Cross Guns

'Re-opening the heart of Pant'

BUSINESS PLAN

Prepared by

Cross Guns Community Benefit Society

March 2026

Contents

1.	Executive Summary	Page 3
2.	Introduction	Page 4
3.	Project Development	Page 5
4.	Vision, Aims and Objectives	Page 10
5.	Business Proposals	Page 12
6.	Building and Renovation	Page 15
7.	Marketing Plan	Page 17
8.	Management and Operation	Page 20
9.	Financial Forecasts	Page 22
10.	Risk Analysis	Page 26

Appendices

Appendix 1 – Marketing and Promotion Strategy for Acquiring the Cross Guns

Appendix 2 – Notes to Financial Forecasts

Appendix 3 – Year 1 Cashflow Forecast

1. EXECUTIVE SUMMARY

This business plan presents a proposal for the re-opening and operation of the Cross Guns in Pant as a community-owned pub and community café. The pub's previous activities will be diversified to create a mixed facility for the community.

Our vision is to create a central focal point in the village of Pant, which will act as a catalyst to reignite the sense of community spirit in Pant. We want to bring back the tradition of real ales and wholesome locally-sourced foods and to have a base for community activities, many that have been seen in the past, as well as new events and activities to benefit the people of Pant and the local area.

The Cross Guns has been, in previous years, a vibrant thriving pub. However, over the last decade it has declined under the ownership of large pub operating companies that have not invested in the building, marketing or in the business development to the extent that local people feel the business needed. Locals feel that the Cross Guns was promoted as a 'community pub' but that the owners didn't really see the importance of community to the business.

Bringing the Cross Guns into community ownership will increase the likelihood of financial success and sustainability of the business by enabling the community to develop the facilities to meet local community need rather than serving the financial demands of corporate owners. Community ownership will work well with existing village businesses rather than competing directly with them.

To enable the purchase and operation of the facility the community has formed a society known as Cross Guns Community Benefit Society (FCA registration number 9714), which is a form of co-operative. Capital to purchase the building (freehold) and update the premises will be raised through a community share offer.

Shares will be nominally £1, and the minimum shareholding will be £250, the maximum investment is £25,000. The purchasing of shares would confirm 'membership' of the co-operative giving members control over the business through the election (annually) of a Board of Directors and voting rights on significant issues at regular meetings. All members will have an equal vote regardless of the size of their shareholding. The shareholders would have the protection of limited liability.

The aim is to open the Cross Guns as soon as possible on taking possession, initially only carrying out essential refurbishment and redecoration of the bar area. Medium to longer term work would be paid for from the trading surplus, grant funding and volunteer input as appropriate.

A marketing strategy is presented which will increase usage by local people, visitors in the surrounding areas and local tourists and visitors.

A risk analysis has been conducted: the high impact risks would be failure to raise the requisite capital for the purchase, insufficient usage, or a significant increase in operating costs.

2. INTRODUCTION

Business Plan Purpose

The business plan has been prepared to support the development of a community pub for Pant together with the surrounding areas. The community pub is intended to house local facilities including a public house with guest ales, coffee shop / café, and potentially other small business ideas to retain relevance to local people. The community pub is intended to safeguard these facilities by retaining a vibrant, economic heart to the village.

Document Structure

This business plan sets out the proposals for the realisation of this community facility. The plan is divided into the following sections:

Section 1 – Executive Summary	Provides a one-page summary of the business plan.
Section 2 – Introduction	Sets out the purpose and structure of the business plan.
Section 3 – Project Development	Gives more detail about the context for the project, including the history and development of the project to date, background to the local area, community consultations and need for the project.
Section 4 – Vision, Aims and Objectives	States the overall vision for a new community pub and explains the underlying aims and objectives and how these support the local needs identified in Section 3.
Section 5 – Business Proposals	Explains the plans for the new community pub in more detail, including capital costs and implementation plans.
Section 6 – Building and Renovation	Looks at the main costs for repair and renovation.
Section 7 – Marketing Plan	Outlines key activities to encourage use of the facilities.
Section 8 – Management and Operation	Describes the ongoing management and operating plans for the facility following opening.
Section 9 – Financial Forecasts	Summary five-year revenue forecasts for the operation of the community pub.
Section 10 – Risk Analysis	Identifies the key risks associated with the project, with avoidance and mitigation strategies designed to prevent and minimise each risk assessed to be a significant threat to the project.

3. PROJECT DEVELOPMENT

This section explores the history and context for the project and its development. It details local area census statistics, which gives an idea of the composition of the area, and community consultations, which help to show the need for the project.

3.1 The background to the Cross Guns project

Despite being the only pub in the village of Pant, the Cross Guns, which is currently owned by Admiral Taverns, has struggled to retain managers / tenants. The Cross Guns was once a thriving pub with good facilities for bar, food and private functions. For a number of reasons, over the past 10 to 15 years, there has been a succession of managers and tenants at the pub, many staying for very short periods. This has meant that locals have not been able to feel the loyalty to the Cross Guns that we would all wish to see.

For the past 10 years or so, the Cross Guns has been listed as an Asset of Community Value by Shropshire Council. In that time the pub building has been owned and operated by two pub companies: Marstons and latterly Admiral Taverns.

Just prior to the pub being sold to Admiral Taverns by Marstons, some refurbishment of the property was undertaken, but most locals believe that the money was poorly invested and did not increase the desirability of the pub.

Being tied to beer sales has meant that those managing the pub haven't been able to make the returns to justify the rent in many cases.

Over the years, the Cross Guns has been run by a number of different tenants / managers and in autumn 2025 the pub finally closed its doors, after the tenants / manager gave up running the pub. Shortly afterwards, the pub was boarded up and put up for sale by the owners.

As a result of the closure, an initial group of concerned residents began discussions on how to prevent the permanent loss of the pub that has been in the village for over 200 years. A survey of villagers was carried out and over 50 people attended an initial meeting held in November 2025 at Pant Memorial Hall. Two community pub experts were at the meeting and explained how a Community Benefit Society could be used to sell shares and thus raise the capital for the purchase of the freehold.

