



**Business Plan**

**for**

**Black Bull Gartmore Hub & Pub Ltd**  
***(The Hub)***

Registered with the FCA under the Co-operative and Community Benefit Societies Act 2014 as a Community Benefit Society (registration number 7821)

v3.0  
7<sup>th</sup> July 2019





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## 1. Executive Summary

The creation of the Hub will add significant value to the community and help us to address the many challenges that we face within our isolated rural village, including:

- An aging population, social isolation & loneliness
- Lack of local activities and facilities for young people
- Limited local employment opportunities and business facilities
- Inadequate transport (3 buses Mon-Sat, no bus on Sunday, 20 miles to train station)
- Lack of public services and facilities to promote visitors to the area

The Hub will generate the necessary revenue to pay staff, maintain facilities and provide services that will empower our community to make Gartmore a better place to live, work and visit, as well as helping to protect the services and sustainability of the Hall and the Shop.

The Black Bull Hotel has been serving the interests of Gartmore and the surrounding community for 250 years and is in real danger of being lost due to the current trend of similar facilities in nearby villages being sold, closed and redeveloped as residential accommodation. The current owners have offered the community the opportunity to purchase the property for £237,500 which shows a 5% discount on the valuation of £250,000 which has been confirmed by Colliers as a fair market value.

Black Bull Gartmore Hub & Pub Ltd (the Hub) has been set up as a Community Benefit Society to support this initiative and there is overwhelming support from within the community – over 90% of the 75+ attendees at our last public meeting want to go ahead with the community buyout. The aims and objectives of the Society are aligned to those identified within the 2018-2023 Gartmore Community Action Plan and moving this important community asset from private to community ownership is the only way to ensure that all of these can be satisfied.

The community set up Gartmore Community Shop Ltd over 21 years ago, when the Shop and Post Office were facing imminent closure, and the knowledge and experience gained whilst successfully running this social enterprise provides us with the confidence of knowing that we can address the challenges faced and take full advantage of the numerous benefits that will be realised for our community.

The objectives of the Hub are social in nature and an approach and measurable deliverables have been defined against each of the three primary objectives (see Section 4):

- 1) Run the social enterprise in an efficient and sustainable manner to ensure that the Hub, café, pub, restaurant and accommodation facilities remain open for current and future generations
- 2) Make effective use of the Hub facilities, resources and income to provide additional services that benefit the local community
- 3) Operate in a manner that supports the activities, services, aims and sustainability of other community facilities and organisations

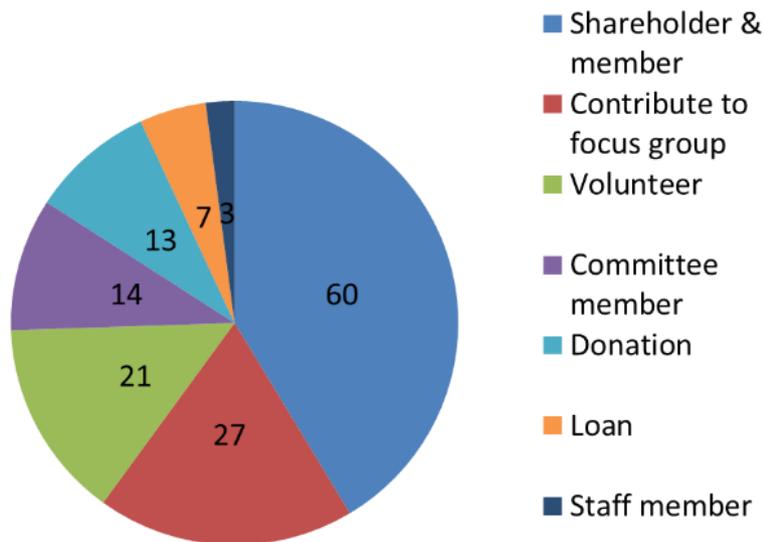
The Shop remains open during all weathers, even when the local area is snowbound and without power. The needs of the elderly, infirm and those that live alone are served by the Shop during opening hours and the intention is to align the Hub's opening hours and services to ensure that there is always a welcoming place to go for villagers, their quality of life is enhanced and their time living in our community is extended.



