilities voted for were: quality, inexpensive food; a range of reasonably priced drinks; rooms; daytime coffee shop; cash point; specials nights; library/book exchange; live music; pub teams; Sunday newspapers
- When asked if they would be willing to support financially, 20 people were willing to invest in a Share Offer, 8 would consider providing a loan, 14 would be willing to donate, and 31 to fundraise.

This information showed support for RAAG to continue their discussions and aim to purchase the pub if it came onto the market. The questionnaire provided early advice on what the community wanted from their pub and their willingness to volunteer their time and support the fundraising efforts towards ownership of the pub.

December 2018: The Hub was developed to offer community engagement and spirit to maintain awareness of the primary aim of reopening the Radnor Arms. It has enabled natural conversations over a pint and a meal, sharing of memories, ideas, and fundraising. The Hub has also developed as a vibrant volunteer-led space, keeping the village connected.

January 2019: Residents in the neighbouring house noticed significant problems with water ingress coming from the Radnor Arms, and when the owner failed to engage in solving the problem, they were forced to undertake lengthy litigation to protect their property. Court orders allowed the neighbours to repair both the pub and their house. The court ruled that the

owner of the pub was liable for costs, but he refused to pay, leading to a further Court Order transferring ownership of the pub to the neighbours and ordering it to be sold at auction for a minimum price set. Costs owed were to be paid from the proceeds of the sale and the remainder paid to other creditors and then to the now ex-owner. RAAG were kept informed of the progress of the litigation and prospect of a sale but were unable to meet the minimum price set to buy the pub prior to auction.

August 2022: A meeting was held by the steering group to update the community, where 65 members of the community were present. The focus was on updating the Share Offer information to purchase the pub. Following the support from the meeting the steering group launched a share pledge which totalled £114,500 in eight weeks.

October 2022: In a significant meeting with 40 members of the community present, a timeline from the purchase of the pub to completing Phases 1, 2 and 3 of the Business Plan was discussed in principle with alternate models presented. The committee addressed the Business Plan detail, and no objections were raised as to the action moving forward by the committee. The pub was bought on the 20th October 2022 for £115,000 plus fees of £2,271. One other person started bidding at the auction, but dropped out when the bid from RAAG was raised. Ruth, the volunteer manager of The Hub, indicated that the pub opening would be a partnership which was complementary for both organisations.

Nov/Dec 2022: An art exhibition was held in the pub, initiated by artists in the community for Herefordshire Art Week. Members of the committee helped set up and run this event. A short questionnaire and ‘consultation corner’ which used post-it notes to gather suggestions for the design of the pub, enabled the committee to engage with over 300 people visiting the exhibition to capture their ideas and dreams for the pub. Comments from these exercises were invaluable to the committee. These included:

- A strong desire to ensure the pub remains a free house and is inclusive to everyone
- That the pub has a community space which can be adapted for different uses: early morning, lunchtimes, evenings, night activities, computer space. A space adaptable for formal and informal activities
- That the pub will be accessible to all, with level access accommodation
- There was a strong desire for outdoor play areas
- Open fires, comfy seating areas, window seats, good bathrooms, dog friendly areas
- To have a boot/clothes/drying room for walkers and bikers
- Responses around food and drink included, real ale, good coffee, croissants (almond requested), organic food, toasties, cakes (lots of cakes), specialist food nights



- A pub where families want to meet together, have early evening meals for children, for parents to have a drink, and socialise without having to get babysitters, healthy food options for the children at a low cost
- Accessible building to allow the pub to be an authentic equal opportunities employer
- Live music nights, community activities and groups
- Supporting local artists, sell souvenirs
- Outdoor seating, umbrellas, village green for events, electric chargers.

January 2023: A more comprehensive questionnaire, created by a member of the public, gave us a better understanding of the needs of the community and how people wished to see the pub develop. It was available online and as hard copies to reach a wider audience was published. The survey went live in January for five weeks, with 176 responses; 154 people remain on the data base for regular updates.

75 respondents lived within walking distance of the pub, 75 respondents lived within 1 hour of the pub and 26 people who responded lived over an hour away.

The largest age group represented was between 45 and 79 years of age whilst recognising that 28 respondents withheld their age. Respondents were then invited to share how excited they were for the Radnor Arms to open. 93% of those surveyed responded, with people in the village showing the most excitement. A score of 8.4 out of 10 from respondents indicated a high level of support for the Management Committee to proceed:

When asked what concerns about the project were, 44% of those surveyed identified risks and concerns, which focused around running out of money, the Management Committee running out of steam, enthusiasm, lack of customers, lack of support in the local community. The Management Committee addressed the issue of volunteers running out of steam/burnout by adhering to the model rules, putting in place policies and procedures, and changes in leadership, where decision making is now made by the whole Management Committee. They are also mindful of finances and being transparent in all that they do. Alternative financial scenarios are modelled to ensure the Management Committee is aware of current trends with grant funding and measures to put in place if the finances do not match the phased developments. Shareholders will be consulted before any key financial decisions are made.

When asked *what do you want the pub to achieve?* 126 responses, showed that the Radnor Arms could be so much more than 'just a pub'. The top nine responses cited: a warm welcoming space, a place to meet, to be the heart of the village again, friendly people, affordable food, a place to stay, supporting the community, a good pint, inclusive and attractive to people from outside of the village. 66% of respondents indicated that the pub would help with addressing/enhancing social issues by support people to address mental health issues,

stress, loneliness, and isolation by promoting a safe place to be, exercise, hosting meetings to talk about health and serving healthy meals.

Volunteer involvement

Our Society is run entirely on a voluntary basis, with a Management Committee of members and co-opted advisers and professionals offering *pro bono* advice and support. The Management Committee is incredibly grateful for all the volunteers who have been involved in this project and looks forward to new volunteers getting involved in the future.

We have recruited volunteers at our events and had a very positive response via our online questionnaire in 2022. With 170 responses, 51 people offering a variety of skills and services to help the project move forward and 48 people who may be able to offer guided volunteer support.

The questionnaire invited people to volunteer at all stages of the project, which has helped the Management Committee, to plan knowing that a volunteer base is available to help with specific skills which will be needed. This has helped us work with people who are able to offer immediate involvement to help members of the Management Committee and sub committees; people offering a pair of hands to help run fundraising events has been invaluable.

This has also enabled a wide range of professionals and volunteers to be involved in the project, on the Management Committee, sub-committees, down to individuals working at home fundraising, or just spreading the word of the project. This has also enabled Management Committee members to step back, take a break before they reach burnout.

The question was also asked whether there were people in the community who would be interested in paid work at the pub, with the knowledge that this would not be in the immediate future. The following results indicate that 19 people in the village were interested in paid work and 12 people in the local area. This is in line with our desire to recruit locally and provide a workplace where young people can find work.

The overall results from this more in-depth survey, identified short-term and long-term ambitions from the community for the Radnor Arms Hotel, including which facilities would be desirable. It also indicated that there is widespread support from within the community for the re-opening of the pub. The key results of this survey can be found on our website: rahl-cbs.org

The Society has raised over £20,000. These include an online auction, music gigs, raffles, a monthly quiz and two art exhibitions. Running two community charity shops in Kington, a sponsored 'pub to pub' walk, a talk on the history of the local area, and eBay sales of donated goods. We currently have plans for a further series of quizzes, a music event and at these events, we can share with the community and wider community, about the planned purchase and development of the pub.

Publicising our aims and activities is key: as part of our governance process our communications team provides updates through our website, social media, newsletters and press releases.

Stakeholder and partner engagement

Discussions were held with key stakeholders and partners during the initial stages of the pub being closed, who were in full support of trying to save the pub. Organisations consulted during the full process include:

- Statutory organisations
- Third sector organisations
- Local primary school
- Local societies and community groups
- Local businesses

4.2 GETTING A WIDER RANGE OF PEOPLE INVOLVED AND PARTNERSHIP WORKING

The Society values community support for the project and the pub's role as a social hub. We're committed to collaboration and inclusivity, engaging with invested groups and new partners at every development stage of the Radnor Arms. We are engaging with and in talks with local businesses, schools, associations, public, private, and voluntary sectors to determine how the pub can benefit the community by bringing services to the community, rather than individuals having to travel.

We are working with local tourism organisations to improve facilities in the area, which could include partnering with local historians to celebrate the area's rich archaeology, attracting more visitors, and supporting the economy. The Young Farmers and the football club are eager for the pub's reopening, seeing it as a social hub for their communities. They look forward to hosting meetings, celebrations, and larger gatherings once the pub opens.

Current Stakeholders

The Community Centre: Community Centre users such as Music in New Radnor, Carnival Management Committee, Monthly Quiz (winter months), Gardening Club, Badminton Clubs, WI, Radnor Valley Band, and meetings would be able to visit the Radnor Arms before and/or after events. Events such as football club and YFC dinners could again use the Radnor Arms license for a temporary events licence and/or run a competitive bar service. When fully open, a potential partnership between the Radnor Arms and the community centre, could provide outside catering for events at the community centre, such as funeral teas, football club and YFC dinners, private parties. The community centre and the Society have already collaborated by using the Radnor Arms car park as an overspill for their table sale. Both parties are keen for this to continue for individual and joint community events where both organisations and the public would benefit.

The Old School Community Hub: By its very nature, Ruth Watson, the volunteer manager at The Hub, states that: *'The Hub is and will be a supportive and collaborative force behind the re-opening of the Radnor Arms. Born out of a collective need and desire for a social meeting, eating, and drinking place after the Radnor Arms was closed, it's volunteers and clientele have been tremendously important in maintaining community cohesion, awareness, and the fundraising drive. As a valuable*

village resource, The Hub has become more than a substitute pub, and now hosts arts, crafts, musical and social events as well as being available for hire so will continue to provide these amenities alongside a thriving traditional pub.'

Ruth also shared: *'In no way will The Hub compete with a hospitality business such as is planned for the Radnor Arms.'*

Digital Communities: We are working with digital communities in Wales to be part of a more digitally inclusive Wales. This would include hosting essential digital skills training for volunteers to become Digital Champions for the village, offering support to members of the community. The pub will have access to digital equipment, which would support learning and homework clubs, and equipment that can be loaned by the pub.

Radnor Valley Primary School: We aim to work closely with the local primary school and the Parent Teacher Association to ensure that the children, staff, and parents are involved in the development of the Radnor Arms, a group that are currently marginalised. This would build on their ideas at the consultation meeting and could include a presentation to the school children about the development and their input into menus, a suitable space to play and proposed activities for children and families.

Arts/Craft Groups: The hArt Herefordshire exhibition opened the pub up to a new group of people, along with exhibiting crafts and art in the pub window throughout the year. A collaboration with the exhibition, resulted in the Management Committee gathering feedback from the local community along with visitors to the exhibition, who added a wider understanding to the project.

Stakeholders in the area including accommodation providers: Historical and current support indicates a desire for the pub to be open to offer a place for meals and drinks, a time to chat informally and a place for guests in tourist accommodation from self-catering, B&B, Airbnb, and catered accommodation to experience village life, and to walk to their 'local' with that traditional pub atmosphere without all the bells and whistles of modern, sanitised pub experiences. The local static caravan park, where owners can enjoy village life for most of the year, has a wonderful group of people who love The Hub and can't wait for the pub to be open throughout the week.

Welsh Language: We will work with organisations to raise the awareness of the Welsh language, hold courses to promote the use of the language, raise confidence and proficiency for Welsh speakers and provide advice and guidance. This will help the homework clubs that have been mentioned throughout our collaborations, along with offering all members of the community the opportunity to explore the language and culture of their community and the country they live in.

5 REFURBISHMENT & REMODELLING

5.1 KEY INFORMATION ABOUT THE RADNOR ARMS

The Radnor Arms Hotel, (front of the building facing east) dating back to the C18, sits at the end of a row of Georgian homes on Broad Street in New Radnor LD8 2SP. It is a semi-detached two-storey stone, block, and brick property with a slate clad pitched roof. The single storey extension has a flat roof. The adjoining property to the south is Listed which means that the south party wall is also listed. The party wall also includes the wall that adjoins the neighbouring garden.

The pub sits in its own plot of approx. 0.26 acreage. The ground floor is approximately 15 metres wide by 20 metres long. There is a first floor above the south half of the building that is approximately 9 metres wide by 20 metres long. The northern single storey restaurant area was originally a mirror image two storey construction which burned down in 1976.

The pub retains a three-section lounge bar with a central bar server. A good size catering kitchen, walk in pantry and freezer area. The pub had a one bed accommodation flat and six letting bedrooms on the first floor. The current property layout provides an extensive trading area both inside the public house and the carpark. There are currently no services connected to the building. An outdoor trading area lies to the rear, together with a double block-built garage with tin roof and onsite car parking. Limited parking is available on the street.

Whilst the pub sits in the heart of the village it has stunning views, including glorious sunsets from the west and the castle mound to the north.

5.2 CURRENT CONDITION

The structural survey carried out on the 22/03/23 identified that the external fabric of the two-storey building is generally sound together with the roof and the first-floor construction. The felt roofs have failed in numerous locations, where ingress of water will result in deterioration of the timbers. There is movement and cracking above the first floor of the south cavity wall. The crack pattern suggests expansion of metals, which requires further investigation. Reinstating the letting rooms will mean areas of the flat roof will be fire exits. The full report can be found on rahl-cbs.org

The property is uninhabitable in its current condition but retains some fixtures and fittings which could be used in the future. There are risks involved in a building of this age that are known, which include damage to the property from fire and flat roof deterioration across the site. There is a potential risk of hazard to deal with from a previous small petrol station at the front of the building. The current Phase 2 development/renovation team are exploring to establish the current situation regarding this.

The building has been stripped of most of its interior

fixtures and fittings in the bars, kitchen, and bathrooms. The walls have been stripped in the bar areas. There is no electric supply to the property and all wiring and circuit boards have been removed.

Structural Survey: was carried out by R V Williams Associates on 22nd March 2023 which identified in its summary that the external fabric on the two-storey main building is generally sound together with the roof and first floor construction. There is movement and cracking above the first floor of the south cavity wall. The crack pattern suggests expansion of metals, which requires further investigation. The felt to the flat roofs has failed in numerous locations allowing significant water ingress. If the letting rooms are retained, then areas of the flat roof will now be fire exits. For the full report please go to rahl-cbs.org

Bat Survey: all bat species are legally protected from the impacts of disturbance, as well as loss and damage to roost locations; and loss of access or obstructed bat access. The survey concluded that no bat roosts were found within any part of the building and so no impacts on bat roosts are expected. The report recommended, installation of two bird boxes suitable for swifts on the north or east elevation at least five metres from the ground with clear flight paths to the box openings. Our thanks go to a local person who funded this survey, recognising that building work would not be able to proceed at the pub once purchased without this evidence.

Business Valuation and Market Research: The work required to bring the property up to a standard that will compliment a sustainable operation will need to be discussed with suitably qualified professionals before work starts. Any development proposals should consider the need for the costs of the work not to exceed a level that will fail to provide a commercial return to the business for the community. The property already has an extensive trading area both inside the public house and to the area outside the main building. This substantial area of exterior space should be used to maximise income potential and to accommodate events and facilities for the community.