The Steering Group set up to investigate this has had a core of regular members who, as Founder Members, formed the Cross Guns Community Benefit Society Limited (the 'Society').

At the same time, a website www.crossguns.org.uk was developed and the 'Friends of the Cross Guns' Facebook group was augmented with a Facebook page dedicated to the campaign to save the Cross Guns.

Advice and support have been forthcoming from both Plunkett and Co-operatives UK and an initial offer was made to Admiral Taverns to purchase the pub. At the time of writing this has been declined and no new offer (or counteroffer) has been made.

The current owner is asking for offers of around £350,000 (as of January 2026, reduced from the original asking price of £395,000), but independent assessment is that this is overvalued, especially in light of the current state of play in the hospitality sector.

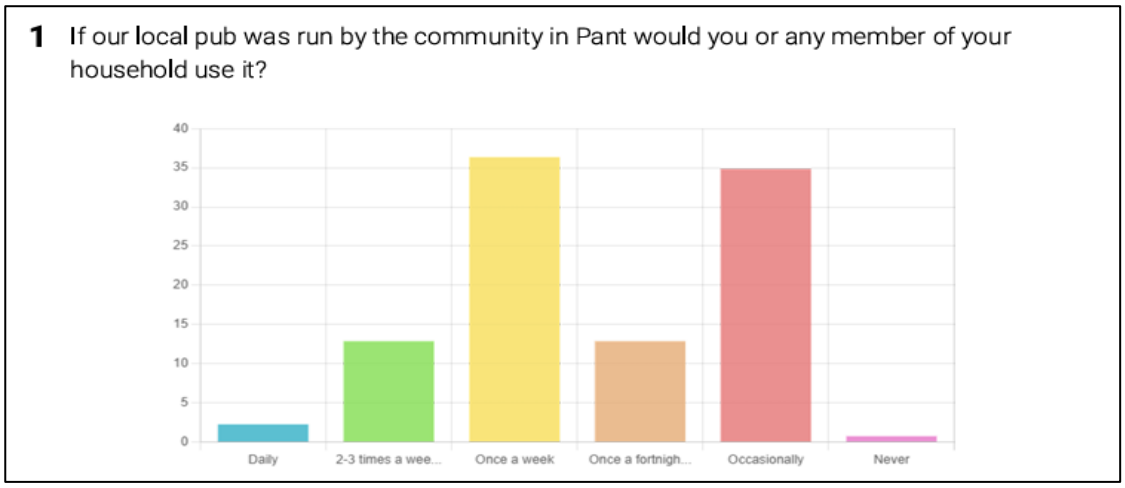
Although we have yet to have an offer for the purchase of the pub accepted by Admiral Taverns, we are determined to press ahead with the campaign and launch the share offer to establish the level of genuine interest amongst potential investors. We will then be in a stronger position to provide the owner with a robust offer before our moratorium period ends.

3.2 Local consultation

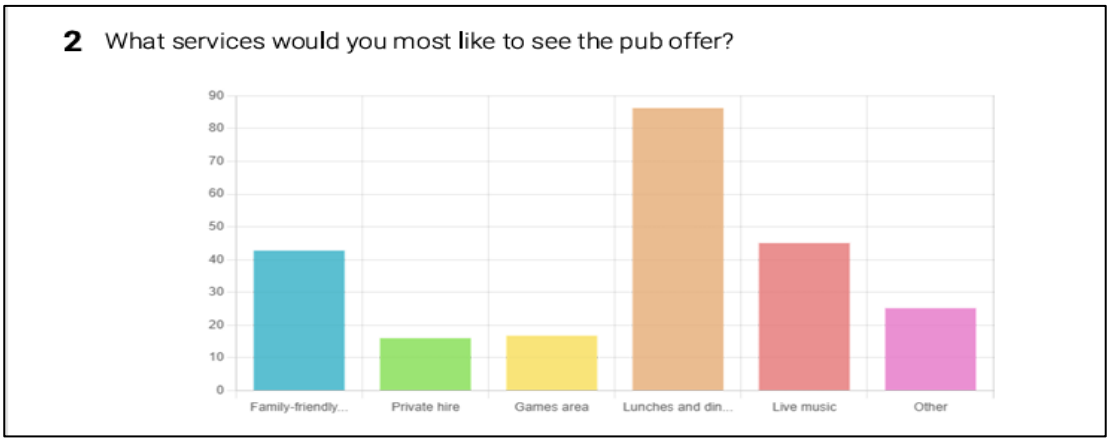
At the meeting with local residents in November 2025, villagers were given the opportunity to have their say as to what they would like the pub to be able to provide. Information regarding the Cross Guns, including a survey, was posted to the vast majority of houses in Pant and an online survey was completed at the same time. A number of suggestions were put forward with the vast majority of returns indicating that many residents were in favour of a traditional pub, coffee shop / café, parcel drop off & pick up point and a meeting point for local clubs. These suggestions could be transformed into reality with the community purchase of the Cross Guns.

3.3 Results from public survey carried out in October 2025

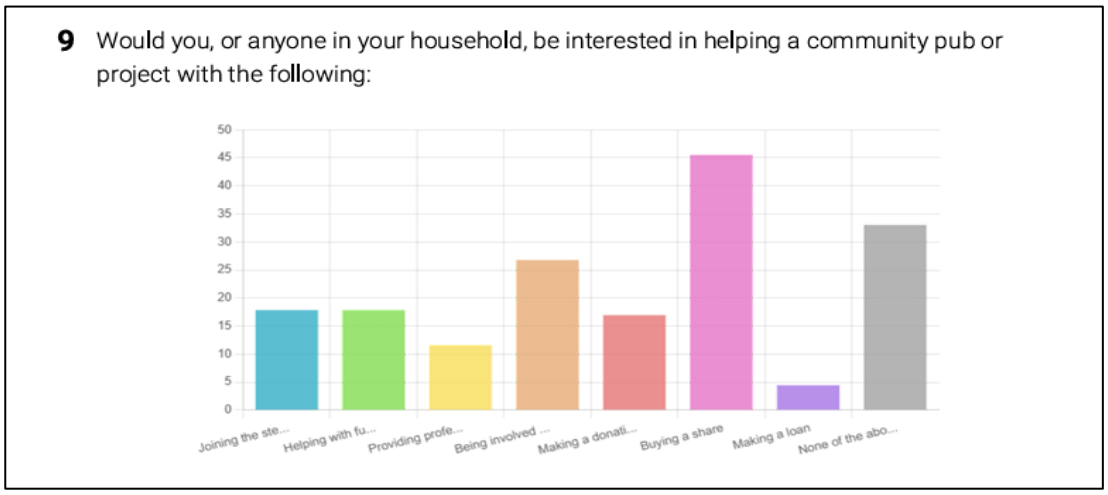
Our public survey showed that 64% of respondents would use the pub at least once a fortnight, with a further 35% visiting occasionally.