It is recognised that the Society will need to be run in a professional and commercially sustainable manner to ensure that we are able to meet our social aims and objectives

Community consultation identified that moving from private to community ownership should increase the proportion of residents regularly visiting the Black Bull from 35% to 88%, providing a strong local customer base, supported by income generated by taking advantage of being in a popular tourist area. The Black Bull already contributes to the local economy and we can both safeguard and build upon this through effective community ownership.

87% of our community believe that it is essential or very important for Gartmore to have the Hub. This is borne out by the number of individuals that offered their time and support as part of the questionnaire response, as shown in diagram below:



Financial analysis and projections show that the Hub is viable, subject to taking advantage of the £217,500 grant offered by the Scottish Land Fund and raising £55,000 in community shares. Without this support, the revenue and profit would not be able to sustain the necessary interest and capital repayment costs of a loan facility.

This is an exciting opportunity that has already brought together many in our community to support a very worthwhile cause.



## 2. Business & Property Details

### 2.1 The Black Bull Hotel

The Black Bull Hotel is situated in the lovely conservation village of Gartmore, in Loch Lomond and the Trossachs National Park. Dating from the 1700's, when it was used by cattle drovers, the Black Bull is located amidst some of the most beautiful scenery in Scotland.

The building currently consists of a traditional public bar, two dining rooms, a games room, a function room, four letting bedrooms, staff accommodation and outside seating areas. This is a privately owned and run business currently and the community has been given the opportunity to purchase the property so that it can be run as a community business, similar to Gartmore Community Shop which was taken over by villagers in January 1998.

- Address: The Black Bull Hotel, Main Street, Gartmore, Stirling FK8 3RW
- Website: [www.blackbullhotel.net](http://www.blackbullhotel.net)



Please visit the following web link for some aerial footage of Gartmore showing how the Black Bull Hotel, Village Hall and Village Shop are all located around The Square in the centre of the village. An exciting opportunity for all 3 of these facilities to become community owned and run.

<https://vimeo.com/173876350>

### 2.2 The Hub Enterprise

Set up as a Community Benefit Society (registered with the FCA – registration number 7821) in August 2018 with the intention to acquire the Black Bull Hotel premises and, should we succeed in this aim, to operate the premises as a community owned and managed Hub.

We would be buying the premises, not the business, with the intention to manage the takeover in a manner that keeps the Hub open and continuing to serve the needs of customers and the community. We are offering existing staff the opportunity to join the new organisation and, once we understand their intentions, will recruit and train additional staff and volunteers, as appropriate.

Members will have one vote, whatever their level of shareholding and shares will not increase in value or be subject to dividends. Any profits of the Hub would be applied to a general reserve for the continuation of the Society or making payment for social or community purposes within the community served by the Society.



### 3. Background

The Black Bull Hotel is the last remaining pub in Gartmore, after the Trossachs Inn was converted into a house in 2004 and the Vulcan closed some years earlier. Located in the heart of the village, this is the place where local villagers and those in the surrounding area are welcome to simply drop by and catch up with friends, family, neighbours and passers-by.

When entering the Black Bull, it has the feel of a traditional country pub. The public bar is quite small but when busy has a great atmosphere with villagers, children, dogs and tourists made to feel welcome. There is a comprehensive menu and diners have the option of eating in the public bar, a small lounge behind, another medium sized dining room next to the side entrance or in the large function room at the rear. All rooms are open during the summer months, but some are closed at quieter times of year.

There are 4 letting bedrooms and basic staff accommodation upstairs and a large kitchen downstairs. A few seats are located at the side of the building for sitting outside in the nicer weather and there is a pub garden facility at the rear, although this has not been open to the public in recent years.

The function room is available for hosting different events, including funerals, birthdays, weddings, dances, “bangers and mash” on fireworks night, live music, ceilidhs, local club and society dinners or meetings, choir practice, writers’ clubs, joint church lunches etc. With the large kitchen facility in the next room and a small bar in the corner, this makes an ideal venue. Often the facilities are provided without charge to members of the community, apart from the cost of drinks and food.

There are seasonal fluctuations in trade and costs are minimised outside of the busy summer months through reduced opening hours. The interior of the Black Bull was refurbished when the current owners originally took over and a minibus “pick up” and “drop off” service was introduced that operates during the tourist season and is very popular with residents of the two campsites and outlying properties due to the lack of available public transport.