Mike Hughes who carried out the survey stated that *'the best commercial use of this property is as a public house but to use the property to its maximum potential with other commercial enterprises and as a benefit to the community. Any development proposals and assumptions of suitability for continued public house use would be subject to planning approval.'*

5.3 DEVELOPING & REMODELLING

Based on what community engagement, surveys, partners, and stakeholders have already told us, the pub could look and feel something like this:

- Be developed as a traditional free local Welsh pub, celebrating local beers, whilst also offering a range of drinks for our customers
- Have accessible access and additional toilet facilities and baby changing facilities, both for customers and people travelling through the village
- To have family friendly areas, with mealtimes for young

families within the pub, with a safe welcoming garden space

- Provide locally sourced, affordable meals for the whole family, promoting food and drinks during the daytime and evening
- Have the potential for multi-purpose, rooms extending the size of the pub, when needed and incorporating spaces to eat within those areas. The ability to section off spaces for small functions, celebrations, community activities and small meetings and courses, offering facilities and space which complement existing community spaces in the village
- A pool table, snooker, and darts, young adults expressed verbally that they do not want to go and sit in a pub and drink beer. They want to be doing something, which they said, allows them to relax, get to know other people and feel comfortable sharing and being open with each other
- To provide a manager's flat and income from the letting rooms
- The potential for rental space for independent services/traders bringing in income
- An outside community space for activities and events
- A range of community activities for all ages, not currently provided in the village
- Potential for spaces where well-behaved dogs are welcome
- Potential for outside seating, meeting areas accessible at all times, with true level access across the whole site.

5.4 COVID 19

Whilst Covid 19 now seems to be managed effectively, the remodelling of the Radnor Arms, will consider the implications of Covid 19, or other such infectious outbreaks in the future, and potential impact on the running of the business. The outside space offers the flexibility for an outside bar, food vans, or an outside kitchen, with suitable undercover seating areas. This communal area in the pub will help offset any social distancing that may be introduced in the future.

5.5 REDUCING OUR ENVIRONMENTAL IMPACT

It is an ambition of the Management Committee and featured in the grant application to the Community Ownership fund that the extensive renovation of the building will allow consideration to minimize the buildings environmental impact and carbon footprint. An ideal would be to preserve the original structure, recycle materials, and use sustainable construction methods. Sound insulation, controlled ventilation, and renewable energy sources like solar panels and passive solar heating and explore efficient, low-carbon heating options using energy-efficient appliances and lighting could be considered.

Water usage can be minimised through efficient appliances, composting urinals, and rainwater harvesting systems. The car park could be redesigned with permeable surfaces and wildlife-friendly plantings. Small, raised beds could be used for organic gardening, and EV charging points could be installed. We will support the local economy through a local procurement policy. Our goal is for the pub to achieve Net Zero by 2035, with annual audits to review progress and environmental impact.

6 THE BUSINESS PROPOSITION

6.1 BUSINESS MODEL

Our core aim is to enrich lives by bringing people together. This means maximising the opportunities and the reasons for people wanting to call the Radnor Arms their local. Doing so successfully will enable the venture to succeed as a business.

Our plan, developed from the community engagement process is to raise sufficient funds to allow a redevelopment of the existing premises. Key to this is the response from people willing to be volunteers at all stages of the development. This volunteer ethos is central to the success of the Society and ultimately the success of the Radnor Arms.

The Phased Development of the Project

Phase 1: The Purchase of the Freehold (March 2024 – April 2024): the Society will open the Share Offer to raise the finances to match fund the grant, to purchase the pub from the Interim Owner who has current freehold ownership.

Phase 2 The Restoration of the two bars in the original section of the building: To renovate the two bars, to allow the Radnor Arms to re-open as quickly as possible. The renovation will also provide accessible toilet and baby changing facilities. This phase will make safe the buildings, garden, and parking area to ensure the bars can safely open to members of the public.

Phase 3: Opening of the Two Bars: Summer 2024 The business will be licensed, self-sustaining and generate a small reliable income when it is opened. The site will function initially offering a wet bar, hot drinks, snacks, and cakes. Events, activities, meetings, celebrations, both indoors and outdoors will offer the opportunity for further income generation whilst raising the awareness of the project to a wider audience. It is assumed that the bars will open with volunteer staff to keep costs to a minimum.

Phase 4: The Planning and Further Development of the Site (Feb 2024 – June 2026): This last phase will be driven by the members of the Society and may include the creation of full catering facilities and eatery areas including beer garden, family-friendly horticultural garden, accommodation, function room, potential commercial space, parking area with accessible parking and charging point/hook ups for vehicles.

Renovation of the two bars will not compromise the overall development of the site. Toilets will be basic in their construction, as these facilities may be the focus of change once the full development of the site is agreed. A full, detailed feasibility study and precise specification of the intended works will be undertaken once the Share Offer has closed. An Inaugural Members Meeting will be called within three months of the Radnor Arms being purchased under community ownership to take the project forward. Any intended works

will be agreed following full consultation with the members (shareholders) of the Society.

Information gathered from all consultation exercises to date, indicates there is a desire for the following facilities:

- The creation of a new eatery: within bar area and/or creation of a café/restaurant
- Refurbishment of accommodation, including accessible accommodation
- Development of the outside space for community use

Throughout this phased development, we want to have a clear message running through our actions and work to become an exemplar in community ownership, sustainable construction, and sustainable operation.

Our potential funding sources include a combination of selling shares, securing grants in *Appendix 3* and other fund-raising activities. The five-year financial model, together with cash flow forecasts can be found in *Appendix 7*. Income and expenditure trading forecasts for the first three full years of trading can be seen overleaf. These figures do not include costs associated with the renovations of the pub which are covered by grants.

The Business Plan assumes our efforts to raise sufficient funding, through a combination of selling shares, securing grants and other fund-raising activities are successful. There will be additional income and expenditure from Year 0 (2024) if we are successful in securing grants for further development of the pub. These can be found in the cashflows in *Appendix 7*.

<i>Trading Forecast</i>	<i>Year 0</i> £	<i>Year 1</i> £	<i>Year 2</i> £
<i>Income</i>	20,500	75,000	100,000
<i>Expenditure</i>	36,934	74,843	96,198
<i>Profit/Loss excluding Depreciation</i>	- 16,434	157	3,802

6.2 TIMING

The purchase of the freehold of the property is now likely to be early 2024. Renovations will take place, with the opening of the two bars by Summer 2024. The projected income and expenditure is reflected in the chart above. Staff outgoings will be kept to a minimum; using volunteers and by not appointing a manager until trading patterns are well established.

This period will also allow for a degree of experimentation with opening hours, specific hours for clubs to meet, and light snacks to trial user response. It is intended to trade with the two bars, and outdoor space through the summer and autumn of 2024, to maintain the pub as an open venue and to develop good will and a community owned team ethos. During this time, we will work with architects on the redevelopment scheme with the intention to start work on Phase 4 by early 2025, with

estimated full completion by end of 2026. The intention is that the two bars will remain open during these renovations as far as possible.

6.3 KEY ASSUMPTIONS

Turnover figures for drinks and light snacks have been calculated based on the model of The Hub. The Hub is run by volunteers and is a successful community space. Comparisons have then been made with the business models of other community pubs in comparable rural areas provided by Plunkett Foundation and Cwmpas. Our reviews indicate that our assumptions are reasonable and, if anything, conservative.

Shareholder approval will be sought prior to any major expenditure incurred other than to purchase the property and preliminary work to open the two bars. Any profit on trading will be used to cover the following fixed and discretionary items: tax liabilities, interest or repayment of any loans taken out, maintenance of the premises, enhancing and developing the premises, and from Year 4 interest share on capital and facilitating the withdrawal of shares. For prudence we will aim to build a modest reserve fund to cover unexpected costs.

6.4 STAFFING

It is modelled in 2026 that a part-time manager at the rate of £15,000 will be appointed with responsibility for day-to day oversight of the volunteers, the food and drink operations, and room bookings. Consideration will be given to payment of a performance related bonus.

The manager will act as line manager for all employees including kitchen staff and will have a supervisory role with respect to volunteers. The manager will provide monthly reports to the business sub-committee and will meet on a weekly basis with a named member of the team, who will act as their point of contact. The business sub-committee will provide reports, summaries, and advice to the Management Committee.

A long term and aspirational aspect of the project is the appointment of a Development Officer to oversee delivery of the Society’s wider objective of maximising participation, skills development, and volunteering. The focus will be on promoting the Welsh language, engaging with the community, arranging regular events and activities, creating links with various stakeholders, communication and marketing and grant application to fund any further development work. This role will ensure that the Radnor Arms maintains its social mission. This will be a grant-funded appointment and is not accounted for in the financials.

6.5 ENTERTAINMENT

No expenditure has been set against entertainment costs at this point, as such entertainment costs might well be covered by ticket sales. However, our core aim of bringing people together would include live music and similar events; an appetite for this has been presented in the findings of the questionnaire.

7 PROJECT COSTS & TIMESCALES

The business valuation and market appraisal survey (09/08/23) indicated that:

“The business at Radnor Arms Hotel will need to grow from nil (currently closed) to minimum net sales of about £3,500 a week from all income streams (wet and food sales initially complimented by ancillary sales from other activities as the business grows). Regular visits and use from locals is paramount but The Radnor Arms Hotel must be attractive to potential customers from outside the area having to use their car.”

The market appraisal survey indicated the following four values of the property as of 09/08/23. Mike Hughes clarifies:

“The property in this report is valued as it currently stands, this is as a closed public house and a property with the potential to operate as a sustainable business. It is important to understand that any repairs and improvements to the property may not necessarily translate to an increase in value. The market values a property such as Radnor Arms Hotel by the level of trade and profitability, together with any additional investment potential rather than the bricks, mortar, fixtures, fittings, and effects.” See the full report at rahl-cbs.org

The whole project will be funded by a combination of the public sale of shares, community fundraising, donations, and grants from public bodies. The initial sale of shares will complete Phases 1, 2 and 3, with the potential for a further sale of shares to support Phase 4 of the project. Fundraising in the community, will continue throughout the length of the project.

There are several sources of grant-aid from both UK and Welsh Governments as well as various institutions and societies that exist to support community benefit projects. A list of

<i>The Radnor Arms Hotel</i>	<i>Valuation £</i>
Market Value as a fully-equipped operational entity: <i>The highest value that can be expected if the property operates at full turnover and profitability.</i>	£360,000
Market Value as a fully-equipped operational entity: <i>The value of the property if the business operates but does not reach the fair maintainable trade levels and does not provide an operating profit.</i>	£270,000
Market Value of the empty property: <i>This valuation is where the pub is now, it does not trade or have any accounts to confirm the level of trade that the business can operate at.</i>	£115,000
Reinstatement Insurance Value: <i>An important valuation as it provides an indication as to what the property should be insured for. Underinsuring will mean reduced pay out on any claim made.</i>	£750,000

applications and potential funding that have been made and those that are anticipated is shown in *Appendix 5*. Further grants we are exploring for Phase 4 of the development can be found in *Appendix 6*; please note these are not exhaustive lists. Some of these grants can be used to offset match funding.

The following funding model 7.1 is the Management Committee’s preferred model, with the financial forecasts shown in *Appendix 7*, if the Share Offer is successful in securing the match funding for the Community Ownership grant award. Alternative funding models B & C can be found at Section 7.6

7.1 FUNDING MODEL A:

PHASE 1 Purchase of the building

The purchase price of the Radnor Arms Hotel will be £115,000 plus auction fees (2022) of £2,271 and estimated legal fees incurred in the sale of the pub to the community of £3,000. Due to the length of time in reaching this stage of the project and given the fragile state of the building some costs have been incurred to prevent further deterioration of the building and or safe access to the building. Please see overleaf an itemised chart with costings, and detailed notes relating to the numbers in column 5.

The purchase will be funded from the sale of community shares to match fund the Community Ownership Fund grant. If the shortfall from the Share Offer is small, then a shareholders meeting will be called to discuss the way forward. One scenario could be that the balance of the purchase price could be met by fund-raising activities, a short-term financial loan or loan from the Welsh Council for Voluntary Action or other community focused banks. If there is a shortfall, a MM meeting will be called to consider the way forward.

PHASE 2 Refurbishing the two bars

The Management Committee believe that further community engagement and workshops are necessary to explore the full renovation of the property. However, the opening of the two bars as soon as possible, will create a focal point where ideas and decision making can be shared quickly with the community and provide income from trading. Restoration of the two bars in the original section of the building potentially by Summer 2024 has been costed with the assumption that refurbishment of the two bars will complement, not pre-empt future development of the project in Phase 4.

We have received advice and support from a Chartered Architectural Technologist and Certified European Passivhaus Designer, with experience of full Building Contract Administration. They have worked on projects to achieve client compliance with funding rules during the design, building contract and construction period phases, where most of the funding has been secured from bodies such as the National Lottery Community Fund. The Early Cost Advice Budget found in *Appendix 8* was prepared in October 2023.

Budget construction costs are set at the current tender price index, which will be updated when the pub is under community ownership. This Early Cost Advice is for building work only,



inclusive of preliminaries, and contractor overheads and profit at 5.5%. They are used to give an indication of what a building project may cost. They do not provide actual project costs to construct. A chartered quantity surveyor will be appointed to advise an accurate budget for the project at the appropriate

time. Costs exclude building purchase, fees, VAT, and any fittings, furnishings, and equipment.

The refurbishment can be broken down into the charts below and right, which provide initial guideline cost of the work required. See expanded breakdown on rahl-cbs.org

COSTINGS

Costs incurred & anticipated		£	£	Note
	Expenditure to date	14,900	–	1
	Purchase of the Radnor Arms Freehold	115,000	–	2
	Incurred costs	8,634	–	3
	The Society costs & expenses	16,346	–	4
	Refurbishment of Phase 2/3 building	288,800	–	
	Start-up costs	11,500	–	
		Total	455,180	
Funded by		£	£	Note
	Donations & fund-raising (past & future)	25,180	–	5
	Sale of shares in (March/April)	180,000	–	6
	Grants received	240,000	–	7
	Grants applied for	10,000	–	8
		Total	455,180	

NOTES

- Asbestos removal £12,000, insurance £2,900
- The pub was assessed by a RICS Registered Valuer (Mike Hughes) who provided a red book valuation (on the current market value of the property)
- Auction fees £2,271, maintenance £2,645, web hosting & marketing £513, Health & Safety £796 plus estimated legal fees for the sale of the Radnor Arms to the Society £3,000
- Peppercorn rent/interest £5,646, rates £3,500, valuation £1,800, future insurance £2,900, other/legal fees £2,500
- Donations/fundraising to date £20,500, future donations/fundraising £4,500
- TBC, following closure of Share Offer
- Community Ownership Fund £240,000 (£200,000 for purchase and renovation of two bars, plus £40,000 revenue grant for, e.g. architect fees, part-time project manager, initial stock, fixtures/fittings. This is a restricted fund, dependent on the Society match funding)
- Architectural Heritage Fund £10,000 (for professional fees, surveys, designs), which can be used for match-funding for the Community Ownership Fund grant.