When it came to the services the pub should offer, 86% said they would like it to offer lunches and dinners, with 45% asking for live music and 43% wanting the pub to be family friendly.



27% of respondents said they would be willing to be involved with volunteering to help run the pub, with a further 12% offering to provide their professional services.



3.4 Local community

Pant is located within the rural area of the Shropshire / Powys borderlands but is also on a major road from Cheshire to Mid Wales.

Offa's Dyke long distance footpath is only a short walk away from the Cross Guns pub. Llanymynech Rocks behind the Cross Guns are popular with climbers, as well as walkers and nature lovers. The Montgomery Canal – currently being restored – is a popular destination and is likely to increase in importance as it reopens nearer to Pant.

Our village has views over the Shropshire plains, plenty of meandering public footpaths and it is very popular with ramblers; there are many interesting lanes for cyclists and horse riders.

Pant is lucky in that it has both a vibrant community centre (Pant Memorial Hall) and a supermarket (Morrisons Daily) in the village. At one point it had several pubs, but for the past 15 years, there has only been the Cross Guns.

The local authority division of Llanymynech, which includes Pant, has some 4,000 residents with perhaps just under half that number being within easy walking distance of the Cross Guns. The

census shows that Pant has fewer younger people than the England average and more older people than the England average.

Pant is steeped in history, ideal for exploring the industrial heritage sites of the Montgomery Canal, Llanymynech Rocks and Llanymynech Heritage Area. Two towns are a short journey away: Oswestry and Welshpool, in England and Wales respectively, offer shopping opportunities with good bus links.

The Cambrian Heritage Railway maintains a mile long stretch of railway which ends in Pant. There are occasional trips available on diesel trains.

We believe that a pub / café in Pant will increase the offer to locals, as well as tourists, and increase spend within our community.

3.5 Developing a sustainable business

Whilst Pant is a thriving community with many different community and social groups, it is clear that without the Cross Guns it lacks a heart to the village. Pant Memorial Hall is home to many of the local groups but, as a DIY village hall, does not offer the hospitality to visitors that a community pub / café would do.

The community pub would support the local economy, providing local employment, as well as purchasing local produce, goods and services, and supporting local food producers and other service providers.

As Pant has both a community hall and village shop, we are conscious that our business proposals for the Cross Guns should enhance this offering and not take away or be in competition to these other community assets, whilst also potentially being ready to step in to fulfil a greater community need, if that becomes relevant.

In order to progress this proposal, the original Steering Group which was formed following the immediate closure of the pub in October 2025:

- Formed a legal entity, known as the Cross Guns Community Benefit Society.
- Formally registered the Society with the Financial Conduct Authority (Reg no. 9714).
- Started negotiations with Admiral Taverns to purchase the pub for the community.

The Steering Group has full support from the local Parish Council, Plunkett Foundation, Co-operatives UK and the Campaign for Real Ale (CAMRA).

3.6 The future

There are over 200 examples of communities that have saved their local pub by taking it into community ownership and offering a different business model, involving either voluntary or professional management. In all these models the income generated can be put back into the pub. For the shareholders, there is confidence that their investment is being put to a worthwhile cause, as well as offering some small financial reward through limited interest.

Community ownership of the Cross Guns would create an opportunity to provide a more community-focused offer, including a café / coffee shop and other services within the village, benefiting the social welfare of otherwise potentially isolated people.

The members (shareholders) will own the business, and each member has one vote. The members not only have a say in the running of the business, but also a share in its fortunes. The members are in control of the strategic direction of the Society and they will choose a team of Directors to oversee its management. The Directors will appoint a General Manager.

The Society will use a variety of methods to communicate with the members seeking their views. This will be achieved by annual AGMs, regular newsletters, quarterly members' meetings, a Facebook page and a dedicated website. We will want to know what the members think about how the pub is being run and about any new initiatives that may assist in developing the business.

The views of the members are paramount as the strength of the community pub model is that it is continually shaped by the community it serves, so that it its services are always fresh and relevant to the people who own it.

4.Vision, Aims and Objectives

4.1 Introduction

This section sets out the overall vision for the new community pub; it explains the primary aims and objectives for the project. These are linked to, and directly support, the local needs and demands identified in Section 3 above.

4.2 The vision of the project

The vision of the project is:

The Cross Guns will become a family-friendly traditional country pub with a daytime café offer for all sections of our community.

4.3 Project primary aim

The project aims and underlying objectives which underpin this vision have been developed based upon local needs identified in section three above and are as follows:

Our aim is to encourage more local people and visitors to use the Cross Guns by providing a high-quality service at an affordable price, creating loyalty by providing an experience people want to return for.

4.4 Project objectives

a. To provide a community facility in the village offering somewhere to go and something to do most days of the week.
b. To provide a flexible venue that can be used for various activities, not confined to usual pub activities.
c. To facilitate access to essential services, especially for older residents and those who are less mobile.
d. To offer volunteering opportunities to local people to help their personal development and to keep our cost base to a level that allows us to run a sustainable Cross Guns.
e. To carefully consider and minimise environmental impact in all aspects of how we do business.

Apart from our main aim, we also aim to protect other essential services for the village including health services, such as the housing of the village defibrillator on the pub wall, and potentially recycling banks (clothing) and a parcel drop / collection point. We also want to support local producers in the area to help maintain a vibrant local economy and generate jobs.

