

SHARE OFFER

FOR THE COMMUNITY PURCHASE AND REFURBISHMENT OF
THE DUKE OF WELLINGTON PUB, LEASINGHAM.



**OUR TARGET IS MINIMUM £250,000
MAXIMUM £400,000**

LAUNCH DATE 11th March 2018

CLOSING DATE 27th April 2018

A fantastic opportunity to save our village pub as a community hub, with your support we can make this exciting venture happen!

We will make The Duke of Wellington ***More than just a pub.***

Before deciding to invest, please consider seeking independent financial or legal advice.

The Leasingham Community Benefit Society Limited (LCSB Ltd) is the trading name of the legal entity and is registered under the Co-operative and Community Benefit Societies Act 2014. Its registration was approved by the Financial Conduct Authority on 13th February 2018, registered Number 7721.

1. History

- The Duke of Wellington has been serving ale and food for over 200 years and was originally one of two pubs in the village. It was first known as *The Wheatsheaf* before Captain Myddleton (resident of Leasingham Hall) went to serve as an ensign at the Battle of Waterloo in June 1815.
- Originally the entrance was directly onto what became the very busy Lincoln road. In those days a large pot would hang above the fire and farmhands would enter and place vegetables into the pot, from where customers were welcome to help themselves. Apart from the pot vanishing and the main entrance being moved to provide a safer exit for those leaving late at night, nothing much changed in the pubs design until 1986. The lounge area was then extended to provide greater seating space and a dining area.
- In 1986 our pub needed to change better to meet the needs of the community of that time. Today the Duke of Wellington needs to change again. It will become the pub the customers want, once again a thriving hub of its community.

2. Our Vision

- The vision is to develop the Duke of Wellington so that it is More than a Pub; we believe it should be a dynamic hub for all residents in Leasingham and the surrounding area. We are passionate to work with you to create a warm, safe and welcoming place for all to meet; to have a drink, a snack, a meal or whatever you tell us you want. All food and drink will be of good quality, at affordable prices and using local quality products wherever possible.
- You have already told us that it is important to you for good quality food to be available at lunch time and evenings, and 52% of you said you would like to see a cafe within the building. So, our priority with any refurbishments will be to re-fit the kitchen and develop a café area.
- The long-term vision will be to improve the entrance so that it is welcoming, allowing visitors to glimpse a cosy lounge as they enter, and ensuring full disabled access. There may be many more improvements that those using the pub will feel are important, and we want you all to be part of developing plans to make our Duke of Wellington the place that everyone will want to go to.
- The long-term success of this project relies on the Community Benefit Society finding someone with enthusiasm to run the Duke of Wellington, who embraces this vision. Therefore, the upstairs accommodation will need improvement, with modernisation and full central heating throughout.
- Whether for families eating out once a week, or for old friends to keep in regular contact with each other, we aim that the new community owned

- Duke of Wellington will provide a sociable meeting place for people of all ages from both inside and outside of Leasingham.
- Our vision is for all customers to receive a friendly welcome and great service with a smile, which will encourage repeat visits. But, most importantly, the Duke of Wellington will be your pub – a thriving enterprise that caters to all sections of our community into the future.

3. Community Engagement and Support

- Questionnaires were distributed to households in Leasingham, Cranwell, and the surrounding area. 700 questionnaires were delivered and 392 were completed and returned, showing overwhelming support, with the following results:
 - 53.4% of households returned the questionnaire which is an excellent response!
 - 83.8% of the respondents regarded the importance of having a pub in the village to be high or very high.
 - 78.9% of respondents would like Sunday lunches, and more than 50% would like lunch and dinner options throughout the rest of the week.
 - 32.4% responded that they would consider purchasing shares.
- The Parish Council have shown their support for Leasingham Community Benefit Society's purchase of the Duke of Wellington pub, so have Leasingham Village Hall committee and the Neighbourhood Plan steering group.

4. Community Benefit Society

- To take our plans forward, Leasingham Community Benefit Society Ltd (LCBS) has been formed as a Community Benefit Society (CBS) and registered with the Financial Conduct Authority (FCA).
- The purpose of a Community Benefit Society is to serve the interests of the community, through carrying on a business, industry or trade for the sole benefit of the community where profits are not distributed among members, or external shareholders, but returned to the community.
- LCBS has been set up with the aim of purchasing The Duke of Wellington and revitalising it for the benefit for the community of Leasingham and the surrounding area.
- This will be achieved by raising capital through a community share offer, together with loans and grants from various sources.