REFURBISHMENT BREAKDOWN

Work required to refurbish the two bars	Estimated cost
External Work: <ul style="list-style-type: none"> • Replace 2 storey flat roof section above back bar & rear pitched roof section • Install drainage to prevent ingress of water • Make good all openings • Structural work to tie in front brick wall • Replace all windows, frames & external doors 	£140,000
Internal Work: <ul style="list-style-type: none"> • Electrics • Plumbing • Insulate, board & cover floors • Studwork, plaster boarding & plastering • Masonry work & rendering • 2nd fix carpentry • 2 x woodburning stoves & flues • Internal decoration, carpeting & furniture 	£118,000

BREAKDOWN OF COSTS TO CREATE & STOCK THE TWO BARS

<i>Work to bring the bars up to standard required to open</i>	<i>Estimated cost £</i>
• Refurbish existing cellaring equipment, beer lines, cooling system	2,500
• 2 x fridge/coolers @ £600	1,200
• Glasswasher	1,000
• Area to store and prepare simple food & snacks	1,500
• Glass & sundry bar equipment	1,500
• Cash payment terminal: Dojo recommended with EPOS System (hardware and software) initial set up cost	500
• Initial stocking of the bar and cellar: based on '2-week supply in hand'	2,000
• Training in how the cellar operates, how to change barrels (based on 10 volunteers)	300
• Designated Premises Supervisor Role training (based on 10 volunteers)	1,000
Total	11,500

<i>Total cost of works to open the two bars</i>	
• External work	140,000
• Internal work	118,800
• Contingency	30,000
• Work to get the bars ready to open	11,500
Total	£300,300

7.2 OVERALL PROJECT COSTS & FUNDING

Depending on the final plans being designed and agreed by shareholders, we anticipate the full cost of renovating the Radnor Arms, will be around £900,000. These costs will be financed through grant funding, trading profit and fundraising. The evidence is that the project will be eligible for grant funding on several grounds: principally, those of social need and well-being, community engagement and employment opportunities. Several potential funds appear to be available to meet the likely needs which have previously been made available to similar projects. We will be supported by voluntary organisations to complete these grants. As with all grants, the funding opportunities are not always available, the Management Committee will remain focused on funding to ensure the costs can be met. The sale of Community Shares will be both a key component of the funding of the project and an important indicator of community support and demand for the facilities the redevelopment will provide.

<i>Overall project costs & funding</i>	<i>£</i>
• Money raised from Public Share Offer	180,000
• Donations	5,000
• Fundraising	50,000
• National Lottery Community Fund: 100-500k	250,000
• Welsh Government – Community Facilities Programme: 25k to 300k	300,000
• UK Government Community Ownership Fund: 250k (up to 200k to match fund)	240,000
• Architectural Heritage Fund: 10k	10,000
• Garfield Weston Fund – up to 60k	60,000
• Making a Difference in Powys Fund 4k to 40k	20,000
• Various small/local grants	30,000
TOTAL INCOME (outline model funding)	1,145,000
EXPENDITURE	
• Estimated purchase of premises (inc. all costs)	160,000
• Start up costs	10,000
• Architect fees for Member/public consultation	10,000
• Repairs and refurbishment costs	890,000
• Contingency	50,000
• Working capital	10,000
TOTAL EXPENDITURE	1,145,000

At this point we believe it sensible to illustrate the multiple possible sources of funding in the table below. As different funding streams become confirmed, the balance between these components will become clearer.

7.3 PAID EMPLOYMENT

Years 2024 to 2025 forecasts paid employment. Prior to this the Management Committee will act as volunteer manager. When trading has been established the committee will oversee and appoint paid bar and cleaning staff when required. These posts will be appointed on a zero-hour contract basis, with the ambition eventually to support young people in employment. This will be a cost-effective option at this stage as the pub will not be open full-time hours and we will not know what trade will look like in five years' time, when we anticipate the pub being open full time.

7.4 VOLUNTEERS

Volunteers are vital to our project’s success, particularly in the early years. They bring valuable skills, fresh ideas, and foster community relationships. The pubs success hinges on volunteer commitment and a supportive environment.

From our survey, we identified 51 willing and 48 potential volunteers, of which 50% indicated work that would sustain the bar being able to function: bar work, cleaning, administration, website management, social media, gardening, PR. 32 people responded to supporting the pub through paid work, with 16 saying they would also consider volunteer work to support the opening of the pub.

Our volunteer plan includes:

Recruitment: We need 40 volunteer hours per week initially, based on the pub opening 4 evenings a week. Recruitment will be through Mailchimp, word of mouth, social media, website, and newsletters. The pub is starting from a nil base, so these hours will build to meet customer demand.

- **Scheduling:** We will develop a flexible schedule that adapts to the pub’s needs and volunteer availability.
- **Waiting List:** We will maintain a list of potential volunteers to meet customer demand and for backup.
- **Training:** We will provide comprehensive training covering all tasks and regular refresher sessions.
- **Retention:** We will recognize volunteer contributions through thank you notes, events, and small perks.
- **Review and Adjust:** We will regularly review and adjust the programme as necessary.

We will continue to explore volunteer management systems like timecounts.app, VolunteerWorks, and Better Impact for effective volunteer management that other societies are using.

Our volunteer programme will help grow business sustainability until we are able to employ paid staff, payment of part time staff e.g. cleaner is forecast from September 2024

7.5 FALL-BACK PLAN

The Business Plan as described here assumes that our efforts to raise sufficient funding from a range of sources is successful. If they are not, the plan will be scaled back, and individual parts of the development will be postponed until such time that funding is sourced.

At an appropriate point, and before major expenditure is incurred (above and beyond the actual purchase of the building and renovation of the two bars), a finalised plan, based on funding which has been secured, will be decided by the members Management Committee put to the members for approval. If funding income falls short of projected models moving forward, the Management Committee is confident, and has modelled such a scenario, that basic repairs and redecoration of the premises as they stand, undertaken primarily by volunteers and then staffed by them, would allow the two bars to remain open whilst further funding is sourced. This does not, however, represent the extent of our vision and

ambition. It should be viewed as a fall-back plan that could be quickly put into place to ensure that the pub trades whilst alternative funding can be sourced.

7.6 ALTERNATIVE FORECASTS

FUNDING MODEL B

Share issue does not realise £130,000

If the Share Offer realises £130,000 or less, a shareholders’ meeting will be called, to decide and vote on how to proceed. One option would be to draw down the equivalent match funded grant to the Share Offer total and forfeit the rest of the grant of £70,000. Alternatively a loan could be considered (private or from a community organisation in Wales) to draw down the full match funding and repay the loan by November Year 0 (2024). This could then be followed by a new Share Issue in Year 2 to complete the works. The alternative modelling is available on request.

FUNDING MODEL C

Grant Funding is lower than anticipated

If grant funding is not as anticipated, e.g. lottery fund of £250,000 not received, a shareholders meeting would be called, to decide and vote on how to proceed. One option would be to scale back the work on the kitchen and rest of the ground floor to a minimum of £330,000. This would leave £60,000 to start work on developing the accommodation to provide a viable income for the business. Work on whether food or accommodation sales would generate reliable income would be explored. The alternative modelling is available on request.

7.7 TIMELINE

The estimated timeline for this project is indicated in the table below:

Staged Timeline	Date
• Launch Business Plan & Share Offer	Mar 2024
• Close Share Offer	Apr 2024
• Commence conveyancing process & complete purchase	Apr 2024
• Commission architect design for initial public discussion & quantity surveyor	Apr 2024
• Present grant applications for capital & revenue funds	May/June 2024
• Shareholders meeting, current steering group stand down, handover period	May/June 2024
• Phase 1 renovation planning, design agreement & works started	May/June 2024
• Member & public consultations to determine Phase 4 development	May 2024
• Open two bars	Aug/Sep 2024
<i>Continues</i> ▶	

Staged Timeline (continued)	Date
• Develop Phase 4 final design proposals & present to Members for approval	Oct/Nov 2024
• Submit applications for any Statutory Consents as required	Oct/Nov 2024
• Develop Business Plan to reflect Final Scheme	Dec 2024
• Invite tenders for Capital Works	Jan 2025
• Commence Capital Works on site	Jun 2025
• Complete Capital Works	Mar/June 2026
• Re-launch of the Radnor Arms following completion of renovation	Summer 2026

8 MARKETING

8.1 MARKETING PLAN

Effective marketing is crucial for our campaign's success. The Radnor Arms holds a strong reputation and memories for many. Our goal is to restore it as a community-owned free house.

Our marketing strategy includes web-based advertising, local leaflet drops, posters, and social media platforms tailored to our client base. We have a dedicated webpage for our Share Offer and online marketing, evolving into an information-sharing website as the project progresses. Printed materials like leaflets will be used for local accommodation providers and tourist offices. These will promote activities, services, food offers, accommodation deals, and volunteering opportunities.

Press releases and stories about the Radnor Arms will maintain its presence. We will build relationships with press members, including a local reporter, to ensure timely and engaging press releases, which will raise our profile. The website **rahl-cbs.org** will be the main website for the Society along with social media platforms (Instagram, FaceBook, X and Tik Tok) found under the name **radnorarmscbs**. The website **theradnorarmshotel.com** and social media accounts holding the name the Radnor Arms Hotel are currently owned by the interim owner and will be transferred with the purchase of the Radnor Arms. Website optimization and up-to-date information are essential.

Our website and social media platforms will be populated by volunteers experienced in marketing, maintaining an active and current presence. Social media and website guidelines will ensure continuity, branding, and a consistent message. We aim to capture and share customer experiences and stories, both old and new, as part of our promotion, encouraging positive reviews on social media and TripAdvisor will be part of this strategy.

Our website and social media will also promote the welcoming community ethos. Keeping the community informed about the project's progress will be key.

8.2 MARKETING THE SHARE OFFER

Our marketing campaign will have a branded image, to save the last pub in our village and build on the ethos and success of the pub when it was open. A recent small poll decided that the following straplines will be used in our campaign:

- ***Our village pub, for the benefit of all***
- ***Where good friends and good times meet***
- ***Where the beer flows the community grows***

Printing a Business Plan and Share Offer document can be expensive, but we recognise that a large proportion of our community may not have access to online materials or do not have a printer, therefore copies of the Business Plan will be sent to those who request them. A print run of small numbers of the documents, with next day printing to meet demand will reduce overprinting.

To ensure that we reach a wide community both local and the wider community base and to meet our standard mark requirements, the Business Plan, Share Offer and related appendices and supporting documentation will be downloadable from our website.

- **A contact form** on website and social media, will enable requested documents to be posted
- **Dedicated QR codes** have been created to link people to our mailing list contact page and for ease of reaching our website.

OUR CAMPAIGN

- **Website:** Our website has been refreshed, rebranded, and gives and insight into our community and the work that has already taken place to buy the pub back. The website will hold all the document required for the visitors to the site to make an informed decision about investing in this Share Offer along with details on how to contact a member of the committee.
- **Social Media:** we will regularly update social media platforms throughout the campaign, posting content on Facebook, X, Instagram and Tik Tok in a range of styles such as pictures, memes and videos. Content promoting the campaign will include Share Offer totals, along with relaying the essence of what the pub means to the village by capturing memories, hopes and dreams. All marketing will carry a Society QR code to linked to the contact page.
- **Media:** Campaign releases will be sent out for the duration of the Share Offer to BBC & ITV Wales, local radio stations, and newspapers: *Brecon & Radnor, Mid Wales Journal, County Times, Hereford Times*.
- **Local:** a summary of our Share Offer document will be distributed via the Post Office Delivery Service to homes within a five mile radius of New Radnor. Posters and drop-in sessions at the pub, Hub and Community Centre will take place throughout the campaign at differing times of the day to make it easy for people to pop in for updates and information. The committee are also happy to visit people to chat informally about the Share Offer.



- **Notice Board:** A noticeboard has been sited outside the pub to provide regular updates on the Share Offer and progress of renovations. It will also include details of upcoming volunteer days. Once the bars are open regular updates will also be posted inside the pub
- **Events throughout the campaign:** The fundraising team will create events throughout the Share Offer campaign to bring people together in the pub

Day of Share Offer launch

- **Go live with website and social media campaign,** 12 midnight, have rota for regular checks on the website and social media to respond immediately to glitches, email, telephone, and social media enquiries, posts, and stories
- **Open the pub** for drop-ins through the day
- **Update news and newspaper contacts**

Daily, throughout the Share Offer campaign

- **Create a marketing campaign calendar** to ensure continuity through differing social media channels. Reaching differing audiences and age ranges. Twice weekly posts, with short videos on ‘memories from when the pub was open’ to ‘why I have chosen to buy shares in the pub’

At the end of the Share Offer launch

- **Provide a clear message across all media,** on how the Share Offer has progressed and immediate next steps to move towards the purchase of the pub
- **Send regular updates to the community** via the website, social media, local posters, and newsletters moving forward to promote the members meeting of the progress of the pub, the fund raising and grant applications and how the community can stay involved.

9 GOVERNANCE

9.1 MANAGEMENT COMMITTEE

The Society exists to run the Radnor Arms and is committed to:

- Trading for the benefit of the community, and not for anyone’s private gain
- Retaining profits and applying them to advance the Society’s purpose.

The Society is subject to the rules of the organisation and the Management Committee abides by these rules to manage the running of the Society. These governance rules have helped the Management Committee become more focused with the model rules providing direction and clarity. The Management Committee members bring complementary skills to the table with a wide range of transferable skills from work and

volunteer roles. Essential governing documents are in place to ensure that the group is working to the aims of the Society and meeting their responsibilities to the community which focused discussions, direction, and engagement. Three of the original members are still active on the Management Committee.

MEMBERS OF THE CURRENT COMMUNITY BENEFIT SOCIETY MANAGEMENT COMMITTEE

Chair **Martin Lewis, Grants Team**

Self-employed landscape gardener

Martin is a self-employed landscape gardener who moved from ‘Up North’ to the Radnor Valley 36 years ago and found he couldn’t leave! He has an honours degree in Ecological Science and studied for a diploma in planning whilst employed in a council planning department. Martin has successfully completed a course in small business management and has submitted and secured grant applications.

Vice-Chair **Sue Norton, Communications Team**

Retired occupational therapist & operations manager

Sue has worked in the NHS and charity sector, working jointly with colleagues and management to ensure good governance with evidence-based practice. She has experience in staff recruitment and retention, marketing, project management, hospitality, securing funding for projects and project management and working with volunteers. Sue is concerned for the younger generation who are being denied the opportunity to visit ‘their’ local.

Joint Treasurer **Libby Roe, Finance Team**

Retired management accountant & caravan park business

Libby has worked in accounts for many years and up until 2005 worked as a Management Accountant at Tarmac plc. She ran the local caravan park alongside her husband John, and was responsible for the accounts and maintaining the website. Libby is on the Playground Committee and the Radnor Valley Recreation and Amenity Centre Committee. She is currently Treasurer of the Community Hub and has lived in New Radnor her entire life.

Joint Treasurer **Paul Norton, Finance Team**

Retired bank official & business manager

Paul has experience working in the corporate, social and charity sectors, with transferable skills in finance, from banking to working with adults and children with learning disabilities. Prior to retirement Paul worked as a business manager, running with Sue, his partner, a 100-bed group accommodation centre, turning his hand to everything from finance to maintenance and hospitality. Paul has lived with Sue, within five miles of the Radnor Arms for 45 years.

Committee Secretary **Tanya Strange, RN, MSc (Nursing), MBE**

Tanya moved to New Radnor in February 2023 and has immersed herself in village life. Working in partnership with statutory, voluntary, and independent sectors, Tanya established the award winning Ffrind i Mi/ Friend of Mine initiative in Gwent, a multi-agency partnership approach to combatting loneliness and social isolation across communities. Tanya has been successful in securing several bids and grants to support the wellbeing of people.