The founding objects of our Community Benefit Society are:

To carry on business for the benefit of the community by acquiring, managing or otherwise securing the future of the Cross Guns public house in Pant and / or any other business for the benefit of the community within the area served by Llanymynech and Pant Parish Council and engaging in any other related activities that may further benefit that community.

Our ambition is to save and reopen the Cross Guns, but in full recognition that we exist in a community with a variety of needs.

We believe that re-opening the Cross Guns will not only enable us to develop a community business within that public house but will also enable the community to seize other opportunities to benefit the local community if and when they arise.

5. Business Proposals

5.1 Introduction

This section explores the plans for the new community pub in more detail. It also provides a breakdown of capital costs of the project.

5.2 The business proposal

The vision we have for the Cross Guns is for it to become the heart of the Pant community through the provision of various services, as follows:

- **As a traditional local village pub:**
  Serving real ales, other alcoholic and non-alcoholic drinks and sensibly priced locally-produced food. We want the pub to embrace the whole community, therefore providing food and facilities for the whole family, attempting to cater for as many dietary needs as possible.

- **Coffee shop / café:**
  During the daytime, we will focus on running a café style facility to attract a wide and diverse target market, especially locals and those passing by or visiting the area.

- **Food collection and delivery service:**
  We will investigate a food collection and home delivery service to ensure we are accessible to all villagers.

- **Tackle social isolation:**
  Encourage local people to use the Cross Guns as a place to meet with their friends and neighbours in a safe and inclusive space. We will hold a monthly community lunch as well as other activities especially designed for those who might be otherwise alone for prolonged periods.

- **Reduce food waste:**
  We aim to raise awareness of the issue of food waste and actively work with local suppliers to minimise our own wastage.

- **Safe space:**
  A community run Cross Guns will be able to offer a safe space for all members of the community. We will focus on ensuring all sections of the community can access the venue and we will provide a space for young people (18+) to engage with the consumption of alcohol in a well-supervised space.

- **Themed evenings:**
  The pub would host occasional themed nights with live music, quiz nights, seasonal themed events and other charity type events.

- **As a resource for visitors:**
  We want the building to not only meet the needs of local people, but also travellers who currently pass through or visit the area. The pub is situated on a trunk road and is within easy reach of both Welshpool and Oswestry and surrounding villages. It is in an area of beautiful countryside which people from all over the UK (and further afield) choose to visit. We would hope that by offering good quality, reasonably priced locally-sourced food and providing a welcoming venue, the pub would be an attractive destination for walkers, horse riders and cyclists.

- **Car parking:**
  The pub has the largest parking space in the village. This is currently used not only by customers, but also the local community when dropping off and collecting children from Bryn Offa School next door, and as the stop in the village for the local mobile library. We would look to continue these things and also to offer the car park as somewhere that walkers, cyclists and visitors can leave their vehicles during the day in return for a small fee, redeemable against custom at the Cross Guns.

- **Beer garden:**
  We will investigate how best to utilise the beer garden and car park for events such as the live music *PantFest*, car boot and market type events, which not only bring the community together but also generate revenue for the Cross Guns Community Benefit Society. There is also interest in creating a community garden, with flowers, herbs and vegetables, that could be developed and maintained by local residents.

- **Employment opportunities:**
  As a resource for regenerating the village, attracting more visitors can only be a good thing as it will provide more income and employment for the community.

5.3 Business model

We believe the best way of achieving our aims for the Cross Guns is to buy it and operate it as a community pub. We have formed a Community Benefit Society which is able, through a share offer, to purchase the pub for the village and members of the Society. The Society (Cross Guns Community Benefit Society Limited) has already been recognised and registered by the Financial Conduct Authority.

The benefits of this are:

- The local community would own the building.
- People will feel more committed to the facilities offered within the building.
- Setting up a Society will aid in seeking grants and funding.
- Purchasing shares may provide a modest annual return by way of interest payable to members.

This approach is based on a model which has been replicated and implemented over 200 times around the country.

5.4 Future options

As the building will be purchased as a freehold, the community will have the option to develop the range of services to meet their needs. Later, services such as the following may be introduced:

- Extended opening times
- Camping pitches
- Parcel pick up / drop off point
- Outside catering at local events and venues
- Gift shop
- Bike hire
- Car boot sales
- Community garden
- Tourist information point

5.5 Share offer to buy the freehold of the Cross Guns

As a means of raising the required capital, shares in the project will be issued by the Society. Unlike shares on the stock market, these shares cannot increase in value, so trading in the shares is solely between the Cross Guns CBS and the individual investor. It should be noted that shares can decrease in value if the Cross Guns were to dissolve, but this is mitigated by the majority of the investment being locked into the capital of the building itself.

The cost of each share is £1 but, for practical purposes, the minimum amount which can be invested is to be set at £250. There will be a maximum investment of £25,000 per member. Owning a share automatically entitles a member to have a say in how the Society is managed. Being a co-operative, each member would retain one vote no matter how many shares they own.

The membership will elect a Board of Directors that will, amongst other things, advise the members of what they think the annual level of interest should be. In this business plan we are working on a sustainable business model that allows a 2% return on investment from Year 3, subject to Board approval.

There will be a tie in period associated with the shares of at least two years in order to maintain the level of capital. After that there will be three-month period of notice required prior to any withdrawal. The Directors will have discretion in exceptional circumstances to allow shares to be withdrawn sooner than the requisite time. The Board of Directors will be responsible for only allowing shares to be withdrawn in such a way that does not negatively impact the ability for the Cross Guns to continue trading.

6. Building and Renovation

6.1 Overview

Both a group of locals, including a local builder and surveyor, as well as a regional director from CAMRA, who has many years' experience in the pub and hospitality sectors, have viewed the Cross Guns and although no formal survey of the building has been undertaken, collectively we are of the opinion that the building is essentially sound and worth £220,000 in the current economic climate. A third-party valuation and professional services agent has also advised that this valuation is appropriate.

Our builder has identified approximately £60,000 of work (November 2025) that would significantly improve the building, especially in the provision of better toilets and repairs to a flat roof above the kitchen and essential repairs to the living accommodation. In addition, we will allocate £10,000 for solar panels to be installed in Year 2, to help reduce energy costs and provide a small extra income.