5. Who are the Society's Management Committee?

Dave Warner (Chairman)	Frances Franklin
Joan Lawton (Secretary)	Roy Richardson
Cathy Gretton (Treasurer)	Karen Warner

6. Purchasing and Running the Pub

- The pub is listed as an Asset of Community Value (ACV) and the 6-month moratorium period was triggered on the 20th November 2017, when the pub was placed on the market and offered as a freehold.
 - At the initial public meeting on 10th December 2017, a positive response was given to the idea of a community venture to purchase the pub.
 - We have taken professional advice, and MJD Hughes Ltd completed a professional business valuation, which has provided information on which to base an offer to the owners, Enterprise Inns (EI)
 - The aim is to raise most of the funds to buy the freehold of the pub through community shares, which will significantly reduce the need to raise any debt and make it financially viable.
1. The pub business will be run by an experienced tenant, who will pay a rent to the Society.
 2. Purchasing the pub may have a positive effect on house prices in the local area. Rupert Fisher, a Savills Director based in Lincoln told us: *"I can confirm that having a shop or a pub in a village does make a difference to the saleability of property within that village."* He also said "village communities are coming back, and it is very difficult to build a community without a central focal point like a pub. Last year (2016) we sold an immaculate barn conversion in Boothby Graffoe (a village with no pub) and the price per square foot achieved was £141. In the neighbouring village of Coleby (with a pub) we have achieved £217 per square foot. This was again confirmed by Mr Fisher on 3rd March 2018
 3. The decline of the pub's fortune has been caused by high rent, high beers costs and lack of trade due to not serving food. The success of the venture will largely be dependent upon the recruitment of an experienced, reliable socially skilled tenant and dedicated staff who share our vision. The pub will be able to buy more competitively and not be tied to one national company.

The pub will be run to make a profit to enable it to secure its future for generations to come.

7. Meeting the Needs of the Community

- By the support we have received the villagers have made it clear they want to retain an active, traditional village pub where all can gather.
- The Duke of Wellington will be able to offer a wider range of quality draft beer, wine and spirits.
- In response to the community questionnaires, the pub will be open during the day to provide a meeting place for social contact, sharing a coffee and cake with others, mid-afternoon or whilst waiting for the children to come out of school.

- The community will benefit by knowing that there is always somewhere nearby that you can drop into at any time and receive a warm welcome.
- The pub will offer food and be a place to have a family meal.
- The pub will be inclusion and responsive to the community.
- Investing in the pub through community shares is about investing in the future of the community and ensuring the community pub is run for the good of everyone.

8. The Benefits of Community Ownership

- Community shares has helped save many pubs, and there are currently just over 50 community pubs in England and Wales, all running successfully, and none has failed to date.
- Community ownership helps to instil a sense of pride and confidence in communities, and provides local people with a meaningful stake in the future development of the pub.
- Community ownership also has the following benefits:
 - Protects key local services / facilities that may otherwise be lost
 - Provides a physical base for provision of local services
 - Allows generation of income that can be re-invested locally
 - Provides jobs, training and business opportunities
- The Society is a member of the Plunkett Foundation and are hoping to join the growing family of community pubs. As a member of the Foundation we are not treading new ground but grounds that others have trod successfully.
- As a member of the Foundation, the Society will receive support, as well as access to grants.

9. Your Investment

a. What is a Community Share offer?

- It provides an opportunity for people and businesses to buy into their local community, where the motivation and payback is more social than financial.
- This form of share offer helps to ensure a truly local enterprise, being accountable to the community that it serves and benefits. The shares you buy will make you a member of the society, with an equal vote regardless of your shareholding. Everyone who invests can:
 - vote at the Annual General Meeting;
 - stand for election to the Society's committee;
 - volunteer skills for the refurbishment and ongoing activities, or;
 - just use and enjoy your community pub.