## 4. Aims and Objectives

### 4.1 The Society

The overarching aims of the Society are social in nature and are defined within our Rules as:

- The objects of the Society shall be to carry on any business for the benefit of the community by acquiring and operating the Black Bull Hotel, Gartmore and engaging in any other ancillary activities that further community benefit for the public at large
- The Society shall be owned and controlled by its Members on a fair and equitable basis

This will be achieved through focusing on a defined objectives, approach and deliverables:

No.	Objective	Approach	Deliverables
1	Run the social enterprise in an efficient and sustainable manner to ensure that the Hub, café, pub, restaurant and accommodation facilities remain open for current and future generations	Effective management of business and facilities to ensure that we “live within our means” and encourage active community involvement and support	<ol style="list-style-type: none"> <li>The Hub owned and effectively run by members of the community</li> <li>Maintain and improve property and facilities</li> <li>Efficient management of operations and careful control of costs and finances</li> </ol>
2	Make effective use of the Hub facilities, resources and income to provide additional services that benefit the local community	Take direction from initial and ongoing consultation to identify those services that should be introduced to meet the needs of the community. Implement new services, as resources and funds become available	<ol style="list-style-type: none"> <li>Ensure a welcoming Hub is open every evening, even in the depths of winter</li> <li>Operate café during the day and provide good food in the evening</li> <li>Purchase and maintain a community minibus with “pick-up” and “drop off” service</li> </ol>
3	Operate in a manner that supports the activities, services, aims and sustainability of other community facilities and organisations	Ongoing liaison and cooperation with other village organisations, particularly the Hall and Shop, to ensure that we are effectively working together to meet our common goal of supporting the community	<ol style="list-style-type: none"> <li>Support events and weddings in the Hall (when requested), through provision of catering, drinks, staff, B&amp;B, space etc.</li> <li>Make available facilities and minibus to other community organisations</li> <li>Actively promote the interests of other community facilities and organisations</li> </ol>

The objectives, approach and deliverables will be fundamental to the way that the Society is managed and will be on the agenda for all Board meetings and Member AGMs to ensure that they are wholly satisfied during the first year in business and on an ongoing basis.



## 4.2 The Hub

The creation of the Hub will add significant value to the community and help us to address the many challenges that we face within our isolated rural village, including:

- An aging population, social isolation & loneliness
- Lack of local activities and facilities for young people
- Limited local employment opportunities and business facilities
- Inadequate transport (3 buses Mon-Sat, no bus on Sunday, 20 miles to train station)
- Lack of public services and facilities to promote visitors to the area

The Hub will generate the necessary revenue to pay staff, maintain facilities and provide services that will empower our community to make Gartmore a better place to live, work and visit, as well as helping to protect the services and sustainability of the Hall and the Shop. Examples of facilities and services that could be provided by the Hub include:

1. Community space accessible by members of the community for 84 hours per week (Shop only open 39 hours per week and Hall only accessible for booked events)
2. Create a much-needed dedicated area for our teenagers and young people
3. Provide a community garden that is family friendly, a great space to meet up with the potential to grow local produce
4. Create a business centre with hot desks, PC, printing/scanning, broadband and refreshments for those working from home or setting up their own business
5. Facilities and space for community organisations during periods when the Hall is booked exclusively for theatre productions, musicals, weddings and other events (approximately 25 days each year)
6. Fund and run a community minibus that will be available for all community organisations and provide a means for more regular visits to the village by those in outlying properties
7. Access to commercial kitchen facilities for baking and catering for community events (the Hall kitchen is only suitable for reheating, regeneration and preparation purposes)
8. Comfort partner, providing much needed toilet facilities to passing cyclists, walkers and other members of the public
9. Drop off and pick up point for goods bought from the Shop, so that villagers who are not around during the day can support their community owned Shop and Post Office
10. Pick up point for Hall keys when Shop is closed (i.e. between 1-3pm and after 5pm)
11. Hot meal delivery to the elderly and infirm (even when the village is cut off by snow with power cuts as the Hub has gas cooking facilities)
12. Lunch club and menu for older villagers (only provided by Hall once a month as run by volunteers, whereas Hub will be staffed so can offer more regularly)
13. Trained staff and licences to help support the Hall with increasingly onerous food, hygiene, environmental and drink regulatory standards and licence requirements
14. Technology access for those without computers, broadband or skills
15. Cookery classes to promote independent living for young, old and those in between
16. Partnership between School and the Hub to provide facilities and support to help satisfy the curriculum
17. Complementary services to support Hall functions and events (e.g. pre theatre meals, supplementary space, catering etc.)
18. Exclusive use of B&B accommodation for weddings and events being held in the Hall
19. Display areas for promoting tourism facilities, local heritage and local crafts
20. Local employment, providing hospitality jobs and training
21. Sale and promotion of local goods and produce
22. Traditional music, quiz and games nights.