As well as any refurbishment, there is a need to invest in the inventory of fixtures, fittings and equipment to achieve an operational pub. The public house is therefore presented to the market as a closed business.

If we are successful in purchasing the Cross Guns, it will have been closed for a number of months and will need to be cleaned to bring it up to an acceptable standard for customers. The beer taps for the bar servery and cellar equipment will require servicing. The pub does provide a high degree of potential for initial trade and has a healthy level of interest from the local community. There will be a period of uncertainty as to the trade performance for an initial period after the opening and this should be constantly analysed. The pub would provide an excellent facility for community groups, meetings and other visitors.

The Cross Guns is a large property to refurbish but it has an inventory of fixtures fittings and equipment to commence operation if retained together with the purchase of the property. This inventory will need to be added to and as such a budget cost has been put against this. Any additional refurbishment proposals should consider the need for the cost of the work not to exceed a level that will fail to provide a commercial return to the business.

6.2 General condition – internal

The interior of the property is in reasonable condition; however, the trade areas require redecoration. The private accommodation on the first floor requires full refurbishment before it can be occupied.

6.3 General condition – external

The exterior appears to be in reasonable condition but in need of routine maintenance.

6.4 Overall assessment

Overall, the property appears to be in reasonable condition. The Society considers the building should have a useful economic life of at least 50 years provided a routine maintenance schedule is introduced and this schedule continues to maintain the property to a reasonable standard.

6.5 Proposed immediate work

The work that is required prior to opening is minimal but includes:

- Bar area: some minor building work, décor, flooring.
- Toilets (especially the provision of disabled facilities): minor work, décor.
- Kitchen: although the kitchen was once very workable and quite adequate, shelving and repositioning of the sink would allow a smoother organised running to the kitchen complying with current hygiene standards.
- Exterior décor: painting of woodwork and porch area to make the pub more appealing and inviting to passing customers.

6.6 Longer term work

The following areas of work would be addressed as soon as funds were available, potentially including grant funding or via volunteer input:

- Restore upstairs into comfortable management accommodation.
- Possible full rewiring.
- Lounge area, create different areas within the large lounge café.
- Library / book club area.
- We could look to add glamping pods to the outside beer garden.

7. Marketing Plan

7.1 Introduction

The marketing plan for the Cross Guns is based upon the following principles:

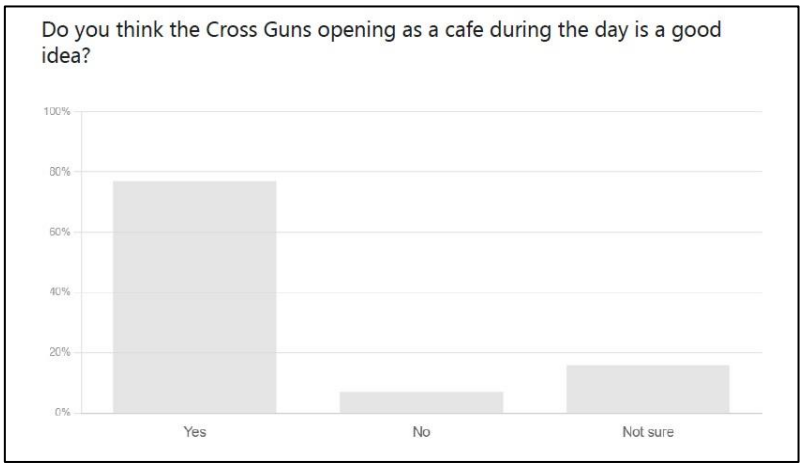
- To increase the number of customers, compared with the number that visited before closure.
- To get custom back to how it used to be, but to encourage a more diverse section of customers than before: older people, families, school parents, younger people.
- To increase the frequency of returning customers by offering more services in the community pub / hub.
- To target passing trade and visitors to the area by having an appealing and welcoming property on the A483.

7.2 Community feedback

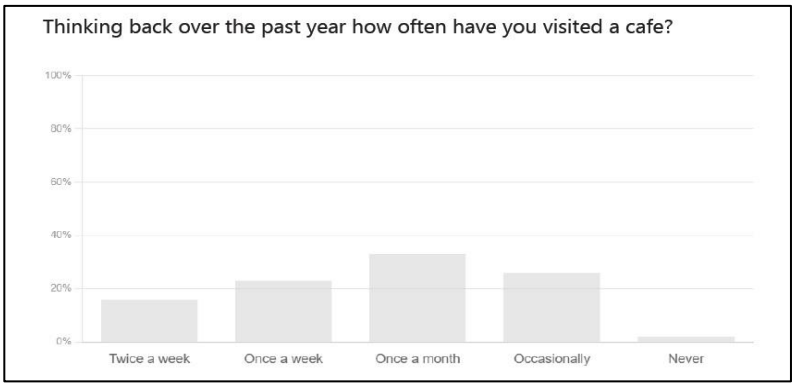
For the Steering Group to gain a fuller understanding of what facilities the community want in a local public house, an internet survey was set up in October 2025 combined with a leaflet drop to local residents.

The results of the survey in Section 3.3 above were augmented by an online survey to find out the interest in a daytime café offer.

77% of respondents thought that adding a café during the day is a good idea.



The survey also showed that 72% of respondents had visited a café at least once a month in the past year. This figure gives us confidence that we can increase the sustainability of the Cross Guns by adding a café offer.



Proposed methods for achieving the marketing objectives in the early days of operation of the business are outlined below. The marketing plan will be updated regularly in conjunction with the management team as the business grows and develops.

7.3 Increasing the number of customers

The first part of the marketing strategy relies on raising awareness of the new community facility and the services on offer. This will be done through an extensive outward facing marketing campaign incorporating all forms of media including:

- Print and online media: regular articles in local newspapers and online. Local volunteers have, and will continue to carry out, periodic leaflet drops in the village.
- Social media: regular updates on our website linking to the Llanymynech & Pant parish website amongst others. The website is designed to be easily navigated for whatever service or activity the user is interested in. Regular updates on Facebook, creating awareness to a younger, diverse audience designed to tell a running story, keeping stakeholders up to date with events / activities and promotions. Specific detail and photographs will be used to describe each activity, be that a daily menu offer or a guest ale offer. An enquiry contact page / link will be monitored regularly to enable all enquires to be dealt with efficiently.