Society Secretary *Mary Cobbett*

Owner/manager of Deli Tinto, Presteigne

Mary has experience in bringing people together, recognising individual strengths to galvanise communities into action. Mary has facilitated youth and community programmes, co-ordinated multi-agency support for schools and was a Governor at Radnor Valley Primary School for nine years. Mary taught at a pioneering Steiner school in Cape Town. A generalist with a broad outlook, Mary now runs a successful delicatessen in nearby Presteigne.

John Roe, Building Team

Retired transport co-ordinator & caravan park business

John has worked for a large insulation company for 30 years as a warehouse supervisor and then transport co-ordinator. He owned and ran a successful caravan park in New Radnor for 15 years before retiring. He has stood on many committees in the village, including the Community Council, the Old School Hub and the Radnor Valley Recreation & Amenity Centre. John is a long-standing member of Radnor Valley Football Club.

Benedict (Ben) Asson, Building Team

Building & construction industry

Ben Asson lives in New Radnor, he has over 40 years' experience in the building and construction industry, creating fine furniture and teaching workshops. Moving into custom made joinery and other building work, Ben established Radnorshire Ales microbrewery at Brookside Farm, New Radnor, producing a range of ales named after local landmarks in the Radnor Valley.

John Goodwin, Community Share Team

Farmer in the Radnor Valley and Business Owner.

John runs his family farm which now has a shop and self-catering accommodation. He has an MSc in Sustainable & Efficient Food Production and is currently studying for a DAg in Bio-innovation. John is involved in many local projects and organisations, previously a member of the Presteigne Cricket Club and Radnor Valley YFC, and currently a committee member of the Radnor & West Herefordshire Hunt.

Phil Ram, Gardening Team,

Freelance gardener and musician

Phil is a freelance gardener and musician. He has presented BBC horticultural articles and featured on both radio and TV with his music. Phil with his wife and mini-Dachshund live in the heart of the village. They share a keen interest in restoring the Radnor Arms Hotel to become the pub it used to be, once again opening its doors with a warm welcome to all.

9.2 MEMBERSHIP ENGAGEMENT & THEMATIC GROUPS

It is paramount that the Management Committee continues to develop and promote effective shared ownership and responsibility, and as such will continue to seek ways to engage with the membership and the wider community.

We are contributing to St Mary's Church 'Welcome Pack' for new residents, promoting the pub and ongoing donation opportunities. Our member recruitment strategy ensures a phased committee turnover, fostering fresh ideas and reducing volunteer fatigue.

Once viable, we'll hire a part-time bar manager to coordinate staff and maintain service quality. We'll hold quarterly information sharing events and surveys to gather community input and feedback, which will be shared via various channels.

Community engagement is facilitated by our communications team, with all Management Committee members responsible for listening to the community. Our campaign branding will create a familiar identity.

The Management Committee is supported by sub-committees, increasing volunteer strength, and sharing workload. These groups cover areas like business operation, building maintenance, community engagement, marketing, retail operations, and practical help in the pub and garden.

10 RISK MANAGEMENT

10.1 SWOT ANALYSIS

A SWOT (**S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats) analysis is a framework used to evaluate our competitive position and helps to develop our strategic plan. The analysis assesses internal and external factors, as well as current and future potential that is essential data to impact the way in which the Management Committee will manage the project.

Strengths

- The Interim Owner is willing to sell the Radnor Arms Hotel to the community for a reasonable price
- The pub will have an asset lock once purchased, so will become a community led resource
- Some preparatory work has been carried out enabling work to commence once committee has given approval to start
- The historic goodwill of the village and surrounding community for ‘their local’, the Radnor Arms, which was a thriving, popular pub.
- Support and goodwill seen through the pledges offered, questionnaire responses and public meetings.
- Central position in beautiful rural location, where all homes within the village boundary, are within walking distance of the pub.
- The pub has a large base of customers who have fought to save the building for seven years.
- The potential to promote the pub as a stop off point for passing traffic on the main A44, along with cyclists, walkers, and people on holiday in the area.
- A desirable and vibrant village location, with shop, school, community centre, community hub, a range of clubs and societies which will attract people to the area.
- Becoming a community owned asset, will increase incentive for shareholders to use and support the pub.
- The pub will be ‘owned’ by the village with the desire to be a ‘free house’.
- Lack of competition from pubs, café’s, restaurants & hotels within a 7-mile radius

Weaknesses

- The pub has been closed since 2016 and is uninhabitable
- A big ask of the community to raise the necessary finances to develop the pub, due to a small catchment area
- Loss of skilled committee members to manage the renovation and business
- Strong desire for the pub to be ‘as it was’ after being closed for seven years – memories versus reality
- The customer base will need to grow organically, our volunteer bar staff, by nature of different people being behind the bar, will affect the ‘pub experience for all’ and profitability
- There is no public transport to/from the village during the evenings.

Opportunities

- To build and expand on the pub’s existing reputation and capture memories that have kept the dream alive since 2016
- To develop a new customer base including home workers, and people in search of locally produced beers
- To build a reputation for locally sourced, good quality and affordable food for customers of all ages
- To bring in custom from the surrounding areas who don’t have a pub to call ‘their’ local
- To strengthen customer base and loyalty by building on the community aspect of the pub
- To involve customers and the wider community through organising events, practical skills, volunteering etc.
- To enable the local community and wider shareholders to feel part of something that is historical and beneficial to the village
- To improve the premises and services to attract further use by the community
- To really engage and listen to the shareholders and community, to always remain true to the fact that this is their pub
- To develop the bar area, eatery and letting rooms to meet current regulations and a more sustainable working space.

Threats

- Unable to raise enough share capital
- Unable to close the gap between share capital raised and match funding
- Unable to raise enough grant income
- Unexpected repair costs
- Unable to retain key committee members
- Higher than expected outgoings
- Pub cannot trade profitably
- The committee take out a loan and the business fails
- Unexpected repair costs
- Unable to maintain community support, both in general and volunteers
- Business fails to operate at forecast level of turnover
- To retain suitably qualified key personnel, including manager when the pub is fully renovated and viable for paid employees
- Failure to achieve and maintain a correct balance between quality/value/profit
- An economic downturn leads to insufficient use of the pub and services and the business does not prove viable.

10.2 RESPONDING TO THE RISKS

We will build on our strengths and take advantage of the opportunities identified in our SWOT analysis. Key risks identified in the weaknesses and threats have been added to our risk register.

Risk Mitigation of identified Weaknesses & Threats

Once the pub has been successfully purchased, the Management Committee will develop plans for the refurbishment of the two bars and make safe areas of the pub that have deteriorated due to lack of investment. A clear development plan with stringent checks on expenditure, will ensure that the finances of the Society are communicated effectively to the shareholders and community. The finance, grants and fundraising teams will work proactively to have a clear focus on sourcing funds to support the community investment.

The Society rules, policies, and procedures all help focus the Management Committee on their responsibilities. Development of key Management Committee roles will help with ensuring a wide skill base of Management Committee members, and any vacant places can be effectively filled. Management Committee 'burnout' is common and again effective management, and a shared workload will help reduce the burnout. The Management Committee will also work to address the issue of public transport, especially for young people in the surrounding area, and schemes such as volunteer transport or a pub minibus could be explored.

Good management and governance through the whole project will ensure that our model rules and policies and procedures are adhered to, taking advantage of the support network of organisations with specialist skills will aim to reduce, minimise, or eliminate threats to the project.

If our Share Offer campaign is not as successful as we have planned, then the Management Committee will action opportunities already explored to seek short term loans, gifts, or other sources of funding to enable the purchase to go ahead. No action will ever be taken without agreement being sought from the members of the Society. We will also reduce risks, by appointing suitably qualified contractors and key personnel to achieve the core balance between quality, value, and profit.

External factors including diminished support, economic downturn, reduced grant funding and unexpected competition are all risk factors that the Management Committee will keep abreast of, with regular updates and forecasts, so that any negative impact can be managed in a timely way. Throughout all the risks that inevitably come with a project such as this, the Management Committee will work to the standards set up by the model rules and will keep the members of the Society (people who have bought shares) informed of any threats that compromise the progression of the project. We will continue to anticipate and plan to minimise the weaknesses and threats through the measures found in Appendix 10.

What if there is a lack of Grant Funding for Refurbishment & Unexpected Costs

The Business Buyer and Market Appraisal Valuation Report was commissioned and the opportunity to purchase the pub through the Share Offer, reflects the current condition and valuation provided. We recognise that to bring the building up to standard will require significant refurbishment and repair works. However, to achieve our full vision, and to meet the needs

of the community and increase the project's viability, we are eager to re-model and develop parts of the building. We intend to fund these works through a mixture of community shares, fundraising, and grant funding. Based on initial enquiries with potential owners and research of potential grant streams, we are confident that the project meets the criteria of some capital grant funds.

We identify a small risk that our grant applications might not be successful and are ready to scale down our plans and repair the building with the funds available, should we need to. Our Management Committee includes members who are experienced in successful grant applications, and working in the building trade, this will be an advantage. The financial impact of unanticipated repairs can, to some extent, be mitigated by using volunteers from the community and fundraising activities. Many have indicated during consultation events that they would be willing to donate their time and skills in-kind to assist with repairing the building.

Shareholder Interest & Withdrawal

We will purchase the building with the funds raised from the sale of community shares and grant funding (COF).

Members cannot withdraw their shares in the first four years of the operation of the business, to allow it establish itself. After that, members will be required to give three months notice as per the Society's Model Rules if they wish to withdraw shares. Approval will be subject to funds being available and may be permitted sooner, depending on trading figures and Management Committee agreement

Cash reserves will be built up where possible to enable withdrawal of shares subject to the requirements of the business. Ideally, new, or existing shareholders will be willing to invest to replace shares being withdrawn. If they cannot be replaced, then the reserve fund would be utilised. Whilst the Society's rules require that every member commits their investment for at least five years, there are certain circumstances in which the Management Committee is authorised to allow early withdrawal.

In practice we do not anticipate that the Society will be able to fund any withdrawals before Year 4. When it becomes possible to consider share repurchase, the Management Committee will set out appropriate criteria and annual limits. The Management Committee may suspend withdrawals depending on the long-term interests of the Society, the need to maintain adequate reserves, and the commitment to the community. It is anticipated that Shareholder interest may be paid in Year 3 dependent on funds being available.

What if the Business is Unviable

If, despite a sound Business Plan, vigorous and sustained marketing, good governance and management with the support of members and other customers, the business does not develop as anticipated, then the Management Committee would be forced to consider next steps. These steps could include a restructure of the business, and/or a rethink how the building could be used differently. The decision to close the pub would not be taken without full member and community involvement.



If the Society is wound up and the value of the Society's assets is more than the value of the share capital, shareholders will still only get back their original investment.

. Any residual assets will be used for the benefit of the community. This is clearly not an outcome that we seek, nor one that we think is likely, but this possible course of action should give investors some security that in the event of the enterprise being unsuccessful they may be able to recover some or all their investment.

10.3 DATA PROTECTION ACT 2018

The Society adheres to the principles of the Data Protection Act 2018 and will use and process personal data only for the purposes of The Radnor Arms Hotel Limited Community Benefit Society We will:

- Use it fairly, lawfully, and transparently
- Keep personal information that we hold securely and up-to-date
- Only use your information for the specific purposes for which it was collected
- Keep it for no longer than is necessary.

11 CONCLUSIONS

There is strong evidence of support from the community to renovate the Radnor Arms Hotel and for the Radnor Arms to be a social meeting place in the area. To do this, we recognise that the current building is not fit for purpose and will require extensive upgrade, development works and possible remodelling. We have put forward suggested phased development work for the whole project but have not explored any drawings or plans for Phase 4: the redevelopment of the whole site; that is for Members and community discussion and Member agreement.

Our ambition is for the community, once the Share Offer closes is to explore the way in which the pub will be developed through public consultation. Architects will be invited to turn those ideas into a building design. This will enable shareholder and community engagement to see the different ways that the pub could be developed and make informed decisions. We have the support of a local architect, who will not be bidding for the project, but will provide professional advice to the members throughout this process and when we go to tender. We will ensure that we adopt ethical procurement practices for any works we commission.

It is strongly believed that developing a community pub, will support people with their health and wellbeing and help tackle social isolation and loneliness. This project will also regenerate the aesthetics of the main street, creating employment and volunteering opportunities and will provide complementary facilities for a rural community.

The aspiration that The Radnor Arms will, when fully renovated be self-financing once trade and community use has built up is realistic. Sufficient investment in the early stages, will

enable the Society to build a high quality and environmentally efficient community pub, thus reducing running costs. Developing suitably trained volunteer and eventually paid staff will ensure the community can rely on the pub being open when advertised, with a warm welcome.

The Society will work hard to provide a space where loyal customer/community groups want to be at the pub. A further ambition is to be proactive, when applying for grants specifically to appoint a development position to promote and market the Radnor Arms and village, to develop year-round room bookings, retain and reach out to new customers, partnerships, and stakeholders and to market the pub effectively, to increase trade and sales. Continued links with partnerships and stakeholders will ensure that the asset maintains its social mission and responsibilities.

In conclusion, with the known and developing community, shareholders, and stakeholders' collective engagement, we believe the projected financial performance of the Society over the next five years will positively impact our members financial interests. We believe our members can look forward to enjoying the enhanced services, potential financial returns and the peace of mind that comes from being part of a financially secure Society. The Radnor Arms will once again be at the heart of our community. As an investor, you will be part of the decision making and ownership of the Radnor Arms, developing a thriving pub and intergenerational space for the community now and for future generations.

ORGANISATIONS AND INDIVIDUALS WHO HAVE PROVIDED VALUABLE SUPPORT INCLUDE:

Pro bono Support

Lorraine Whistance *Chartered Architectural Technologist and Certified European Passivhaus Designer*

Martin Fox *Accountant ACMA AGMA*

Nick Davis *Hobsons Brewery*

Carey Spry *Wye Valley Brewery*

The Radnorshire Artists

Specialist Support: *paid for by organisations supporting community ventures*

Councillor Ed Jones
& **New Radnor Community Council**

Fay Jones *Member of Parliament for Brecon & Radnorshire and Parliamentary Under Secretary of State for Wales*

Alison Macklin & team *Plunkett Foundation*

Guy Jones *National Community Lottery Fund*

Adam Hitchings *Architectural Heritage Fund*

Nick Comely *Community First*

Hannah Morris *Cwmpas*

Gareth Nash *Co-operative & Mutual Solutions Ltd*

Mark Haslam *Herefordshire CAMRA*

Western Power Distribution

Paid for Support:

Nicola Cadwallader *Accountant*

LOCAL AND WIDER VOLUNTEER SUPPORT TO LAUNCH OUR SHARE OFFER

New Radnor is a small community, with a big heart and lots of friends, over 300 people have already provided support for this project by offering pledges, professional skills *pro bono*, volunteering, attending meetings, pledging their support, fundraising, bidding at auctions, helping at open days, financing small projects, selling goods on eBay, working behind the scenes, baking cakes, walking pub to pub, running quizzes, popping spare change in jars, and encouraging the Management Committee to keep going! They have done this with a joy and enthusiasm that we know is a huge reflection of the community spirit that makes our village and the Radnor Valley an amazing place to live.

The steering committee want to thank everyone that has contributed in any way to this community venture to re-open the Radnor Arms. With the numbers involved, it would be remiss of us to try and name everyone as we recognise work happens, without us even knowing. Our heartfelt thanks, however, goes to those who have contributed, in any way, however small you see your contribution, it has made a difference and has helped keep the idea alive of the pub becoming a community owned asset. We look forward to working with you on this next chapter of our pub story and seeing you soon for a drink in the pub!

