

Holywell Community Pub Ltd Community Share Offer



Launch Date: 8th September 2015



Holywell Green's Community Dream

CONTENTS

1	Introduction.....	3
2	What is the Holywell Community Pub Ltd.....	3
3	Background.....	5
4	Our Mission	7
5	Financial Performance.....	9
6	The Benefits to the Community.....	10
7	How will Holywell Community Pub Ltd be Managed?	11
8	The Community Share Issue	12
	APPENDIX A – RULES	14
	APPENDIX B - SERVICES	16

1 INTRODUCTION

You are invited to invest in a community based enterprise in order to raise sufficient funds to purchase the freehold of The Holywell Inn (“the Inn”) public house in Holywell Green (“the Village”) and for the Inn to be redeveloped and re-opened, therefore securing and safeguarding it’s long term future. If the Inn does not re-open soon it will be lost forever.

This share prospectus:

- Explains about the Holywell Community Pub Limited Community Benefit Society and how the share offer will work
- Outlines the project and its benefits for members and the community
- Invites you to help make this happen.

2 WHAT IS THE HOLYWELL COMMUNITY PUB LTD

The Holywell Community Pub Limited (HCPL) is a not-for-profit Community Benefit Society (CBS) established and managed by the community for the benefit of the community. HCPL is registered with the Financial Conduct Authority (FCA), Company No. 32107R.

This document describes an opportunity to become a member of HCPL (“Member”) by subscribing for shares in HCPL (“Shares”). Any individual, company or organisation can become a Member, which is operated on a ‘one Member, one vote’ principle.

HCPL’s first purpose is to raise sufficient funds, through the issuing of shares, to secure and safeguard the future of the last pub in the village by acquiring, developing and reopening the Inn.

HCPL uses the model rules provided by the Plunkett Foundation (www.plunkett.co.uk), which has supported numerous community groups to take ownership of village shops and pubs.



In its rules is embedded the principle that if the Society has a surplus, this may be made available for distribution to other community or charitable projects and good causes, after providing for the present or future needs of the CBS.

Copies of the Business Plan and the Society Rules of HCPL are available and can be requested from any member of the Management Committee.

You can join the project to secure the Inn by subscribing for Shares and becoming a Member.

Please read the document carefully, in full, before making a decision on whether you want to subscribe for Shares. This offer for Shares opened on 8 September 2015 and will remain open until 100 share subscriptions have been allocated.

How to contact us

Write to us at:

The Holywell Community Pub Ltd
C/o Jagger Green Hall
Holywell Green
Halifax
HX4 9DE

Telephone John Walsh – 07741 172494

E-mail HCPLShareIssue@outlook.com

Visit our website www.holywellinn.co.uk

3 BACKGROUND

The Inn opened in 1822 and has been at the heart of the Village until its closure in 2011. It had been a highly successful pub, and had provided the only social centre for the Village apart from the Stainland and Holywell Green United Reform Church.

The Inn had been operated as a tenanted pub by Whitbread until sold to Enterprise Inns, who later sold it to Admiral Taverns. Admiral Taverns failed to maintain the building or the business with the necessary level of financial or managerial support, so it slowly declined until it was bought by the current owner, a property developer, in June 2011 for £120,000 plus VAT. Within months he had submitted a planning application to change the building into 6 residential dwellings. Under his ownership, the business was further neglected, with its inevitable closure on 31st December 2011.

To date he has submitted a total of 7 planning applications, all of which have been unsuccessful or withdrawn. The latest planning application was taken to appeal by the owner, with a public hearing being heard on 2nd February 2017. The Planning Inspectors report, emphatically dismissed the appeal, concluding that the Inn was a valuable asset for the village and should remain as such.

It is important to realise that there was no need for the Inn to have closed, or the business to have failed, other than on account of the deliberate or negligent mismanagement of its owners.

As a group we felt that it was wrong to lose the only social interaction centre for the local community. But if we were to campaign against such a loss we needed to gauge levels of village support. On 4th January 2013 we held a meeting in the church hall to establish the amount of interest local people had in this venture.

The meeting saw 92 people packed into the church hall. Our eventual chairman John Walsh made a passionate speech explaining why we wanted to save the pub, but the reaction to this was completely unexpected!