7.4 Local businesses, groups and clubs

We will seek to work with local businesses, groups and clubs to raise awareness of the project amongst their customers, users and visitors. This will be done through attendance at business networking events, leaflets / posters within local businesses, and through giving talks to local groups. Our local primary school is adjacent to the Cross Guns and we will engage with parents picking up or dropping off children and opening hours have been set to reflect this.

7.5 Creating a welcoming and attractive atmosphere

Having initially attracted custom through the door, our main marketing tool will be to create a great impression and build a positive reputation to encourage repeat visits. To do this we will offer favourable terms and conditions to staff and ongoing training to enable them to provide excellent customer service. We will invest in the fabric of the building on an ongoing basis to provide the kind of environment that customers come to expect. We will serve customers promptly, with a friendly manner. And complaints, if any, will be dealt with to reach a

satisfactory outcome for the customer. A regular change of menu and ales offering, using locally-sourced food and local breweries, will help retain customer interest, hopefully attracting repeated visits.

7.6 Events and activities

A series of events and activities aimed at engaging all sections of the local community, as well as visitors, will be developed, including regular daytime and evening events: e.g. family days on bank holidays, beer festivals, *PantFest* live music weekend, themed nights, book club, luncheons for the elderly, quiz nights, competitions, auctions, a Christmas carol evening etc. Our aim is that these events appeal to a wide customer base.

7.7 TripAdvisor etc

Maintaining a watching brief on review websites will enable the management to respond to any positive / negative views promptly and directly. We will be committed to making continuous improvements and services and we will aim to achieve a rating of 4 to 5 within the first year of trade.

7.8 Increasing the facilities available under one roof

Prior to its closure in autumn 2025, the Cross Guns only existed as a pub business with an off and on food menu. This limited the revenue generation opportunities, as well as the audience that was likely to come through the door. In addition, as a pubco owned property, the managers were at an enormous disadvantage over a community-owned pub in that there was a large rent to pay. We aim to add complementary services and facilities to the Cross Guns, where they are not already provided in the village.

7.9 Increasing the time spent in the community pub / hub

One way to increase the value of each visit made by customers is to increase the amount of time spent in the facility. People calling in for a drink may be persuaded to stay for a meal or snack by prominently displaying an eye-catching tempting menu; good wi-fi will encourage customers to stay longer; comfortable, appealing décor creating a pleasant environment will increase prolonged visits.

See Appendix 1 for our detailed Marketing and Promotion Strategy for the acquisition of the Cross Guns through the establishment of a Community Benefit Society and a Community Share Offer.

8. Management and Operation

8.1 Introduction

This section describes the ongoing management and operating plans for the community pub following opening.

8.2 Management and operation of the community pub

The community asset will be owned by Cross Guns Community Benefit Society Limited (the 'Society'). We have chosen this legal model because it emphasises the social benefit of the project, whilst giving the Directors the protection of limited liability. It guarantees an 'asset lock' that ensures the assets of the Society will be used for the benefit of the community and cannot be disposed of for private profit. The Society rules have been approved by the Financial Conduct Authority and are available separately.

The strategic management of the venue will be overseen by the elected Board which has been set up specifically for this purpose. Our intention is to establish a Board membership drawn from across the local community through the purchase of community shares. The shareholders will elect a Board of Directors at its Annual General Meeting.

An initial Board of Directors was formed from the Steering Group set up following the first public meeting after the closure of the Cross Guns and its listing for sale. Brief notes about the initial Directors can be found in the Share Prospectus.

8.3 Day-to-day operation

To begin with, the Cross Guns will open five days a week, from 10am to 10pm from Wednesday to Saturday, and from 11am to 10pm on Sunday. The building would be available for private hire and special events on Monday and Tuesday. If the business grows significantly enough, we could look to extend opening hours to Monday and Tuesday.

The Cross Guns would incorporate a café / coffee shop type facility during the day, which would be licensed and would open from 10am until 4pm from Wednesday to Saturday. We would consider extending these hours as trade develops. Normal pub service would begin after these hours.

Pub service would take place from 4pm to 10pm from Wednesday to Saturday, and from 11am to 10pm on a Sunday. Restaurant meals would be served from 5pm to 8.30pm from Wednesday to Saturday, and Sunday lunches would be served from 12 noon to 3pm, with drinks and snacks available until closing time.

The pub, restaurant and café in entirely would be overseen by a salaried manager, appointed by the Board of Directors. A café supervisor, appointed by the manager in agreement with the Board of Directors, would run the day-to-day café operation.

The café would provide light lunches and snacks, such as soup, sandwiches, toasties, sausage rolls, cakes, pastries and afternoon teas. It would offer good quality ground coffee and a

selection of teas and other beverages. The restaurant would offer good quality, locally-sourced and competitively priced hot meals.

The appointment of a manager will be made following a robust application process where the applicant must convince the Board that they will be committed to providing a warm, welcoming and friendly atmosphere in the pub and that they are fully committed to the Board's vision, aims and objectives. The applicant must have experience of working successfully in the licensed trade and they will need to convince the Society they are suitable for the position.

The successful manager will be responsible for the day-to-day organisation of the café, restaurant and bar facilities. There will be additional staff employed on a part-time basis: e.g. a chef, cleaning staff, waiting-on staff and kitchen staff for the café. The aim is that the café and the bar would complement each other rather than compete with one another.

We will allow the Cross Guns to be hired for private events on Mondays and Tuesdays. We do not see this as a major revenue stream, but it will add to the general offer that the Cross Guns can provide to the local community and businesses.

Unashamedly, we will aim to use volunteers to help run our business. This is not just as a way to increase the sustainability of the business, but because it is at the very heart of what a community business can be. From the Board of Directors of the Society to the trustees and volunteers of numerous various local charities, community groups, churches and chapels, it is volunteering that adds a big dose of community to local groups. Volunteering at the Cross Guns will be seen as an integral part of ensuring the business sticks with its local population and owners.

