



You are invited to become a member of The  
Black Horse Community Group Limited  
Registered Number 8567

## **OPEN SHARE OFFER**

**Starting 16 September 2023**

### **Important**

**Please read this document in conjunction with our original Business Plan and the Rules of the Society. All share applications must be made by completing an application form.**

Copies of our original Business Plan, an application form and other related documents can be downloaded from The Black Horse Community Group Limited website at <https://blackhorsecommunitygroup.com/>.





## SHARE OFFER SUMMARY

**Your invitation:** You are invited to buy shares and become a Member of The Black Horse Community Group Limited. You will be investing in our community enterprise which secures the long-term future of The Black Horse, Grimston as a pub and, most importantly, as a community hub. 178 people from the community invested in the pub in the initial share offer and now it's your chance to join them as members of this Community Benefit Society.

**Background:** The Black Horse is the only pub in the three-village parish of Grimston, Saxelbye & Shoby and after the pub closed in January 2020 the Parish applied to register the pub as an Asset of Community Value and objected to change of use planning applications in 2020 and 2021.

We raised a total of £249,200 through our original share offer which ran from 2 July to 10 September 2022. With this money, additional donations and a grant from the government's Community Ownership Fund we successfully purchased the pub in May 2023. The Society now owns the freehold of the building meaning the community has a pub for as long as the local community wants it. The Society will engage a tenant to run the pub business.

**Share issue:** This open share offer is designed to increase the membership and give you the opportunity to contribute to the financial long-term future of The Black Horse. It also creates a process whereby new members are regularly joining which, in future, will enable existing members to reduce their shareholding and/or leave the Society as circumstances change.

**Individuals and Corporate entities** may apply for shares, a corporate entity must nominate an individual over 18 years of age as their voting representative.

This offer is being promoted by The Black Horse Community Group Limited, a Community Benefit Society, using the Model Rules developed by the Plunkett Foundation and registered with the Financial Conduct Authority (registration number 8567).

This offer is not covered by the Financial Services Compensation Scheme and investors have no recourse to an ombudsman. You could lose some or all of the money you invest.

<b>PRICE PER SHARE</b>	£50
<b>INDIVIDUAL OR CORPORATE ENTITY SHARE INVESTMENT LIMITS</b>	Minimum £50 (1 share); Maximum £20,000 (400 shares) We encourage a realistic minimum investment of £250
<b>SHARE MEMBERSHIP RIGHTS</b>	One member, one vote (irrespective of amount invested)
<b>MEMBERSHIP ELIGIBILITY</b>	Individuals (over 18) and corporate entities
<b>TYPE OF SHARES</b>	Shares are interest bearing and withdrawable community shares (terms and conditions apply).



## INTRODUCTION

Grimston, Saxelby & Shoby is a small rural parish based near Melton Mowbray in Leicestershire. There are approximately 115 households, and the parish has two churches (in Grimston and Saxelby), a small old schoolroom in Saxelby and a Village Hall in Grimston.

As a community we have now purchased the only pub in the parish, The Black Horse in Grimston (with its outbuildings and garden) to own in perpetuity. The Black Horse will remain safe from redevelopment or sale for as long as the community wants that to be the case.

After a public meeting in August 2020 the community requested a steering committee be set up to explore the possibility of buying the pub. The Black Horse Community Group was formed, and is now registered as a Community Benefit Society.

A Village Survey was carried out in October 2020 with 75% of the households returning completed questionnaires, 91% indicating a local pub was very important or important.

## OUR VISION

Our vision is to acquire the pub, engage an experienced tenant and to once again have a thriving viable community pub that has a reputation for the value and quality of its service, food and drink, and other offerings supporting the local community.

It will enable all sections of the community to relax, take refreshment and enjoy the company of others. The primary focus of The Black Horse will be the creation of an entity that will flourish and invest in the well-being of its community, thereby strengthening community cohesion, improving physical and mental well-being and reducing social isolation.

As well as supporting the local economy, a key ambition is to provide local employment and volunteering opportunities, particularly for those with limited transport opportunities such as younger, disabled, older members of the community and those with caring responsibilities.

To remain a sustainable business the pub will require us to support the pub and help the tenant in actively marketing the pub to ensure it becomes well-known both locally and across the wider community.

Other services and offerings will be continually explored, driven by the consensus of the local community. The pub can be used as a community hub and may provide such things as a family friendly garden, meeting venue, book exchange, lunch clubs for older and less mobile people and more.