- The rent paid to the Society will provide funds to maintain and improve the pub, and any surpluses will be used to benefit the local community.

b. *How do I buy shares?*

- You need to be over 16 years of age to invest. Shares are £50 each with a maximum investment of £20,000. Please note that however many shares you hold, you will only have one vote.
- You will need to complete the application form attached at the end of the document, stating number of shares you require, plus your reference (full name) so we can match your shares to our bank account.
- A remittance advice will be sent on receipt of payment.
- Your Share Certificate will be issued upon successful purchase of the pub. In the unlikely event that we are unable to purchase the Duke of Wellington, all monies will be returned in full.

c. *Can I sell my shares?*

- You may sell your shares, but only back to the Society. They will be bought back at face value and only after an initial period of 3 years and with 3 months' notice.
- The 3-year period is to allow the board of directors sufficient time to produce financial stability for the business. The board does have the right to refuse a withdrawal request if it would endanger the business.
- The amount available to be withdrawn by shareholders in any one financial year, will be 10% of the total value of shares outstanding. Should withdrawal requests exceed the 10% figure, investors would receive a pro rata payment based on their original investment

d. *What guarantee do I have?*

- This is a long-term investment for the benefit of the community.
- Shares cannot go up in value, therefore if you wish to withdraw shares at any ***point they can only be withdrawn at face value.***
- In the event of having to wind up the society, should the value of the Society's assets exceed the value of the share capital, the shareholders will still only have their original investment returned.
- Any excess value would be transferred to another community organisation having similar community benefit aims. This is known as an asset lock and is to prevent private gain if the organisation dissolves.
- As the shares are issued by a corporate body, shareholders have no liability beyond the value of the shares they buy.

e. What are my risks?

- If the business were to fail, it may be placed into liquidation, where a liquidator would realise the assets and distribute them to creditors. This would mean selling the Duke of Wellington, and the creditors would be paid from the proceeds. After the payment of the creditors, and the costs of the liquidator, the surplus would be returned to the Members.
- Your liability as a Member is limited to the value of your shares so you cannot lose more than the value of your shares.
- The issue of withdrawable shares, which are not transferable to anyone else but the Society, exempts this document from the requirements of an approved prospectus for the public issue of Company shares.
- Any money you pay for shares is not safeguarded by any depositor protection or dispute resolution scheme. You will have no right of complaint to the Financial Ombudsman Service nor any access or entitlement to the Financial Services Compensation Scheme.

f. How will it work financially?

- The business will be owned by the shareholders, not a national pub company or a private owner, and will be run for the benefit of the community and visitors alike via a Community Benefit Society.
- The pub will have a tenant landlord who will be charged an annual rent **which in future will possibly generate interest on your shares.**

Data Protection Act 1998

By requesting to become a shareholder in the LCBS Ltd you agree to your name, address, telephone number, email address and the number of shares you wish to purchase, being stored securely on a computer database. You understand this information will be used for the purpose of maintaining a register of members and will not be passed to third parties without your permission, except as required by law.

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Due care has been taken in preparing this document which has been approved by the management committee who vouch that the information it contains is true and complete to the best of their knowledge and belief.

Application to become a shareholder in: Leasingham Community Benefit Society Ltd.

Please send your completed application form to: **Leasingham Community Benefit Society Ltd, c/o 51 St Johns Close, Leasingham, Lincs, NG34 8LU**

Email. info@buytheduke.co.uk **Extra copies can be downloaded from**
www.buytheduke.co.uk

Name
Address
Email
Phone

Note: minimum share purchase is £50 maximum is £20,000.				
How many shares?	1	x	£50	£ 50
	2	x	£50	£ 100
	10	x	£50	£ 500
	Other amounts	x £50	£

Methods of payment:
<p>BACS (Bankers Automated Clearing Services) Barclays Bank sort code 20 63 28 Account number 90246859</p> <p>Reference (your FULL NAME).....</p>
Cheque, made payable to
Leasingham Community Benefit Society Ltd or LCBS Ltd
A remittance advice will be issued on successful receipt of payment

Please tick the boxes below and sign and date as indicated.	
<input type="checkbox"/>	I confirm that I am 16 years or over.
<input type="checkbox"/>	I understand and accept the terms of the share offer
Signed Date...../...../.....	