8.4 Systems and processes

We will aim to stay ahead of the game in terms of modern technology and payment systems. The manager will be responsible for the initial book-keeping, i.e. receipt of goods, income/expenditure, payroll, utilities and stock taking and a registered accountant will be commissioned to provide a statement of audited accounts on an annual basis.

Advice will be sought from other successful community-owned pubs to identify suitable IT systems that can be utilised to assist with the management of human resources, contracts of employment, health and safety and fire safety precautions.

9. Financial Forecasts

This section outlines the anticipated achievable income and expenditure forecasts for a five-year period following opening. This is consistent with British Beer and Pub Association (BBPA) standard revenues for a 'Rural Character' pub with mixed wet and dry sales and c. £5,000 per week turnover, including forecasts for café / coffee shop revenues based on market research carried out by the Steering Group (see 'Marketing Plan' above). All figures rounded to the nearest pound; VAT excluded unless stated.

INCOME (£)						
	2026/27	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**Total**
Grants	0	0	0	0	0	**0**
Shares	348,000	0	0	0	0	**348,000**
Donations	500	100	100	100	100	**900**
Loans	0	0	0	0	0	**0**
VAT Refund	44,000	0	0	0	0	**44,000**
Wet Sales	152,560	168,753	185,566	204,122	224,534	**935,535**
Dry Sales	101,725	112,502	123,729	136,102	149,712	**623,770**
Private Hire & Other Sales	416	476	692	726	871	**3,181**
Other Income (Fundraising)	5,012	5,100	5,204	5,300	5,400	**26,016**
Solar Export	0	200	500	475	450	**1,625**
Future Share Purchases	0	1,000	1,500	2,000	2,500	**7,000**
TOTAL INCOME	***652,213***	***288,131***	***317,291***	***348,825***	***383,567***	***1,990,027***
EXPENDITURE (£)						
Purchase price inc. VAT	264,000	0	0	0	0	**264,000**
Stamp Duty	2,700	0	0	0	0	**2,700**
Legal Fees	2,500	0	0	0	0	**2,500**
Surveyor	1,000	0	0	0	0	**1,000**
Crowdfunding Fees	9,800	0	0	0	0	**9,800**
Start-up Costs	7,000	0	0	0	0	**7,000**
Initial Cash Float	1,000	0	0	0	0	**1,000**
Advertising	1,800	1,800	1,250	1,000	1,000	**6,850**
Leaflets / Banners	800	50	100	50	100	**1,100**
Bank & Card Fees	900	950	1,000	1,050	1,100	**5,000**
Licences for Premises etc	1,110	1,020	1,020	1,110	1,020	**5,280**
PPL/PRS Licences	1,300	1,400	1,500	1,600	1,700	**7,500**
Wet Stock	71,703	79,314	87,216	95,937	105,531	**439,701**
Dry Stock	35,604	39,376	43,305	47,636	52,399	**218,320**
Staff Salaries	95,137	98,940	102,894	107,010	117,711	**521,692**
Business Rates	5,600	5,600	5,600	5,600	5,600	**28,000**
Utilities	16,000	16,800	17,640	18,522	19,448	**88,410**
Telephone, Wi-fi, Website, Email	540	580	620	660	700	**3,100**
Insurance	3,000	3,300	3,600	3,900	4,200	**18,000**
General Upkeep	3,600	3,850	4,100	4,350	4,600	**20,500**
Consumables	1,800	1,900	2,000	2,100	2,200	**10,000**
Equipment Hire	500	600	700	800	900	**3,500**
Cleaning & Waste Disposal	7,200	7,600	8,000	8,400	8,800	**40,000**
Risk / Contingency	4,200	4,200	4,200	4,200	4,200	**21,000**
Professional Fees	0	3,000	3,200	3,400	3,600	**13,200**
2% Return to Shareholders	0	0	6,960	6,960	6,960	**20,880**
Share Withdrawals	0	1,000	1,500	2,000	2,500	**7,000**
Refurbishment	30,000	30,000	0	0	0	**60,000**
Solar Panels	0	10,000	0	0	0	**10,000**
TOTAL EXPENDITURE	***568,794***	***311,280***	***296,405***	***316,285***	***344,269***	***1,837,033***
NET POSITION	**83,419**	**-23,149**	**20,886**	**32,540**	**39,298**	**152,994**
CASH IN HAND	**70,295**	**60,270**	**81,156**	**113,696**	**152,994**	***N/a***

9.1 Financial Summary

The detailed notes to the financial forecasts above can be found in Appendix 2, however there are some important points that are highlighted below.

A cashflow forecast for Year 1 can be found in Appendix 3.

9.1.1 Assumptions

The forecasts are based on the following assumptions:

- For the purpose of this forecast it has been assumed that an offer price of £220,000 is accepted by the current owner. This figure can be adjusted as circumstances change and will be amended through either the share offer expectation, or any loan facility that may be required. Please note that this forecast includes an initial outlay of £44,000 for VAT which will be recoverable and is included in Year 1 income.
- Included in the initial outlay in Year 1 is £2,700 for stamp duty, £3,500 for surveyor and legal costs, £7,000 for start-up costs (capital purchases), £1,800 for initial advertising and promotion, £2,410 to obtain necessary licences for start-up and £1,000 as an initial cash float.
- £60,000 will be raised in Year 1 to cover refurbishment costs, as detailed below, and this sum will be raised through either the share offer, or any loan facility that may be required.

9.1.2 Start-up costs and refurbishment

Start-up costs are for initial repairs, decorating, servicing of lines and equipment and deep cleaning, as well as minor external work including painting, gardening and cleaning. It also includes initial equipment purchases such as glasses, crockery and cutlery, as well as computer / office software.

Following an initial survey, the pub was found to be in reasonable condition internally and we have allowed a lump sum of £60,000 for refurbishment of the toilets, the flat roof above the kitchen, a POS terminal and general remedial work and furnishing. A detailed breakdown will be provided once the building is purchased.