Our thanks also go to the following organisations who have supported the work of the Management Committee to reach this point in the purchase and renovation of the Radnor Arms Hotel:



ahfund.org.uk



cwmpas.coop



plunkett.co.uk



wcva.cymru



levellingup.campaign.gov.uk/wales/

SUPPORTING & FURTHER INFORMATION

Appendices: These include supplementary data and supporting materials to help illustrate the main points in the Business Plan

Website: Supplementary information will be available to view on our website at rahl-cbs.org following the share launch. If you do not have access to the internet, please phone our dedicated Society telephone number on **07469 094 136** and we can deliver or post some of these to you.

- The Radnor Arms Hotel Limited Community Benefit Society Model Rules
- Plan of the Current Footprint of the Radnor Arms
- Plunkett Foundation Community Ownership Report
- Building Survey Report
- Business Valuation and Market Appraisal Report
- Phase 1, 2, 3 Renovation Early Cost Advice January 2024
- Investment forms to apply for Shares in the Radnor Arms Hotel Limited Community Benefit Society
- The Society (CBS) Data Protection Policy
- Risk Register

Contact a member of the Management Committee:

Contact us by phone on **07469 094 136**, at contact@rahl-cbs.org or via the contact form on our website rahl-cbs.org Members of the Management Committee will be happy to discuss the Business Plan over a cuppa or pint if you have any questions.

Thank you!

Thank you for taking the time to read this Business Plan. We hope that you, along with many others, will choose to buy Shares to help secure the future of the Radnor Arms.



12 APPENDICES

APPENDIX 1

Plan of the existing footprint of the Radnor Arms

APPENDIX 2

Seed Enterprise Investment Scheme (SEIS)

APPENDIX 3

Potential Stakeholders/Partnerships Identified

APPENDIX 4

Supporting Letters

APPENDIX 5

Potential Grant Funding

APPENDIX 6

Grants to explore for Phase 4 of the development

APPENDIX 7

5-year Financial Model and Cash Flow Forecast

APPENDIX 8

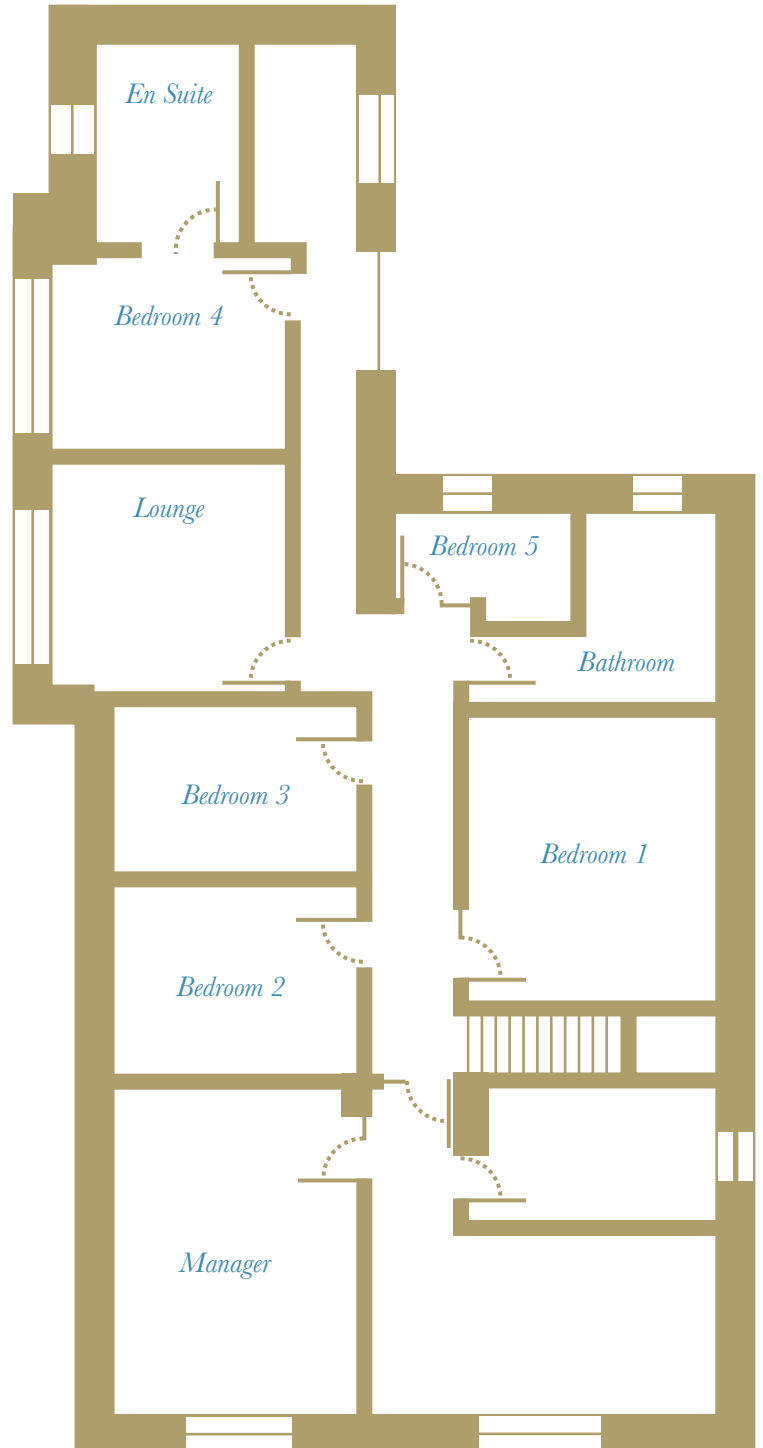
Early Cost Advice Budget Phases 2 & 3

APPENDIX 9

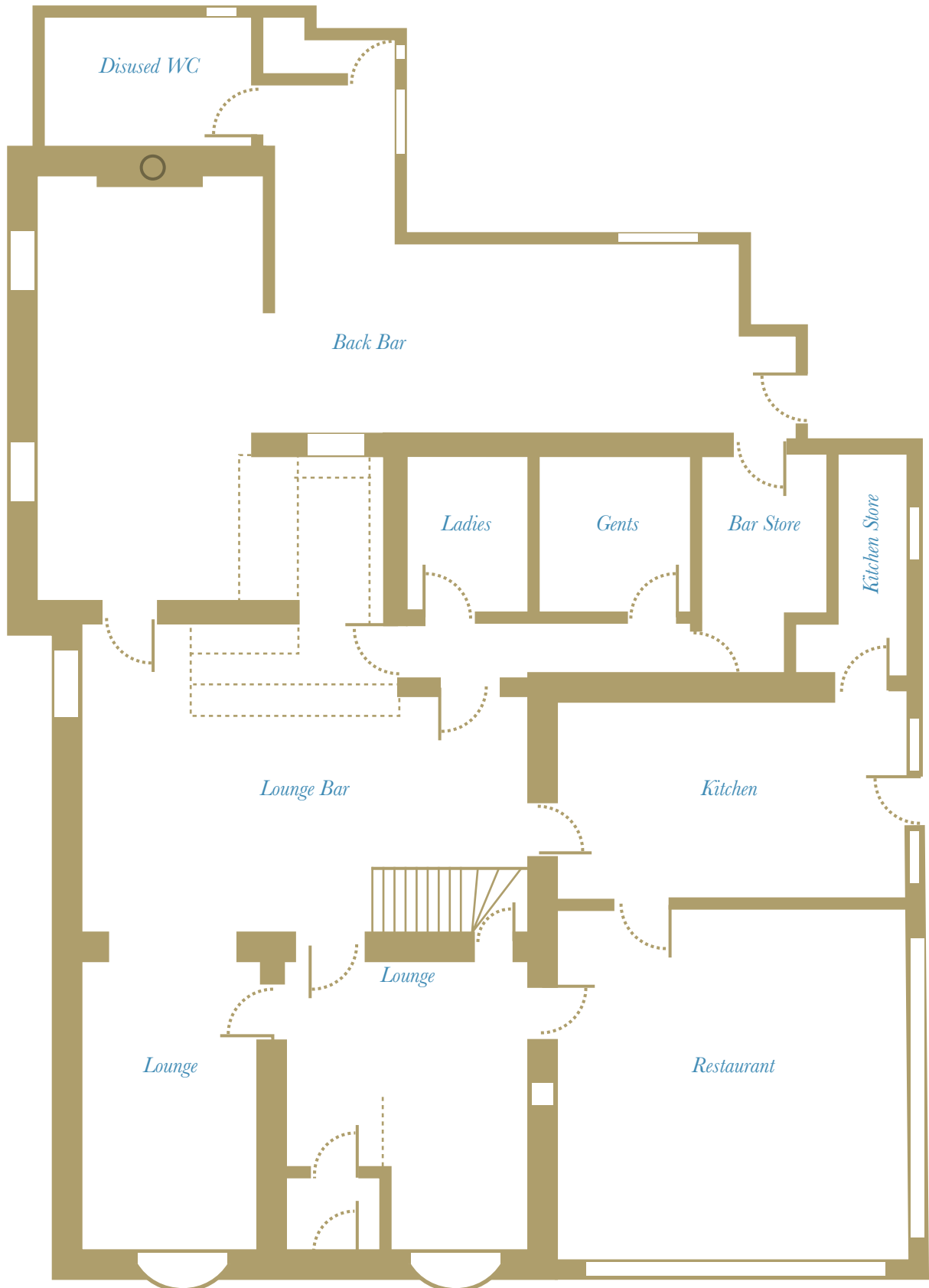
Risk Register

APPENDIX 1

PLAN OF THE EXISTING FOOTPRINT OF THE RADNOR ARMS



UPPER FLOOR



GROUND FLOOR

APPENDIX 2

THE SEED ENTERPRISE INVESTMENT SCHEME (SEIS)

ADVANCE ASSURANCE FROM HMRC

Company: *The Radnor Arms Hotel Ltd*

Date requested: *04 May 2023*

Proposed investment amount: *£150,000*

Class of Shares: *Ordinary*

On the basis of the information you have provided, we believe we will be able to authorise the company to issue compliance certificates under Section 257EC(1) of the Income Tax Act (ITA) 2007 in respect of Ordinary Shares issued to individuals, following receipt of a properly completed form SEIS1. This provisional authorisation relates to the proposed investment amount above.

This assurance is based on the legislation which is in place on the date of this notice. If the legislation changes and takes effect on or before the date of any share issue, the assurances we have given may no longer apply.

You have told us that you believe you meet the legislative requirements. HMRC may not be bound by the assurance given where you have provided incorrect information, or your circumstances change before the share issue date. Further information is provided in our Venture Capital Schemes Manual at VCM60240.

The Seed Enterprise Investment Scheme (SEIS) is a government scheme devised to encourage investment in new enterprises. The Radnor Arms Hotel Community Benefit Society has advance assurance (valid on 04.05.23) that will be able to offer our shares up to a proposed investment amount of £150,000 under the SEIS Scheme.

The advantage to investors who pay income tax is that they can claim tax relief on their investment at 50% of the cost of the shares up to a maximum of £45,000. For example, an investment of £1,000 will give rise to tax relief of £500. The tax relief is applied in the tax year in which the purchase is made and can be “carried back” one year to the preceding tax year. *Tax relief is only available to the extent tax has been paid.* The shares must be held for 3 years from the date of purchase or, if later, for 3 years after the business starts trading, otherwise the tax relief will be withdrawn. There can be no issues with Capital Gains Tax because the value of your shares will never increase. For more details, please see the HMRC website at: [gov.uk/topic/business-tax/investment-schemes](https://www.gov.uk/topic/business-tax/investment-schemes)

APPENDIX 3

POTENTIAL STAKEHOLDERS/PARTNERSHIPS IDENTIFIED

Voluntary organisations

- *Age Cymru Powys*
- *Red Cross Powys*
- *Powys WI*
- *Alzheimer’s Society/Dementia Connect Powys*
- *Powys Association of Voluntary Organisations*
- *Community Connectors*
- *Knighton Community Woodland Group*
- *The Hub*
- *Accessibility Powys*

Clubs & pubs

- *Men’s Sheds, Book Club, Young Farmers, Football Club, 1st Knighton Guides*
- *The Harp, Old Radnor, Oxford Arms Kington (Community Pub), local pubs*

Education

- *Radnor Valley CP School*
- *Summeril House School*
- *Digital Communities Wales*

Faith

- *New Radnor Baptist Church*
- *St Mary’s CofE Church*

Retail

- *Esco’s, Picture Framers, traders in New Radnor, Parry Estate Agents*

Business

- *Presteigne Static Caravan Park (New Radnor)*
- *Radnor Ranges, Gore Quarry*

Care Homes

- *Wilbury House Care Home, Burlingjobb*

Trusts

- *Radnorshire Wildlife Trust*
- *Abbey Cwmhir Heritage Trust*

Community leaders

- *Llais Cymru (People’s Voice); New Radnor Community Councillors; Ed Jones County Councillor; Mr Reg Cawthorne Esq (High Sherriff of Powys); Fay Jones MP (Brecon & Radnor); James Evans (Member of Senedd).*

NB This list is not exhaustive, and any potential stakeholders and partnership are encouraged to contact us.

APPENDIX 4

SUPPORTING LETTERS WHEN THE PUB CLOSED

TO RADNOR ARMS ACTION GROUP.

FROM RADNOR VALLEY VINTAGE CLUB.

I am replying to your letter regarding the future of the Radnor Arms Public House New Radnor.

We held our monthly meeting on March 14th 2016 at this venue when 20+ members of Radnor Valley Vintage Club wish to express their concern over the future of this venue.

We as a club use this venue every second Monday of each month and have done so for very many years including an excellent Annual Dinner in January when over fifty people attend. Our concern is that not only do we lose an excellent friendly establishment to hold our meetings but a place the community as a whole will suffer from its closure.

It is the hub of New Radnor and the surrounding area always busy with various clubs, young people, bar meals daily and Sunday Lunches.

All our members would like to give our support to Radnor Arms Action Group to continue to fight to save this very precious community building.

Yours sincerely


(chair-man)

Of Radnor Valley Vintage Club.

To: RADNOR ARMS ACTION GROUP

From: NEW RADNOR CARNIVAL COMMITTEE

Thank you for contacting us on this important issue.

The Carnival committee use the Radnor Arms for three critical components of carnival organisation.

1. Fundraising – the committee has photographs and donation buckets on permanent display. It also holds a fundraising barbecue once a year. These raise significant money, and allow the carnival to go ahead.
2. By tradition, the carnival parade stops outside the Radnor Arms so that the landlady can judge the floats and fancy dress. This is because it is at the centre of community life in the village.
3. The availability of a local pub draws people into the carnival. All carnival visitors use the pub on carnival night. This is a key night in the village social calendar.

I trust this is helpful


On behalf of the Carnival committee



Radnor Arms Action Group, New Radnor LD8 ZSP Powys

Dear Ben,

Thank you for taking up the baton on this very important issue. I find it appalling that an absentee landlord can allow a property to fall into such a state of disrepair that it becomes a health hazard, sufficiently serious as to force potential closure of a successful business, rendering the landlords without either home or income and the village without its main meeting point.