It began when an elderly lady stood up and said in the most blunt of Yorkshire accents "It's all right you lot trying to save the pub - that's a good thing but what are you doing about the older people in the village?"

This was quickly endorsed by another lady in the room who shouted "Yes what are you going to do about the young people in the village? I'm a single mum with two teenagers, there's nothing for them to do!"

And other comments followed like: "I've got two toddlers, there's no facilities for them"; "We only meet at funerals these days"; "This village is dying".

At the time we were just a steering committee, a group of local people with good intention at heart. But now we knew we had a bigger task ahead of us than we'd ever imagined.

Within a few weeks we had stopped the first planning application, had the pub listed as the first ever Asset of Community Value in Calderdale, visited other community owned pubs and received a grant of £6,729.

So now we had a mission to make life even better for the people in this village and our work began. And it still goes on!

4 OUR MISSION

Our mission is to:

Establish a vibrant social community hub for the Village, reducing isolation and increasing social participation across all groups of the community.

The Village has a population of 1580¹ residents and has an isolation factor that needs addressing; almost 25% (395) of residents are over 60 with 11% (173) of pensioners living alone.

The Village also has a significant number of single parent families; some 21% (332) of village residents fall into this category and overall 18% (284) of residents (excluding pensioners) are living in single occupancy households.

This isolation is eased if you have a car, can catch a bus, pay for a taxi or don't mind walking a couple of miles up and down steep hills, however 17% of households do not own a car and for these people, there is no way of accessing a library, having a bar snack, seeing a movie, talking to your MP or just having a coffee with a friend.

But what if you're aged 70 and living alone, or 15 and bored or a single mum?

Because this village has all the above people living here, we think it's time to develop a social hub to address the lack of facilities for everyone who lives in the Village.

We aim to provide a significant improvement in social participation across these groups, increased support for existing and new community activities, positive impact on levels of well-being and a growing, supportive well-connected community.

We have listened to what local people have told us they want and we will continue to listen.

We will operate a viable community owned public-house on a sustainable commercial basis, using all surplus monies to fund community services and facilities that don't currently exist in the Village.

This means that funding will be self generated and reliance on the local council will be reduced. This helps everybody and boosts the opportunity for all residents to shape the future of our village and be part of a unique community concept that 'trail-blazes' true social interaction.

In 2011 the Government introduced the concept of 'Big Society', to break down the barriers that prevent local people getting things done that suit their communities; to support social enterprises and unleash entrepreneurial spirit.

¹ Data supplied by Public Health Intelligence Team – Calderdale Council

The Localism Act was also introduced, giving new powers to community groups such as ours.

So from the bored 15 year old teenager to the lonely pensioner and back to the weary single mum, that's what HCPL is really here for. We want to create our own 'Big-Society' in line with government policy. We want social impact.

HCPL currently work with a number of national organisations that offer us assistance and guidance; these include the Plunkett Foundation, Social Investment Business, Locality UK, Camra, Pub is the Hub, DCLG, Civic Voice and Jericho Road Solutions. Our association with these organisations is vital to the stability and success of this venture.

We aim to be an exemplar group realising that this type of project can be repeated throughout the UK and our advice and knowledge may well be called upon by other community groups attempting similar ventures.

5 FINANCIAL PERFORMANCE

Since it started trading in June 2013, HCPL managed to generate a turnover of £74,273, with a net profit of £13,445, (HCPL accounts are available for inspection on request). This has been achieved without any business or premises from which to operate, and on a part-time basis.

6 THE BENEFITS TO THE COMMUNITY

Our belief is that the Inn and the site it occupies are vital amenities for the Village and that the best interest of the community will be served by acquiring it through a Community Benefits Society.

Once the Inn has been purchased, it will be completely refurbished, with original features, such as the 60 foot well, from which the Village is named and which is located in the Inn, being restored to their former glory. HCPL has drawn up plans for the renovation of the building which clearly demonstrates the sympathetic, yet tasteful, refurbishment and how the Inn would become a venue of choice through its ambience. HCPL also intend to convert the adjacent garage to a Bistro/Café to further enhance the Inn's appeal. The cost of the refurbishment and renovation is approximately £134,000.