9.1.3 Turnover and growth

As defined by the British Beer and Pub Association, the Cross Guns best fits the model of a 'Rural Character' establishment with mixed wet and dry sales and a turnover of around £5,000 per week. We have calculated a weekly turnover of £4,890 in Year 1 based on five-day opening, increasing by 10% per year thereafter.

We believe this is an achievable incremental rate of growth based on a growing reputation, marketing, entertainment and quality of service, and taking into account estimated average annual inflation of 4%.

9.1.4 Other income

'Other income' includes fundraising events such as *PantFest*, charity raffles and all other fundraising activities.

9.1.5 Wet and dry stock costs

All wet sales costs are based on 47% of sales values and all dry sales costs are based on 35% of sales values, in line with BBPA standards for a 'Rural Character' establishment, which can expect costs between 40–50% of turnover.

9.1.6 Staff costs

The business plan assumes this will be a managed public house and we will pay a full-time manager from Year 1. Bar staff will be paid the National Living Wage and this plan assumes there will be two part-time bar / waiting / kitchen staff to support the manager, the chef and the café supervisor. The cost of a contract cleaner is included in the figure for 'Cleaning & Waste Disposal'.

We forecast that staff wages will account for 37% of turnover in Year 1, as this is a build-up / learning year, but based on current assumptions, the proportion is coming down towards our target level of 30% by Year 5.

We have included a 4% per year increase, but this will be reviewed annually and increases above the cost of living will be subject to performance.

9.1.7 Other costs and contingency

The detailed notes to the financial forecast included in Appendix 2 also demonstrate cognisance of numerous cost centres that require inclusion. These are business rates, energy and water services, telephone and wi-fi facilities, insurance, waste disposal and PRS/PPL licences for music and entertainment. A £3,600 a year allowance is included for general upkeep and maintenance in Year 1, increasing by £250 per year thereafter.

Although this business plan is believed to be comprehensive in nature it has a £4,200 a year contingency or risk pot to allow for any unforeseen costs. Should this not be required it will simply be added to the net cash position accruing as £350 per month.

9.1.8 Redevelopment

Finally, the business plan recognises the need to maintain and improve the condition of the Cross Guns and therefore allows for £30,000 in Year 1 and £30,000 in Year 2 for ongoing redevelopment. This provides a substantial reinvestment into the facility of £60,000 in the first two years of the five-year period. It is anticipated that this will be raised as part of the initial share offer, or any loan facility that may be required. We have also allocated £10,000 for solar panels to be installed in Year 2, to help reduce energy costs and provide additional income.

9.1.9 Potential

This is a sustainable business model that allows a 2% return on investment from Year 3 (subject to Board approval) and demonstrates that this pub and community hub has the potential for a long-term future based on achievable targets and will also produce a return for investment in other community projects benefitting the entire community and its surroundings.

It also allows for share withdrawals from Year 2, if the business can afford it and subject to Board approval. At the same time, we will work to attract new shareholdings as people move into the village or the local area. For the first few years we will aim to attract as many new shareholdings as withdrawals.

9.2 Trading potential

The independent valuer has over 30 years' experience in the licensed trade, and reported that there is an opportunity for a sustainable business for the pub. The initial catchment would include the 1,000 or so residents of Pant and from further afield. In essence, however, the core market would derive from the high concentration of private residences in the immediate area of the pub.

For the business to be sustainable and to encourage an experienced manager to take over the running of the operation, the Cross Guns will need to attract visitors not just from the immediate locality. The layout of the trading areas, together with the potential to use the outside areas can provide confidence that the turnover can gradually be increased to a level that is sustainable.

The business at the Cross Guns will need to achieve net sales of about £5,000 week (increasing by 10% year-on-year) with a gross profit of between 55% and 60%. Regular visits and use from locals is paramount, but to be attractive to a broader range of potential customers, daytime café sales of light bites, teas, coffees and sweet snacks (cakes and biscuits) will also be important to the business. Morning coffee, a popular lunch menu and afternoon tea will not only be important to turnover but also as a form of advertisement for the pub. Cyclists, walkers and lunch visitors can be encouraged to return in the evenings if the correct offering is provided.

The fact that the X76 bus service operates right past the front door, bringing potential customers to and from Oswestry and Welshpool, should not be overlooked. We assume that, once trading properly and consistently, we will attract customers who want to experience a community-owned pub for themselves.

Working from a nil base therefore, an annual net turnover of about £260,000 should be targeted within the first year of the community taking over the operation. As important as this level of net turnover is, the careful control of costs will be a priority to manage cashflow. The Cross Guns has the potential to achieve these results with a good manager, the correct staff and the goodwill of the community.

See Appendix 2 for the detailed notes to the financial forecasts.

See Appendix 3 for three-year projections for Cashflow, Profit & Loss and Balance Sheet.

10. Risk Analysis

We have considered the key risks for the proposed community purchase of the Cross Guns pub, these being:

- The capital is not raised. The community purchase does not go ahead and all monies are returned in full to people who have bought shares.
- A catastrophic failure of the business. The Cross Guns would be sold and the money from the sale used to refund shareholders as far as possible. However, we cannot hide from the fact that this is an 'at risk' investment and people might lose some or all of their money.
- 'Wet' sales are lower than anticipated. We think we have been conservative in our assumptions. But if bar sales were lower than anticipated, then we would seek to promote the Cross Guns more strongly through leafleting the village, the Facebook page, the website and local media. We would try to encourage more events on the quietest evenings. If necessary, we would close on the quietest evening to save money. We would look at using more volunteer bar staff.
- The manager does not work out. We would replace the manager.
- The manager leaves with little or no notice. We intend that one of the Board of Directors will hold a personal licence to be able to cover such a situation for a short period of time. Where this is not the case, we will identify a personal licence-holder who would be willing to step in at short notice.
- When we introduce food sales, they don't work. We would assess whether this was due to the chef and if this seemed to be the case, we would find another chef. However, we could go back down to basic bar snacks.
- Demand for the café / coffee shop is low. We would consider alternative marketing options or possibly consider closing this element of the business if it was deemed unsustainable.
- A major repair not picked up in the survey becomes apparent in a few years' time. We would then have a trading track record on which to raise finance. If the repair was unaffordable, then we would close the business and seek to sell the building.