Taking advantage of the pub's location on the Midshires Way, we want to welcome back walkers, horse riders and cyclists, as well as local rural workers and sporting teams. Surplus funds will provide investment to improve the pub and provide additional facilities for the benefit of the community and, in due course, pay interest to all shareholders.



## APPOINTING A TENANT

The Management Committee have chosen to appoint a tenant rather than a manager. This gives a clean separation between property ownership and business management which will allow a tenant to develop the business without constraints or restrictions that might frustrate this aim.

The Management Committee have set a broad policy direction for the business and agree key targets with the tenant in line with the results from the village-wide survey. The tenant will be responsible for all outgoings necessary to run the pub and will determine staffing levels, opening times and the food and beverage available, subject to some general requirements within the tenancy agreement and any restrictions in the Premises Licence.

The committee does not intend to interfere in the day to day running of the business or attempt to micro-manage the pub.

The advantage of this arrangement for the Society is that the tenant carries the business risk. The attraction for the tenant is that they will benefit directly the more profitable the business becomes. Therefore, they have every incentive to ensure that the business thrives and grows.

## THE BLACK HORSE COMMUNITY GROUP LIMITED

A Community Benefit Society (CBS) registered with the Financial Conduct Authority (FCA)  
Registration number 8567

A CBS is an organisation owned by the community, set up with social objectives and trading for the benefit of the community rather than for anyone's private benefit. In this case, the Society is set up with the aim of purchasing The Black Horse in Grimston for the benefit of the community. A CBS is run and managed by the members. Profits are not distributed among members but invested back into the community.

The Society's Management Committee is currently made up of 8 members, all of whom are local residents and volunteers. The current management committee is:

- Chair: Mike Petty
- Vice Chair: Ben Skales
- Secretary: Carol Davis
- Treasurer: Tony Moore
- Simon Downward
- Jane Easom
- Martin Stainton
- Rebecca Vickers

The Management Committee will be elected by shareholding members at the Society's Annual Members' Meeting. The Rules of the Society can be viewed on the Society's website.

The assets of the Society are, by law, subject to an 'Asset Lock'. This restriction on the use of surpluses means that should the asset (pub) be sold, any residual surpluses remaining after all the members' share capital has been refunded must be used for the benefit of the community as defined in the Society's Rules.



## IMPORTANT NOTICE

When considering investing it is essential to understand that this is a long-term social investment in our community, intended to secure a vital amenity for years to come. It is not an exercise in generating short-term financial returns for investors. Please read these summary points before investing:

- The minimum investment is £50 (1 share)
- The maximum investment is £20,000 (400 shares) per person
- We encourage a realistic minimum share investment of at least £250
- Individual shareholders must be aged 18 years or over
- Corporate entity shareholders must nominate an individual aged 18 or over as their representative
- Every shareholder has an equal voice regardless of shareholding size – one member, one vote
- Shares cannot be transferred, except on death, and they cannot be sold to others
- Shares cannot be withdrawn (sold back to the Society) within the first 3 years of trading. Following this, you can apply to withdraw shares by providing three months' notice to the Society
- Any share purchases and withdrawals are at the discretion of the Management Committee
- Once a share application has been submitted and approved it cannot be withdrawn
- Once an application has been approved, the shares purchased will be entered in the Society Membership Register and a share certificate issued
- The value of shares cannot increase, and their value may be reduced in the unlikely case that the pub is not sustainable and the Society's liabilities exceed its assets
- The Society can pay interest on shares. Interest shall not exceed 5% or 2% above the base rate of the Bank of England, whichever is the greater. Such interest will only be paid if the performance of the Society justifies this and will be on the recommendation of the Management Committee and voted on at the Annual Members' Meeting. Interest will not be paid in the first 3 years of trading
- All monies invested in this community share offer will be held by the Society.
- Any trading surplus, after payment of interest to shareholders and repayment of share withdrawals, must be reinvested in the business or used for community purposes
- The Society is registered with the Financial Conduct Authority (FCA) and will be required to provide an annual return to the FCA. However, it is not regulated by the FCA. Any investor could lose some or all of the money they invest, without the protection of the government's Financial Services Compensation Scheme, and without recourse to the Financial Ombudsman Service. This scheme is also not covered by the Financial Services and Markets Act 2000
- Before deciding to invest you may wish to seek independent advice
- Any member is expected to agree to the Society's Equal Opportunities Policy, a copy of which can be found on the Society's website or available from the Secretary