An experienced Management Team will be recruited to run the Inn. HCPL's vision for the Inn is a "no frills" traditional village pub, with emphasis on good food and drink in the right atmosphere. The Bistro will serve more refined food at a reasonable price. The Management Team will be accountable to HCPL Management Committee and their conduct will be monitored by monthly meetings with the HCPL Management Committee.

It is hoped to establish an increasing number of community services and facilities on the site, which may in due course provide a shared function room, Police drop-in centre, coffee shop, internet café etc.

This purchase would have many benefits, including:

- Providing a Social Hub where people can meet their existing friends, make new friends, enjoy a selection of food and beverages, use the internet, borrow and swap books and much more, although some of these are projects for the future. See **Appendix B – Services** for a comprehensive list of proposed events, services and facilities
- Improving the fabric and amenities of the building, including function room on the first floor of the building
- In due course providing a permanent home for other community projects within the community
- Helping to sustain property prices in the village
- Investment of any surplus back into community projects

This represents a fantastic opportunity for the Village to continue to strengthen the vibrancy and sustainability of our community. But unless we secure the Inn now, the opportunity to foster these developments on a site in the centre of the village will be lost forever.

7 HOW WILL HOLYWELL COMMUNITY PUB LTD BE MANAGED?

The Management Committee may consist of not less than 4 or more than 12 Members. The current Management Committee is made up of 10 people who believe that it is vital to secure the future of the Inn for the community.

They are:

- John Walsh (Chairman) – founding member and responsible for day to day running of the campaign. Through his gaming machine supply business John has been related to the licensed trade for over forty years.
- Chris Judd (Vice Chairman) – founding member and BIIAB personal licence holder. Responsible for assisting all members with aspects of the campaign. Chris owns a furniture restoration business in Holywell Green
- Beverley Smith-Walsh (Treasurer) – founding member and responsible for group finances. Beverley operates a glass engraving business based in premises adjacent to the Holywell Inn
- Julian Bond – solicitor expert in commercial law, share-holdings and membership schemes. Head of the commercial team at a Manchester city centre legal practice with 28 years of specialist experience in advising businesses including charities.
- David Humphreys – experienced IT and systems engineer. Dave is well known and very popular throughout the area.
- Ian Whiteley – professional tradesman with detailed knowledge of building procedures
- Chris Pearson – Ward councillor fully committed to the project to bring about community ownership of the Inn and the subsequent benefit to all residents.

Annually, the Management Committee will provide all Members with a report which will set out audited financial statements and a report of the Society's activities during the previous financial year.

You are investing in HCPL, registered with the Financial Conduct Authority (FCA) as The Holywell Community Pub Ltd on 21 June 2013 (registration number 32107R)

HCPL require funds of £219,000 to secure the purchase and undertake the extensive redevelopment and renovation of the Inn. Realistically, this will not be completely funded through share capital and therefore loans and grants will be used as the main method of financing the project.

HCPL recognise that not all potential investors have the funds available to invest a lump sum into the Inn. In order to address this issue, HCPL have come up with an innovative solution, that will not only provide all members of the community with an affordable means of allowing them to invest, but also a vehicle which is attractive to financial institutions interested in funding the purchase and redevelopment of the Inn.

The HCPL Share Offer is an instalment based mechanism, with a monthly investment of £25 over a period of 48 months, leading to a total investment in HCPL of £1200 after the investment period.

Initially, only 100 subscriptions to the share offer will be available, with a single member being able to purchase any number of subscriptions. Regardless of the number of subscriptions a member purchases, every member will have an equal say in the venture, one member, one vote!

Should a member choose to do so, they can continue to invest in HCPL on an open-ended basis after the investment period has ended.