## 5. The Market & Business Environment

### 5.1 The Gartmore Community

An extensive consultation was undertaken between May 2017 and November 2017 to allow the Gartmore 5 Year Community Action Plan (CAP) 2018-2023 to be produced (see Appendix A). The vision for the future was defined as:

*To be a community celebrating diversity, taking ownership of its own future, with a thriving economy, outstanding facilities and maintaining a beautiful safe village for all*

The CAP highlights the challenges faced by our remote rural community, including poor public transport provision and a significant reliance on limited local services – “the community owned Village Shop and the Black Bull Hotel are extremely important to the village”.

The following priorities and objectives within the CAP are aligned to those of the Hub. These have not been achievable via the current private ownership model.

Theme	Priority	Objective
<b>Community</b>	Community facilities	<ul style="list-style-type: none"> <li>Develop a café in the village</li> </ul>
	Develop and support events and activities	<ul style="list-style-type: none"> <li>More music, concerts and theatre in the village hall and pub</li> <li>More activities and events to encourage the community to mix and boost health and wellbeing</li> </ul>
	Encourage more support for local facilities	<ul style="list-style-type: none"> <li>More support for the Village Pub</li> </ul>
	Improve existing facilities	<ul style="list-style-type: none"> <li>Encourage better opening hours of local facilities</li> </ul>
<b>Roads, Traffic and Transport</b>	Improved public transport	<ul style="list-style-type: none"> <li>Investigate local community transport solutions</li> </ul>
<b>Economic Development</b>	Develop a local economic strategy	<ul style="list-style-type: none"> <li>Identify opportunities for transfer of assets to community ownership both through asset transfer and through the Community Right to Buy scheme</li> </ul>
	Improved tourist facilities	<ul style="list-style-type: none"> <li>Encourage the pub to be a “comfort partner” offering accessible toilet facilities</li> <li>More and improved facilities to encourage tourists</li> </ul>
<b>Outdoor Recreation</b>	Promote outdoor activities and facilities	<ul style="list-style-type: none"> <li>Find ways to make more of the National Cycle Route 7 and the Rob Roy Way to encourage tourism</li> </ul>
<b>Communications</b>	Ensure good engagement between the community and community bodies	<ul style="list-style-type: none"> <li>Encourage more people to get involved in community organisations and activities</li> </ul>
	Improved information for locals and tourists	<ul style="list-style-type: none"> <li>Better promotion and information on activities and facilities offered in Gartmore</li> <li>Encourage a more integrated approach to local communications, including the use of social media</li> </ul>



## 5.2 Community Hub Consultation

Another extensive consultation was undertaken between May 2018 and March 2019 as part of ensuring that the Hub initiative is wholly representative of the community's views. The consultation involved:

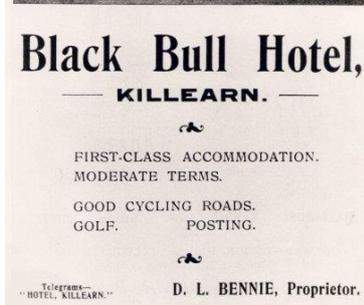
- 2 public meetings with 50+ and 75+ attendees
- 12 interviews with representatives of local community organisations and businesses
- 85 questionnaire responses
- Hundreds of discussions with members of the community
- Regular email communication with 95 members of the community.