I am secretary of the Gardening club, a member of the Bell ringing group and on the PCC. All of these clubs use the pub regularly. I am unable to say how many members of the gardening club retire to the pub after meetings, but certainly when we hold our Annual Village Show, the show committee and the Judges always go to the pub for lunch prior to the show opening to the public in the afternoon. The judges come without charging and a free lunch is the least we can do to recompense them for their generosity. If the committee had to prepare lunch and set up the show then it would be an impossible task and most likely we would give up. The Village Show is a highlight of village community life. Last year we had 176 entries from the school children and 190 from adults. I know that high on success many of the younger entrants enjoy a jovial evening in the pub afterwards to celebrate their achievements.

As regards the bellringing group, it is part of the camaraderie to go to the pub for a pint after 2 hours of ringing, relax and have a chat. Bellringing is thirsty work!

The PCC always holds its meetings in the pub, as there is no charge for hire or heating, as there would be in the Community Hall and it is a warm and homely atmosphere in which to conduct church business. As you know churches are not flush with funds, so going to the pub seems a win win situation for both church and pub. At Christmas there is a tradition for the church to tour the village Carol Singing and then to finish in the pub with everyone joining in. Churches are meant to be part of the communities in which they live, not a Sunday morning Holy Huddle. The pub gives us an opportunity to see and be seen, to meet and enjoy the fellowship of the whole village.

I would say that I also belong to the village book club. At the moment we meet in each others houses, but with numbers close on fourteen and rising it is fast becoming impossible to find a venue big enough, so I foresee the time when the pub might just fit the bill.

Finally I am concerned that there are many people in this village who live alone and would spend long lonely days and evenings if it were not for the friendship and hospitality they find in the pub. I could name many people for whom quite literally the pub is life saver in this regard.

As for the Sunday lunches there are many people especially those living alone, who would never miss their Sunday lunch in our local pub, not to mention the holiday makers who are always looking for places to eat.

So once again thank you Ben

Kind regards

[Signature]



Radnor Valley Young Farmers Club

10 March 2016

The Radnor Arms, New Radnor - proposed closure.

To whom it may concern

We are writing with regards to the proposed closure of the Radnor Arms pub in New Radnor.

As a youth movement comprising of 40 members aged from 11 to 26, young farmers is run by members for members and particularly in this rural area, is incredibly important.

Along with many other organisations within the Radnor Valley, the young farmers would have nowhere else to go following our weekly meetings, we have already lost The Crown Inn in Walton, we can not lose our only other "local pub".

Since the closure of The Crown Inn, we have made the Radnor Arms a place where we hold our club officer meetings, which has saved us financially. We have held inter club social evenings where the Radnor Arms has been our "pub of the month" - it would be an absolute travesty if we didn't have our own local in the Radnor Valley to invite the other Radnorshire clubs to. We use the Radnor Arms to practise for the county darts competition and with some of our members doing this. It attracts others to join them just for the social side.

Many of our members depend on Young Farmers in the evening to meet up with friends, losing our pub would be detrimental to many who may not see anyone during the day.

By closing the Radnor Arms you are depriving a whole generation of what it means to have a "local", it is an essential meeting point in bringing the community together, it is a vital service that the countryside cannot afford to lose. Why should we have to travel a further 5 or 6 miles to Kington or the Fforest Inn.

The Radnor Arms can not close if we are to ensure that the rural way of life is maintained, closure would have a massive effect on Radnor Valley Young Farmers, we can not allow this to happen.

Yours Faithfully,
Radnor Valley YFC

12th March 2016

To whom it may concern,

I am writing on behalf of Radnor Valley Football Club, of which I am secretary. The football club has been a big supporter of the Radnor Arms as long as I have known and beyond. Our season runs from August to April/May and we also have friendlies during the summer months, which are mainly at home. We use the pub almost every other weekend when we have home games and will call by after away games.

When we have home matches, we go back to the Radnor Arms where they provide the players (home and away) with hot food. Along with supporters I would estimate that a typical game would see 40 people in the pub after and on more popular local derbys there could be anything from 50/60 people. Most of these would stay for some time after.

We rely hugely on the Radnor Arms all year round. On Boxing Day we hold our annual Duck Race, which attracts big numbers of people who are using the pub all day. It is a big day in the social calendar and a tradition for many in the local community. Each year we hold our annual end of season dinner in May, which is held at the Community Centre where the Radnor Arms have done the food and the bar. We get approximately 70-80 people at the dinner, where most people tend to start the night off in the Radnor Arms.

We also hold our monthly meetings in the Radnor Arms, which we have on the first Monday of each month, where committee members and players attend.

I also run Radnor Valley Netball Club, which during the summer months train down on the Multi-Purpose court in New Radnor. After training we will mostly go back to the pub to have a quick drink! It is good to keep the social element going and keep the community together.

The future of the Radnor Arms is very important to us especially as a football club and a community, being the only public house in the village. Otherwise we would have to travel to an alternative venue to provide the players/ supporters with food after games and somewhere to socialize. This is obviously not ideal as many teams in the leagues we play often have an hour to travel to us anyway and having to ask them to travel further to provide them with refreshments is not something we would take lightly.

As you can gather a big part of the football club involves socializing, which is what the Radnor Arms provides us with and without it, it would give a huge knock on effect into the running of the club which has been very well supported by the local community over the past 80 years.

Your Sincerely

Secretary of Radnor Valley Football Club

APPENDIX 5 POTENTIAL FUNDING SOURCES



Fund/Grant	Amount £	Notes	Current	Notes	Grant applied for & when?	Application successful? Yes / No
Share Issue <i>optimum</i>	180,000		Mar/Apr			
Community Ownership Fund (COF) UK Government	200,000	<i>A full or partial draw down permitted with match funding</i>	Purchase and Phase 2 renovation	<i>Match funding required</i>	Yes	Yes
Community Fund (COF) UK Government	40,000	<i>Revenue funding</i>		<i>Match funding not required</i>	Yes	Yes
Architectural Heritage Fund Welsh Government	10,000	<i>Revenue funding can apply several times. The Fund also offers short-term loans</i>	Submitted	<i>Match funding is preferred but not essential</i>	Yes <i>November 2023</i>	N/A
Community Facilities Programme Welsh Government	300,000	<i>A grant for the physical improvement of a community building</i>	Researching	<i>Phase 4 of the development</i>	No <i>June 2024</i>	N/A
The National Lottery Fund	250,000	<i>Funding for projects where people and communities are working together</i>	Researching	<i>Match funding increases the chance of securing larger grants</i>	No <i>Jan 2025</i>	N/A
Garfield Weston Fund	60,000	<i>Grants for revenue or capital projects</i>	Researching	<i>Match funding not required</i>	No <i>June 2024</i>	N/A
The Society (CBS) Fundraising & donations	30,000			<i>This money is self-aided and can be used for match funding</i>	N/A	N/A
Making a Difference in Powys Fund/ Gwneud Gwahaniaeth ym Mhowys	4,000 to 40,000	<i>Powys Association of Voluntary Organisations (PAVO)</i>		<i>This fund is to grow the capacity of local organisations to deliver new activities in their community building</i>	No <i>March 2025</i>	N/A

In-kind funding

In-kind contributions may be used as a contribution within grant fund applications. An in-kind contribution is a non-monetary contribution. Goods or services offered free or at less than the usual charge result in an in-kind contribution. Similarly, when a person or entity pays for services on the Management Committee's behalf, the payment is an in-kind contribution.

APPENDIX 6

A SAMPLE OF GRANTS, FUNDING & RESOURCES AVAILABLE

- **The Community Facilities Programme:** a capital grant scheme operated by the Welsh Government. Its aim is to improve community facilities that will be used by the whole community. Grants are available at two levels: small grants under £25,000 and larger grants up to £300,000
- **The National Lottery Fund:** This fund supports projects that connect people and communities to the national, regional, and local heritage of the UK. The grants range from small amounts (under £10,000) to large amounts (over £250,000) and are awarded through different programmes and schemes. Some examples of the grant programmes are:
 - **National Lottery Awards for All:** This programme supports people to bring about positive changes in their community, with grants from £300 to £10,000
 - **The National Lottery Heritage Fund:** This includes the People and Places grant: offering funding for projects where people and communities are working together and using their strengths to make positive impacts on the things that matter to them the most. They can fund some or all of costs including staff salaries, training, volunteer expenses, management costs, equipment, premises costs, monitoring and evaluation, and overheads.
- **Architectural Heritage Fund:** Project Viability and project development grants fund studies to look at potential uses for a building and assist an organisation to cover some of the costs of developing and co-ordinating a project and taking it towards the start of work on site.
- **Making a Difference in Powys Fund:** their aim is to help grow the capacity of local organisations to deliver new activities that address community priorities. The fund is available to support revenue costs only
- **Welsh Council for Voluntary Action:** Providing information on short term loans, support, funding, training, and advocacy for voluntary organisations and volunteers in Wales
- **Cwmpas** is a co-operative development agency that works for positive change in Wales and across the UK. It offers support to individuals, groups, and organisations who want to create a fairer, greener economy and a more equal Society. They offer advice and guidance, deliver training, facilitates networking and collaboration, conducts research and innovation, act as advocates and influence policy makers and represents the voice and interests of the social business sector

NB: Please note this is not an exhaustive list

APPENDIX 7

FUNDING MODEL A

PREFERRED MODEL:

- Assumptions to support the Society's financial forecasts**
- Five-year financial model & cash flow forecast**
Tables demonstrating the forecasts for Years 2024 to 2028 inclusive may be found on the following pages (pp40-45)
- Profit & Loss Account, Cash Flow & Balance Sheet**
Tables demonstrating these may be found on pp 46-48

i RADNOR ARMS HOTEL LIMITED COMMUNITY BENEFIT SOCIETY FINANCIAL FORECASTS ASSUMPTIONS

The Society proposes to purchase the Radnor Arms Hotel pub. Detailed financial forecasts (2024-2028) have been prepared comprising:

- Profit and Loss account
- Cash Flow
- Balance Sheet

1 Capital costs and finance/funding for initial purchase and refurbishment of the 2 bars

- Assume that the purchase is concluded by May 2024
- £115,000 purchase price, Transfer of ownership of the building that has not traded since 2016 will take place. The Interim Owner is VAT registered and has opted to tax, therefore VAT of £23,000 is payable to HMRC
- Capital financing
 - £180,000 community shares
 - Community Ownership Fund grant = £200,000
 - Architectural Heritage Fund = £10,000
 - Society funds £10,000
 - Community Facilities Programme grant = £90,000

2 Purchase

- The purchase will comprise the building, with some fixtures and fittings
- Depreciation charged at 2% for the building & refurbishment, 10% on furniture & equipment

3 Trading/revenue and expenditure

- 2024 is year zero, minor trading. Trading commences 09/24
- Turnover figures used are seasonal and reflect trading at the Hub in New Radnor. This has been split between WET (90%) and DRY (10%) initially.
- VAT is chargeable on both WET and DRY sales
- All supplier payments will be paid with creditors (i.e. 30 days).
- Gross margins for both wet and dry are conservative. Industry benchmarks suggest 55% GP dry.



Sales	2024	2025	2026	2027	2028
Wet	90%	90%	90% <i>Jan-Jun</i> 50% <i>Jul-Dec</i>	50%	40%
Dry	10%	10%	10% <i>Jan-Jun</i> 50% <i>Jul-Dec</i>	50%	60%

4 Overheads

a Overhead costs are as per the trading accounts.

b Overhead costs increase by 10% on utilities, 1.5% on general overheads

Overheads	2024	2025	2026	2027	2028
Insurance	4,693	5,733	5,818	5,908	3,786
Business Rates					
Council Tax	214				
Electricity	4,150	5,740	6,720	7,203	8,450
Water Rates	294	646	710	720	1,000
Waste Collection	480	1,458	1,482	1,530	1,818
Cellar Running Costs					
Card Processing Fees	277	1,015	1,487	2,434	2,853
Accountancy Costs	950	1,300	1,365	1,500	1,550
Legal & Professional Fees	4,750	1,500	1,200	1,200	1,200
Subscriptions	600	610	620	630	650
PAT Testing			250	275	350
PPL & PRS Music & Bar Licenses	835	847	860	873	886
Cleaning Materials & Equipment	650	750	900	1,500	1,200
Telephone & Internet	279	556	591	627	663
Printing & Stationery	300	850	300	1,000	450
Marketing & Website	4,802	2,160	2,315	2,470	2,470
Training	1,300	1,000	1,000	1,200	1,300
Sundries		1,300	1,339	1,379	1,421
TOTAL	24,574	25,465	26,657	30,449	30,052

4 Staffing

	2024	2025	2026		2027	2028
Staff			Jan-Jun	Jul-Dec		
Bar Supervisor	6,240 p/a	6,490 p/a	3,370	3,505	14,577 p/a	20,523 p/a
Cleaner	2,600 p/a	2,704 p/a	1,404	1,404	2,912 p/a	6,032 p/a
Chef				5,257	10,932 p/a	26,121 p/a
TOTAL	8,840	9,194	4,774	10,166	28,421	52,676
Bar Supervisor <i>hrs/p/w (Dec)</i>	8	8	8	8	16	22
<i>rate p/h</i>	15.00	15.60	16.20	16.85	17.22	17.94
<i>Total P/A</i>	6,240	6,490	3,370	3,575	14,577	20,523
NI Threshold	9,980	9,980	5,140	5,140	10,434	10,747
ENI Earnings					4,143	9,777
Cleaner <i>hrs/p/w</i>	4	4	4	4	4	8
<i>rate p/h</i>	12.50	13.00	13.50	13.50	14.00	14.50
<i>Total P/A</i>	2,600	2,704	1,404	1,404	2,912	6,032
NI Threshold	9,980	9,980	5,140	5,140	5,294	5,453
ENI Earnings						
Chef <i>hrs/p/w</i>				12	12	28
<i>rate p/h</i>				16.85	17.52	17.94
<i>Total P/A</i>				5,257	10,932	26,121
NI Threshold				5,140	5,294	5,452
ENI Earnings					5,639	20,668

6 Phase 4 Funding

a Capital financing

i Community Facilities Programme grant = £210,000

ii National Lottery grant = £250,000

iii Garfield Weston grant = £60,000

iv Further grant, share offer or loan = £50,000

NB Although a grant or share offer will be our preferred options, a loan has been modelled in the Forecast

ii FIVE YEAR FINANCIAL MODEL & CASH FLOW FORECAST

Tables demonstrating the forecasts for Years 2024 to 2028 inclusive may be found on pages 40 to 49.

iii PROFIT & LOSS ACCOUNT, CASH FLOW AND BALANCE SHEET

Tables demonstrating these may be found on pages 50 to 52.