Benefits

- Provides an affordable scheme for all members of the community to invest in HCPL and therefore in their community
- Provides a regular income to HCPL during the purchasing and redevelopment phase of the project
- Is attractive to financial institutions providing loans to finance the project, as it demonstrates HCPL having a regular income for the first 48 months of the project

The following conditions will apply:

1. The investor will commit to investing in HCPL at £25 per month for a period of at least 48 months
2. The investor will become a member of HCPL after 10 monthly instalments have been made or after £250 of investment, becoming a 'fully paid-up' member on completion of the investment term
3. Instalments will be paid by Standing Order on the 1st day of the month to HCPL share capital bank account

4. Shareholders must be aged 18 or over
5. Shares cannot be transferred except on death or bankruptcy
6. The value of shares cannot increase, but their value may fall should the business fail or its liabilities exceed its assets
7. All monies raised by the community share-offer will be held in a separate bank account. These monies will only be used for the purpose of purchasing the building and paying for associated expenses. Control of that account will be limited to three nominated committee members. Any such expenditure will be completely transparent and you will be able to see the results of your investment. In the event that we are unsuccessful with this purchase, the monies you have invested will be returned to you, less any unavoidable costs and expenses incurred (such as professional fees)
8. An asset lock exists to ensure that the Inn, once purchased by the society, cannot be sold for the private benefit of those involved.
9. All HCPL memberships will be administered by the Facilities Manager of HCPL
10. No interest will be awarded to Members until after the first 3 years of trading are complete and will then be at the discretion of the HCPL Management Committee
11. Members will not be able to withdraw share capital until after the first 3 years of trading is complete, and then only at the discretion of the HCPL Management Committee
12. Members must provide at least 3 months written notice for withdrawal of shares, on the HCPL Share Withdrawal Form
13. No more than 10% of the total share capital can be withdrawn in any one year following the 3rd year of trading. Requests to withdraw investments will be considered by the HCPL Management Committee in the order the requests were received
14. Any compensation awarded will be limited to a maximum of 2% above the Bank of England Base Rate
15. On solvent dissolution or winding-up of HCPL, holders of shares will have no financial entitlement beyond payment of outstanding interest by the HCPL Board and repayment of any paid up share capital

See **Appendix A – Rules** for Section 8 from the HCPL’s Model Rules detailing all Rules applying to Share Capital.

To take part in this unique opportunity, please complete the attached Application Form and return to:

Facilities Manager
The Holywell Community Pub Ltd
c/o 219 Stainland Road
Holywell Green
Halifax
HX4 9AJ

APPENDIX A – RULES

The following is an extract from the Model Rules applying to the Holywell Community Pub Ltd.

8 SHARE CAPITAL

- 8.1 The society has shares of £1 each.
- 8.2 Application for shares will be made to the Management Committee, and is subject to any maximum permitted by law. Shares shall be paid for in full on application.
- 8.3 The minimum shareholding shall be 250 shares. The society from time to time may make a public share offer, and any such offer may specify a minimum number of shares.
- 8.4 Shares are not transferrable except on death or bankruptcy, and are withdrawable in accordance with the Rules as follows:
 - 8.4.1 shares may be withdrawn by Members who have held them for a minimum period of five years or such other period as the Management Committee decides;
 - 8.4.2 application for withdrawal shall be made on not less than three months' notice, on a form approved by the Management Committee;
 - 8.4.3 the Management Committee may specify a maximum total withdrawal for each financial year;
 - 8.4.4 all withdrawals must be funded from trading surpluses or new share capital raised from Members, and are at the discretion of the Management Committee having regards to the long term interests of the Society, the need to maintain prudent reserves, and the Society's commitment to community benefit;
 - 8.4.5 all withdrawals shall be paid in the order in which the notices were received, up to any maximum total withdrawal specified for the financial year, following which no further withdrawals may be made;
 - 8.4.6 except where a Member intends to terminate their membership they shall not be permitted to withdraw shares leaving them with less than the minimum required by the Rules;
 - 8.4.7 the Management Committee may waive the notice required for a withdrawal and may direct payment to be made without notice or on such shorter notice as it considers appropriate;
 - 8.4.8 the Management Committee may suspend the right to withdraw either wholly or partially, and either indefinitely or for a fixed period. The suspension shall apply to all notices of withdrawal which have been received and remain unpaid at the time. Where suspension is for a fixed period, it may be extended from time to time by the Management Committee.
 - 8.4.9 during any period when the right of withdrawal has been suspended, the shares of a deceased Member may, if the Management Committee agrees, be withdrawn by their personal representatives on giving such notice as the Management Committee requires;