YEAR 0 (2024)

2024 Forecast Y0	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
RECEIPTS													
Sales Wet	-0	-0	-0	-0	-0	-0	-0	-0	5,400	5,400	5,400	5,940	22,140
Sales Dry	-0	-0	-0	-0	-0	-0	-0	-0	600	600	600	660	2,460
Lettings	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
AHF	-0	-0	-0	-0	-0	3,333	3,333	3,333	-0	-0	-0	-0	10,000
COF (Capital)	-0	-0	-0	-0	200,000	-0	-0	-0	-0	-0	-0	-0	200,000
COF (Revenue)	-0	-0	-0	-0	40,000	-0	-0	-0	-0	-0	-0	-0	40,000
Share Investment	-0	-0	-0	-0	180,000	-0	-0	-0	-0	-0	-0	-0	180,000
CFP (Capital)	-0	-0	-0	-0	-0	-0	90,000	-0	-0	-0	-0	-0	90,000
National Lottery	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Garfield Weston	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Fundraising	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000
HMRC	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Interest Received	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Total Receipts	2,083	2,083	2,083	2,083	422,083	5,417	95,417	5,417	8,083	8,083	8,083	8,083	569,600

NOTES

COF: Community Ownership Fund

CFP: Community Facilities Programme

2024 Forecast Y0	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
PAYMENTS													
Supplier Payments	-0	-499	-0	-1,800	-5,700	-3,486	-8,626	-9,286	-12,263	-6,555	-4,817	-5,537	-58,570
Payroll Costs	-0	-0	-0	-0	-0	-0	-0	-0	-200	-200	-250	-680	-1,330
Accruals Paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
<i>Radnor Arms Pub Purchase</i>	-0	-0	-0	-0	-166,645	-0	-0	-0	-0	-0	-0	-0	-166,645
Professional Fees	-0	-0	-0	-0	-12,000	-0	-0	-0	-0	-0	-0	-0	-12,000
Capex, refurb bars	-0	-0	-0	-0	-0	-115,200	-115,200	-115,200	-0	-0	-0	-0	-345,600
Capex refurb restaurant and lettings	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Furnishings & Equipment	-0	-0	-0	-0	-0	-0	-0	-0	-9,840	-0	-0	-0	-9,840
Project Management	-0	-0	-0	-0	-0	-0	-0	-0	-10,000	-0	-0	-0	-10,000
VAT paid/reclaimed	-0	-0	413	-0	-0	31,605	-0	-0	64,269	-0	-0	-182	96,106
Share Platform Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Other Share Offer costs	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Corporation Tax paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Overdraft Interest	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Withdrawal	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Interest Paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Consultancy Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan Interest	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan Capital Repayment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Total Payments	-0	-499	423	-1,800	-184,345	-87,081	-123,826	-144,326	51,806	-6,755	-5,067	-6,398	-507,880
Net Cash Flow	2,083	1,584	2,497	283	237,738	-81,665	-28,410	-138,910	59,889	1,328	3,017	2,285	61,720
Balance brought forward	9,169	11,252	12,836	15,333	15,616	253,354	171,680	143,280	4,370	64,260	65,588	68,605	9,169
Balance Carried Forward	11,252	12,836	15,333	15,616	253,354	171,690	143,280	4,370	64,260	65,588	68,605	70,889	70,889

YEAR 1 (2025)

2025 Forecast Y1	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
RECEIPTS													
Sales Wet	5,400	5,400	6,480	6,480	6,480	6,480	7,560	7,560	7,560	6,480	6,480	8,640	81,000
Sales Dry	600	600	720	720	720	720	840	840	840	720	720	960	9,000
Lettings	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
AHF	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
COF (Capital)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
COF (Revenue)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Investment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
CFP (Capital)	-0	-0	-0	-0	-0	100,000	110,000	-0	-0	-0	-0	-0	210,000
National Lottery	-0	-0	-0	-0	-0	-0	125,000	-0	-0	125,000	-0	-0	250,000
Garfield Weston	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	60,000	60,000
Fundraising	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
HMRC	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Interest Received	-0	59	59	59	60	60	143	255	171	115	134	49	1,164
Total Receipts	6,000	6,059	7,259	7,259	7,260	107,260	243,543	8,655	8,571	132,315	7,334	69,649	611,164

NOTES

COF: Community Ownership Fund

CFP: Community Facilities Programme

2025 Forecast Y1	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
PAYMENTS													
Supplier Payments	-5,260	-5,378	-5,517	-6,388	-6,111	-6,111	-6,111	-6,982	-6,705	-6,705	-5,833	-6,111	-73,208
Payroll Costs	-707	-884	-707	-707	-884	-707	-707	-884	-707	-707	-884	-707	-9,194
Accruals Paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
<i>Radnor Arms</i> Pub Purchase	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Professional Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Capex, refurb bars	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Capex refurb restaurant and lettings	-0	-0	-0	-0	-0	-0	-102,000	-102,000	-102,000	-102,000	-102,000	-102,000	-612,000
Furnishings & Equipment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Project Management	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
VAT paid/reclaimed	-0	-0	-408	-0	-0	-499	-0	-0	33,299	-0	-0	-50,308	82,701
Share Platform Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Other Share Offer costs	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Corporation Tax paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Overdraft Interest	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Withdrawal	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Interest Paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Consultancy Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan Interest	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan Capital Repayment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Total Payments	-5,967	-6,262	-6,631	-7,095	-6,995	-7,316	-108,818	-109,866	-76,112	-109,412	-108,717	-58,510	-611,701
Net Cash Flow	33	-203	628	165	265	99,944	134,725	-101,210	-67,541	22,903	-101,383	11,140	-536
Balance brought forward	70,889	70,922	70,719	71,347	71,511	71,776	171,720	306,445	205,235	137,694	160,597	59,213	70,889
Balance Carried Forward	70,922	70,719	71,347	71,511	71,776	171,720	306,445	205,235	137,694	169,597	59,213	70,353	70,353

YEAR 2 (2026)

2026 Forecast Y2	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
RECEIPTS													
Sales Wet	6,480	8,640	8,640	8,640	9,720	10,800	6,000	6,000	6,000	6,000	6,000	6,600	89,520
Sales Dry	720	960	960	960	1,080	1,200	6,000	6,000	6,000	6,000	6,000	6,600	42,480
Lettings	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan	-0	-0	50,000	-0	-0	-0	-0	-0	-0	-0	-0	-0	50,000
AHF	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
COF (Capital)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
COF (Revenue)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Investment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
CFP (Capital)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
National Lottery	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Garfield Weston	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Fundraising	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
HMRC	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Interest Received	59	31	9	65	66	43	45	21	23	23	25	26	436
Total Receipts	7,259	9,631	59,609	9,665	10,866	12,043	12,045	12,021	12,023	12,023	12,025	13,226	182,436

NOTES

COF: Community Ownership Fund

CFP: Community Facilities Programme

2026 Forecast Y2	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
PAYMENTS													
Supplier Payments	-7,853	-5,675	-7,972	-7,418	-7,418	-8,289	-8,883	-8,254	-8,366	-8,366	-8,366	-8,366	-95,224
Payroll Costs	-734	-918	-734	-734	-918	-734	-1,564	-1,955	-1,564	-1,564	-1,955	-1,564	-14,940
Accruals Paid	-1,300	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-1,300
<i>Radnor Arms</i> Pub Purchase	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Professional Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Capex, refurb bars	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Capex refurb restaurant and lettings	-30,000	-30,000	-30,000	-0	-0	-0	-30,000	-0	-0	-0	-0	-0	-120,000
Furnishings & Equipment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Project Management	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
VAT paid/reclaimed	-0	-0	16,183	-0	-0	-1,146	-0	-0	-1,750	-0	-0	-1,817	11,471
Share Platform Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Other Share Offer costs	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Corporation Tax paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Overdraft Interest	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Withdrawal	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Interest Paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Consultancy Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan Interest	-0	-0	-0	-248	-248	-248	-247	-247	-247	-246	-246	-245	-2,223
Loan Capital Repayment	-0	-0	-0	248	248	248	247	247	247	246	246	245	2,223
Total Payments	-39,887	-36,593	7,477	-8,152	-38,336	-10,169	-40,447	-10,209	-11,679	-9,930	-10,321	-11,747	-219,993
Net Cash Flow	-32,629	-26,962	67,086	1,513	-27,470	1,874	-28,402	1,812	343	2,093	1,704	1,479	-37,557
Balance brought forward	70,353	37,724	10,763	77,848	79,361	51,892	53,766	25,364	27,176	27,519	29,613	31,317	70,353
Balance Carried Forward	37,724	10,763	77,848	79,361	51,892	53,766	25,364	27,176	27,519	29,613	31,317	32,796	32,796

YEAR 3 (2027)

2027 Forecast Y3	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
RECEIPTS													
Sales Wet	7,200	8,100	9,000	9,000	9,900	9,900	9,900	9,900	9,000	8,100	8,100	9,900	108,000
Sales Dry	7,200	8,100	9,000	9,000	9,900	9,900	9,900	9,900	9,000	8,100	8,100	9,900	108,000
Lettings	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
AHF	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
COF (Capital)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
COF (Revenue)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Investment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
CFP (Capital)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
National Lottery	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Garfield Weston	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Fundraising	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
HMRC	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Interest Received	27	20	24	17	21	17	19	18	22	22	24	27	258
Total Receipts	14,427	16,220	18,024	18,017	19,821	19,817	19,819	19,818	18,022	16,222	16,224	19,827	216,258

NOTES

COF: Community Ownership Fund

CFP: Community Facilities Programme

2027 Forecast Y3	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
PAYMENTS													
Supplier Payments	-9,202	-9,623	-10,713	-11,523	-11,145	-12,333	-11,955	-11,955	-11,955	-10,767	-9,957	-10,335	-131,462
Payroll Costs	-2,186	-2,845	-2,299	-2,299	-2,845	-2,299	-2,299	-2,845	-2,299	-2,299	-2,845	-2,299	-29,658
Accruals Paid	-1,365	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-1,365
<i>Radnor Arms</i> Pub Purchase	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Professional Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Capex, refurb bars	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Capex refurb restaurant and lettings	-10,000	-0	-10,000	-0	-10,000	-0	-7,000	-0	-0	-0	-0	-0	-37,000
Furnishings & Equipment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Project Management	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
VAT paid/reclaimed	-0	-0	-2,377	-0	-0	-3,467	-0	-0	-3,923	-0	-0	-3,224	-12,990
Share Platform Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Other Share Offer costs	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Corporation Tax paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Overdraft Interest	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Withdrawal	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Interest Paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-7,200	-7,200
Consultancy Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan Interest	-245	-244	-244	-243	-243	-242	-241	-241	-240	-239	-238	-237	-2,897
Loan Capital Repayment	245	244	244	243	243	242	241	241	240	239	238	237	2,897
Total Payments	-22,753	-12,468	-25,389	-13,822	-23,990	-18,098	-21,254	-14,800	-18,176	-13,066	-12,802	-23,057	-219,675
Net Cash Flow	-8,326	3,752	-7,365	4,196	-4,169	1,719	-4,435	5,017	-154	3,156	3,422	-3,230	-3,417
Balance brought forward	32,796	24,470	28,222	20,857	25,053	20,884	22,603	21,168	26,185	26,031	29,187	32,609	32,796
Balance Carried Forward	24,470	28,222	20,857	25,053	20,884	22,603	21,168	26,185	26,031	29,187	32,609	29,379	29,379

YEAR 4 (2028)

2028 Forecast Y4	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
RECEIPTS													
Sales Wet	6,720	7,200	8,160	8,160	9,120	9,120	9,600	9,600	8,640	8,160	7,200	9,600	101,280
Sales Dry	10,080	10,800	12,240	12,240	13,680	13,680	14,400	14,400	12,960	12,240	10,800	14,400	151,920
Lettings	-0	-0	1,200	1,800	2,400	2,400	2,400	2,400	2,400	2,400	600	1,200	19,200
Loan	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
AHF	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
COF (Capital)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
COF (Revenue)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Investment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
CFP (Capital)	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
National Lottery	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Garfield Weston	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Fundraising	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
HMRC	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Interest Received	24	22	22	23	26	30	30	36	41	39	43	42	378
Total Receipts	16,824	18,022	21,622	22,223	25,226	25,230	26,430	26,436	24,041	22,839	18,643	25,252	272,778

NOTES

COF: Community Ownership Fund

CFP: Community Facilities Programme

2028 Forecast Y4	Jan £	Feb £	Mar £	Apr £	May £	Jun £	Jul £	Aug £	Sep £	Oct £	Nov £	Dec £	Total Year 0
PAYMENTS													
Supplier Payments	-12,711	-9,689	-11,172	-12,474	-11,981	-13,530	-13,037	-13,812	-13,565	-12,016	-11,735	-10,432	-146,154
Payroll Costs	-4,164	-5,415	-4,402	4,402	-5,415	-4,402	-4,402	-5,415	-4,402	-4,402	-5,415	-4,402	-56,640
Accruals Paid	-1,500	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-1,500
<i>Radnor Arms</i> Pub Purchase	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Professional Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Capex, refurb bars	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Capex refurb restaurant and lettings	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Furnishings & Equipment	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Project Management	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
VAT paid/reclaimed	-0	-0	-3,505	-0	-0	-5,169	-0	-0	-6,264	-0	-0	-5,203	-20,141
Share Platform Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Other Share Offer costs	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Corporation Tax paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Overdraft Interest	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Share Withdrawal	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000	-24,000
Share Interest Paid	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-6,760	-6,760
Consultancy Fees	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0
Loan Interest	-237	-236	-235	-234	-233	-232	-231	-230	-229	-228	-227	-225	-2,775
Loan Capital Repayment	237	236	235	234	233	232	231	230	229	228	227	225	2,775
Total Payments	-20,375	-17,104	-21,078	-18,876	-19,396	-25,101	-19,439	-21,227	-26,232	-18,418	-19,150	-28,797	-255,194
Net Cash Flow	-3,551	918	544	3,347	5,829	129	6,991	5,210	-2,191	4,420	-507	-3,555	17,583
Balance brought forward	29,379	25,828	26,746	27,290	30,636	36,466	36,595	43,586	48,796	46,605	51,025	50,518	29,379
Balance Carried Forward	25,828	26,746	27,290	30,636	36,466	36,595	43,586	48,796	46,605	51,025	50,518	46,963	46,963



Cashflow Summary	Y0 2024 £	Y1 2025 £	Y2 2026 £	Y3 2027 £	Y4 2028 £
RECEIPTS					
Sales Wet	22,140	81,000	89,520	108,000	101,280
Sales Dry	2,460	9,000	42,480	108,000	151,920
Lettings	-0	-0	-0	-0	19,200
Loan	-0	-0	50,000	-0	-0
AHF	10,000	-0	-0	-0	-0
Community Ownership Fund (Capital)	200,000	-0	-0	-0	-0
Community Ownership Fund (Revenue)	40,000	-0	-0	-0	-0
Share Investment	180,000	-0	-0	-0	-0
Community Facilities Programme (Capital)	90,000	210,000	-0	-0	-0
National Lottery	-0	250,000	-0	-0	-0
Garfield Weston	-0	60,000	-0	-0	-0
Fundraising	25,000	-0	-0	-0	-0
HMRC	-0	-0	-0	-0	-0
Interest Received	-0	1,164	436	258	378
	569,600	611,164	182,436	216,258	272,778
PAYMENTS					
Supplier Payments	-58,570	-73,208	-95,224	-131,462	-146,154
Payroll Costs	-1,330	-9,194	-14,940	-29,658	-56,640
Accruals Paid	-0	-0	-1,300	-1,365	-1,500
Pub Purchase	-166,645	-0	-0	-0	-0
Professional Fees	-12,000	-0	-0	-0	-0
Capex Refurb Bars	-345,600	-0	-0	-0	-0
Capex Refurb Restaurant and Lettings	-0	-612,000	-120,000	-37,000	-0
Furnishings & Equipment	-9,840	-0	-0	-0	-0
Project Management	-10,000	-0	-0	-0	-0
VAT (Paid) / Reclaimed	96,106	82,701	11,471	-12,990	-20,141
Share Platform Fees	-0	-0	-0	-0	-0
Share Offer Costs	-0	-0	-0	-0	-0
Corporation Tax Paid	-0	-0	-0	-0	-0
Overdraft Interest	-0	-0	-0	-0	-0
Share Withdrawal	-0	-0	-0	-0	-24,000
Share Interest Paid	-0	-0	-0	-7,200	-6,760
Consultancy Fees	-0	-0	-0	-0	-0
Loan Interest	-0	-0	-2,223	-2,897	-2,775
Loan Capital Repayment	-0	-0	2,223	2,897	2,775
	-507,880	-611,701	-219,993	-219,675	-255,194
Net Cash Flow	61,720	-536	-37,557	-3,417	17,583
Balance Brought Forward	9,169	70,889	70,353	32,796	29,379
Balance Carried Forward	70,889	70,353	32,796	29,379	46,963



Profit & Loss Accounts	Y0 2024 £	Y1 2025 £	Y2 2026 £	Y3 2027 £	Y4 2028 £
Sales Wet	18,450	67,500	74,600	90,000	84,400
Sales Dry	2,050	7,500	35,400	90,000	126,600
Lettings	-0	-0	-0	-0	16,000
Total Sales	20,500	75,000	110,000	180,000	227,000
LESS COST OF SALES	-10,148	-37,125	-53,230	-81,000	-92,840
Gross Profit	10,353	37,875	56,770	99,000	134,160
<i>Less Overheads</i>					
Staff Costs	-1,330	-9,194	-14,940	-29,771	-56,877
Overheads	-41,774	-25,465	-26,657	-30,449	-30,052
Professional Fees	-10,000	-0	-0	-0	-0
Depreciation Building	-926	-2,777	-2,777	-2,777	-2,777
Depreciation Refurb Bars	-1,920	-5,760	-5,760	-5,760	-5,760
Depreciation Refurb Restaurant & Lettings	-0	-2,975	-12,050	-13,170	-13,340
Depreciation Furnishings & Equipment	-273	-820	-820	-820	-820
Project Management	-10,000	-0	-0	-0	-0
Consultancy Fees	-0	-0	-0	-0	-0
Share Offer Costs	-0	-0	-0	-0	-0
Accruals	-0	-1,300	-1,365	-1,500	-1,550
Fundraising Income	25,000	-0	-0	-0	-0
AHF	10,000	-0	-0	-0	-0
Other Income (COF Cap Grant)	1,333	4,000	4,000	4,000	4,000
Other Income (COF Rev Grant)	30,000	10,000	-0	-0	-0
Other Income (CFP Cap Grant)	600	4,067	6,000	6,000	6,000
National Lottery	-0	1,875	5,000	5,000	5,000
Garfield Weston	-0	100	1,200	-0	1,200
	710	-28,349	-49,369	-69,248	-96,176
PROFIT BEFORE INTEREST & TAX	11,063	9,526	7,401	29,752	37,984
<i>Interests Costs</i>					
Bank Interest	-0	1,223	404	256	393
Loan Interest	-0	-0	-2,223	-2,897	-2,775
Share Interest	-0	-0	-0	-7,200	-6,760
Total	-0	1,223	-1,819	-9,841	-9,143
PROFIT BEFORE TAX	11,063	10,749	5,582	19,911	28,841
Tax	-0	-0	-0	-0	-0
Profit After Tax	11,063	10,749	5,582	19,911	28,841
RETAINED PROFIT/(LOSS)	11,063	21,811	27,393	47,305	76,146



Balance Sheets	Y0 2024 £	Y1 2025 £	Y2 2026 £	Y3 2027 £	Y4 2028 £
FIXED ASSETS					
Pub Purchase	137,945	135,168	132,390	129,613	126,836
Refurb Bars	286,080	280,320	274,560	268,800	263,040
Refurb Restaurant and Lettings	-0	507,025	614,975	638,805	625,465
Furnishings & Equipment	7,927	7,107	6,287	5,467	4,647
Other	-0	-0	-0	-0	-0
	431,952	929,619	1,028,212	1,042,685	1,019,987
CURRENT ASSETS					
Stock	1,271	1,848	2,438	3,465	4,107
Debtors	-0	-0	-0	-0	-0
Prepayments	-0	59	27	24	39
Bank: Current A/C	70,889	70,353	32,796	29,379	46,963
	72,160	72,260	35,261	32,869	51,108
CREDITORS					
Bank Overdraft	-0	-0	-0	-0	-0
Trade Creditors	-5,260	-7,853	-9,202	-12,711	-14,797
Loan	-0	-0	-0	-0	-0
VAT	-223	16,709	-666	-1,182	-1,734
PAYE/NI	-0	-0	-0	-112	-350
Corporation Tax	-0	-0	-0	-0	-0
Share Interest	-0	-0	-0	-0	-0
Loan Interest	-0	-0	-0	-0	-0
Accruals	-0	-1,300	-1,365	-1,500	-1,550
	-5,484	7,556	-11,233	-15,505	-18,431
Net Current Assets	66,676	79,816	24,028	17,364	32,677
CREDITORS DUE > 1 YEAR					
Loan	-0	-0	-52,223	-55,120	-57,895
Fundraising	-0	-0	-0	-0	-0
Community Ownership Fund (Capital)	-198,667	-194,667	-190,667	-186,667	-182,667
Community Ownership Fund (Revenue)	10,000	-0	-0	-0	-0
Community Facilities Programme (Capital)	-89,400	-295,333	-289,333	-283,333	-277,333
National Lottery	-0	-248,125	-243,125	-238,125	-233,125
Garfield Weston	-0	-59,900	-58,700	-57,500	-56,300
NET ASSETS	200,562	211,410	218,192	239,304	245,345
CAPITAL & RESERVES					
Share Capital	180,000	180,000	180,000	180,000	156,000
Retained Profit & Loss Account	20,562	31,410	38,192	-59,304	89,345
SHAREHOLDERS' FUNDS	200,562	211,410	218,192	239,304	245,345

APPENDIX 8

1 EARLY COST ADVICE BUDGET

Phase 2: Renovation of two bars

Proposed renovation and refurbishment of Radnor Arms Hotel in New Radnor, Presteigne, Powys

Early Cost Advice Budget Phase 2 (building works), prepared January 2024

Budget construction costs set at the current lender price index 216 (1Q2024 - Year 2000 = 100) UK national average index 100. UK Construction Cost Regional Variation for Wales is 98.

NB *No adjustment to building works value to reflect economies of scale.*

Costs below are for building work only inclusive of preliminaries, and contractor overheads and profit at 5.5%. They should only be used to give an indication of what a building project may cost.

They do not provide actual project costs to construct.

A Chartered Quantity Surveyor will be able to advise an accurate budget for the project at the appropriate time.

Costs exclude building purchase, fees, VAT, and any fittings, furnishings and equipment supplied by the client. Estimate base date: January 2024 (1Q 2024)

Location	Mid Wales, Powys	
Indicative construction start date	August 2024	
Construction period	24 weeks (approx)	
New-build base cost for public houses/licensed premises – based on building constructed to a low to mid-range specification	£2,600.00 m ²	
Cost adjustment £m ² for renovation works (70%)	£1,820.00 m ²	
Gross floor area of existing building	478m ²	
Ground floor	305m ²	
First floor	173m ²	
Approx area to be renovated in Phase 2 @ 30% total floor area	143.4m ²	
Indicative proposed construction start date	August 2024	

Budget calculation

New building works for public houses cost (at BWV factor of 1.00)	£2,600.00 m ²	
Assumed new building works costs for 143.4 m ² (30% total floor area)	£372,840.00	
Adjustment £m ² for Phase 2 renovations and making watertight	£1,820.00 m ²	£260,988.00
Adjustment factor for building works value	1.00	£260,988.00
Adjustment reduction for location (Wales = 98)	0.98	£255,768.24
Adjustment for tender inflation		
Current tender price index 1Q2024	216	
Forecasted tender price index 3Q2024	218	
Adjustment (218-216)/216	0.93%	£2,378.64
		£258,146.88

Continues overleaf



Adjustment for construction inflation			
Current building cost index 1Q2024	232		
Forecasted building cost index 3Q2024	236		
Adjustment (236-232)/232	1.72%	£4,440.13	£262,587.00
Allowance for Phase 2 external work	2.5%	£6,564.68	£269,151.68
Allowance for risk-contingencies	10%	£26,915.17	£296,066.85
Phase 2 indicative total construction works cost			£296,066.585

2 EARLY COST ADVICE BUDGET

Phase 3: (Building Works/Further Development of the Site) prepared January 2024

New-build base cost for public houses/licensed premises – based on building constructed to a mid-range specification		£2,520.00 m ²	
Cost adjustment £m ² for renovation works (70%)		£1,820.00 m ²	
Gross floor area of existing building	478m ²		
Ground floor	305m ²		
First floor	173m ²		
Approx are to be renovated in Phase 3 @ 70% total remaining area	334.6 m ²		
Indicative proposed construction start date		August 2024	

Budget calculation

New building works for public houses cost (at BWV factor of 1.00)		£2,600.00 m ²	
Assumed new building works costs for 143.4 m ² (30% total floor area)		£869,960.00	
Adjustment £m ² for Phase 3 renovations and making watertight		£1,820.00 m ²	£608,972.00
Adjustment factor for building works value	1.00		£608,972.00
Adjustment reduction for location (Wales = 98)	0.98		£596,792.56
Adjustment for tender inflation			
Current tender price index 1Q2024	216		
Forecasted tender price index 3Q2024	218		
Adjustment (218-216)/216	0.93%	£5,550.17	£602,342.73
Adjustment for construction inflation			
Current building cost index 1Q2024	232		
Forecasted building cost index 3Q2024	236		
Adjustment (236-232)/232	1.72%	£10,360.29	£612,703.03
Allowance for Phase 2 external work	2.5%	£15,317.58	£628,020.61
Allowance for risk-contingencies	10%	£62,802.06	£690,822.67
Phase 3 indicative total construction works cost			£690,822.67



3 SUMMARY COSTS

Phase 2 Indicative construction works cost	£296,066.85
Phase 3 Indicative construction works cost	£690,822.67
Total Radnor Arms refurbishment construction works cost, August 2024	£986,889.52



APPENDIX 9

RISK ASSESSMENTS

Our risk assessments, based on our weaknesses and threats, uses a 4 x 4 risk matrix that has helped us to identify, prioritise and manage risks to the project and investors.

X		CONSEQUENCE			
		4 Very High	3 High	2 Moderate	1 Low
LIKELIHOOD	4 Very Likely	High	High	High	Medium
	3 Likely	High	High	Medium	Medium
	2 Possible	High	Medium	Medium	Low
	1 Unlikely	Medium	Medium	Low	Low

A score of 8-16 = High Risk; 3-6 = Medium Risk; and 1-2 is Low Risk.

Risk	Impact	Risk level	Mitigation	Residual risk
Unable to raise enough share capital	<i>Inadequate funds to purchase business</i>	High 2 x 4	<ul style="list-style-type: none"> Engage the local and wider community prior to and during Share Offer being open. Pledges indicate we could reach our minimum target of £130K in share capital. Follow up alternate funding sources modelled in the Business Plan 	Medium 2 x 2
Unable to raise enough grant income	<i>Inadequate funds to purchase building & renovate</i>	High 2 x 4	<ul style="list-style-type: none"> Ensure any shortfall action is modelled in acquisition costs and seek alternate funding sources 	Medium 2 x 2
Unable to close the gap between the share capital raised and match funding	<i>Inadequate funds to buy the business</i>	High 2 x 4	<ul style="list-style-type: none"> Re-examine options to purchase the business and negotiate with the Interim Owner to discuss purchase with alternate funds 	Low 2 x 1
Unable to secure funding within time frame (May 2024) before the Interim Owner puts the pub back on the market	<i>The likelihood is that the pub could be sold and opened by another party or sold for development</i>	High 2 x 4	<ul style="list-style-type: none"> Interim Owner has issued assurance that the pub was bought for the community, but is in jeopardy if the community cannot raise the funds to purchase the pub 	Low 1 x 2
Unexpected repair costs: the Society takes out a short-term loan	<i>Business unable to pay share interest, loan interest (if taken out) and in a worst-case scenario unable to survive</i>	Medium 2 x 3	<ul style="list-style-type: none"> Structural and business valuation and market appraisal surveys completed Early cost advice and informal estimates gathered prior to the Share Offer launch. Work out to tender post purchase, will have checks and balances to reduce overspend Contingency is modelled into our financial forecasts 	Low 2 x 1
Loss of key committee members and unable to recruit	<i>Loss of quorum for decision making and committee unable to function</i>	Medium 2 x 2	<ul style="list-style-type: none"> Contingency under model rules allows for regular changes of Management Committee members to ensure continuity A members meeting will be called if committee numbers fall below quorum level to elect new members 	Low 2 x 1

Risk	Impact	Risk level	Mitigation	Residual risk
Volunteer Fatigue, for the Society as a Management Committee and for volunteers to open and sustain the pub viability	<i>Unable to deliver on keeping the pub open and delivering wider community benefits</i>	Medium 2 x 2	<ul style="list-style-type: none"> • <i>The success of the Society is our volunteers</i> • <i>A robust volunteer policy will be in place to ensure continuity of the Society activities</i> • <i>Volunteers will have an 'open door' policy to the Management Committee to ensure effective and regular meetings, forums for problem solving and/or mediation</i> 	Low 2 x 1
Unable to appoint/retain suitably qualified key personnel eg manager and/or chef	<i>Loss of footfall, income, and confidence, in the worst case scenario the business will be unable to thrive</i>	Medium 1 x 3	<ul style="list-style-type: none"> • <i>A robust recruitment process will be in place: to mirror good practice from other Societies</i> • <i>A robust system of working with the manager, staff, and customers to ensure problems are identified early and resolved</i> • <i>Should key personnel leave unexpectedly, a policy will be in place where the Management Committee will ensure continuity of the business for customers</i> 	Low 1 x 2
Business fails to operate at forecast level of turnover	<i>The business cannot pay share interest or loan interest or in the worst-case scenario cannot survive</i>	Medium 2 x 3	<ul style="list-style-type: none"> • <i>Business case based on realistic assumptions</i> • <i>The Society to be proactive in listening to the volunteer or paid manager (depending on when the risk occurs) and the customers to identify/rectify any problems before they become significant</i> 	Low 2 x 1
Delays to rebuild and opening	<i>Unable to get planning permission, standards not met, unexpected delays due to contamination, hazards</i>	Medium 2 x 3	<ul style="list-style-type: none"> • <i>The committee are already addressing these issues and have secured grant funding to buy in specialist support</i> • <i>Seeking the correct advice before the start of any work on the pub</i> • <i>Support from community external organisations with expert advice on such matters</i> • <i>Adopting a caution approach to all works, mindful of restrictions on Grant Agreement</i> 	Low 2 x 1
External factors	<ul style="list-style-type: none"> • <i>Fraud, Cyber-crime, external audit (COF)</i> • <i>Legislation on supply of alcohol, economic slowdown, change in government,</i> 	Medium 2 x 3	<ul style="list-style-type: none"> • <i>Focused governance within the management committee with sub-groups dealing with business operations, project development, governance, and audit</i> • <i>Audit through The Plunkett Foundation with yearly health checks</i> • <i>Support from community external organisations with expert advice on such matters</i> 	Low 2 x 1





*The Radnor Arms Hotel Limited Community Benefit Society (registration number 8974).
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FEBRUARY MMXXIV