- 8.4.10 the Society may deduct such reasonable sum to cover administrative costs of withdrawal from monies payable to a Member on the withdrawal of shares.
- 8.5 The Society may (but is under no obligation to) pay interest to holders of shares, as compensation for the use of such funds, subject to the following:
- 8.5.1 any payment of interest must be from trading surpluses and is at the discretion of the Management Committee having regard to the long term interest of the Society, the need to maintain prudent reserves and the Society's commitment to community benefit;
- 8.5.2 the rate of interest to be paid in any year is to be approved by resolution of the members at the Annual Members Meeting, and shall not exceed 2% above the base rate of the Co-Operative Bank PLC from time to time;
- 8.5.3 the Management Committee may decide that interest shall not be paid in relation to holdings of shares below a minimal level.
- 8.6 On the solvent winding-up of the Society, holders of shares will have no financial entitlement beyond the payment of outstanding interest and repayment of paid up share capital.
- 8.7 In the event that a Member resigns from membership, is removed from the Register of Members, or is expelled in accordance with the Rules, shares held by them at the date of resignation, removal or expulsion shall thereupon become a loan, repayable to the former Member by the Society. The terms of repayment shall be those applying to the withdrawal of share capital set out in the Rules, and notice of withdrawal shall be treated as having been given at the point of resignation, removal or expulsion.

APPENDIX B - SERVICES

The list below is a vision of the events, services and facilities that could be provided by HCPL for the community:

Events	Services	Facilities
Coffee Shop	Police Drop-in Centre	Mother & Toddler Group
Afternoon teas	First Aid Courses	Lunch Club
Local Craft beers	Fire Safety Seminar	Pensioner Club
Bistro	Meeting Room	Keep-Fit Club
Quiz Nights	Farmers Market	Book Club
Live Music	Carol Concert	Author Talks
Pub Food	Christmas Market	Library
Cabaret Nights	Craft Fairs	Film Club
International Food Nights	Free Wi-Fi	Language Classes
Annual Beer Festival	Sloppy Slippers	Knitting Club
Annual Music Festival	Health Talks	Golf Society
Annual Bake-Off	Benefits Advice	Football team
Antiques Valuation day	Energy Saving Advice	IT Classes
Table Top Sale	MP Surgery	Wine Club
Annual Garden Show	Councillor's Surgery	Photography Club
Easter Egg Hunt	Monthly Newsletter	Ramblers Club
Halloween Walk	Laptop Hire	Baking Club
Comedy Club	Function Room for Parties	Gardening Club
Murder Mystery Night	Christmas Savings Club	Youth Club
Brass Band Nights	Stop Smoking Club	Recording Studio

APPLICATION FORM

Please complete all details and return to the address at the bottom of the form.

MEMBER DETAILS

Full Name

Date of Birth

CONTACT DETAILS

Address

Town

County

Postcode

Telephone No.

Mobile No.

Email Address

INVESTMENT DETAILS

Please complete the steps below to indicate the required number of share subscriptions in the Holywell Community Pub Ltd (HCPL).

STEP 1: PLEASE INDICATE HOW MANY HCPL SUBSCRIPTIONS YOU REQUIRE

Number of HCPL Subscriptions required

STEP 2: PLEASE CALCULATE TOTAL MONTHLY INVESTMENT

Number of HCPL Subscriptions (from **STEP 1** above)

X £25 per month =

STEP 3: DECLARATION

I agree to:

1. Pay the Holywell Community Pub Ltd the amount calculated in STEP 2 above for a period of 48 months in return for the number of HCPL share subscriptions requested in STEP 1 above
2. Make payment to HCPL by Standing Order on the 1st day of each month
3. Abide by the terms of the Share Offer as defined in the Share Prospectus

Print Name:

Date:

____ / ____ / ____

Signature:

Please return to:

Facilities Manager,
Holywell Community Pub Ltd
c/o 219 Stainland Road
Holywell Green
Halifax
HX4 9AJ

OR

Scan your completed application form and email to: HCPLShareIssue@outlook.com