The findings clearly show that the community buyout of the Black Bull to operate as the Hub has the backing of the community, with some key findings being:

- 87% believe that having a community pub, restaurant and hotel is essential or very important
- Regular usage would increase from 35% to 88% in the event of the Black Bull being owned and run by the community
- Only 15% of questionnaire respondents and less than 10% of meeting attendees would prefer that the pub remains under private ownership
- Other community organisations believe that there will be significant benefits for the community as a whole, in the event of the buyout succeeding.

## 5.3 Challenges and Opportunities

Pubs in the UK are currently closing at a rate of 18 per week which has reduced from its previous rate of about 30 per week but is still quite alarming. The three village pubs that have been sold in the last few years within a 10-mile radius of Gartmore have all been bought by property developers for conversion into residential accommodation. These pubs are now all closed and the pictures below were taken when they were still open for business (Black Bull, Killearn; Rob Roy, Buchlyvie; Crown Hotel, Thornhill).



There have been many challenges in recent years that have impacted negatively upon the turnover and profits of rural pubs. Although there are many health and other benefits to new legislation, the commercial viability of pubs has suffered (e.g. smoking ban, reduced alcohol



limits for drivers). Also, financial pressures, rising prices and changes in customer habits have not helped.

The recent rise of community owned hubs and pubs is helping to mitigate this risk through allowing communities to take control of their own destinies. There are approximately 350 shops and 70 pubs owned and operated by their communities in the UK, the vast majority of which are established as Cooperatives and Community Benefit Societies. Gartmore Community Shop was one of the first and has been successfully trading since 8<sup>th</sup> January 1998, when the community came together to purchase the last remaining shop and post office in the village as it was about to be lost forever and converted into a private dwelling.

Every year we pass on our knowledge and lessons learned to several other communities who are exploring or starting their own community run enterprises. We have proven from experience that the benefits of community ownership include:

1. Improving the long-term viability of community assets
2. Increased use of facilities by the community
3. Service delivery that responds to local aspirations and needs
4. Shared projects led by residents which helps to build a stronger sense of local identity, pride, confidence, achievement and belonging
5. People from different backgrounds are brought together, improving community cohesion
6. Provision of local employment opportunities

A significant increase in tourism has been experienced recently within Loch Lomond & the Trossachs National Park and the Stirling area. There are many initiatives underway that should ensure that this rise continues. The Hub is ideally placed to take advantage of this, through improving its facilities and increasing opening hours.

A founder member of the Crown Inn, Hesket Newmarket in Cumbria explained at our recent public meeting how their community owned Hub has gone from strength to strength in the past 15 years by providing a warm welcome, good atmosphere, real ale and decent food to encourage people to come off the beaten track to visit them. He feels that our village and Hub have the same “look and feel” and should be able to achieve similar success through community ownership.

## **5.4 Our Market**

The potential customers of the Hub fall within the following categories, in order of priority and opportunity:

- 1) Inhabitants of Gartmore and the surrounding area
- 2) Residents of local campsites, B&Bs, guest houses, cabins, holiday cottages and conference facilities
- 3) Passing tourists and visitors

Our local customers will also be our Members, so we will be receiving direction and support on an ongoing basis to ensure that our facility, services, food, drink and prices meet their needs. This will be their Hub.

The Black Bull offers a pickup service to the Cobleland Campsite and Trossachs Holiday Park during the summer months which is popular and helps to boost food and drink sales. Other tourism businesses in the immediate Gartmore area also encourage their residents to make a trip to the Black Bull. There are further opportunities for taking advantage of potential income



from the tourist industry which will be pursued once the Black Bull has been taken over by the community, including:

- Publish clear and consistent opening hours
- Increase focus on digital marketing via social media, website and online booking
- Create USP, message and service that allows the Black Bull to stand out and encourage visitors.

Getting these areas right should result in increased revenue and profits. It is recognised that there are only so many residents in Gartmore and we will need to encourage regular customers from nearby villages, tourist accommodation and further afield if we are going to reach our maximum potential. We will take full advantage of the skills, knowledge and passion of our Members to make this happen.



## 6. Management Structure and Team

The following diagram provides an overview of the organisational structure and delegation of responsibilities:



It is anticipated that the responsibilities will be structured in a similar manner to Gartmore Community Shop, as this has worked very well for the past 21 years. Members appoint Directors to manage the organisation who then delegate the day-to-day operational responsibilities to Staff. Directors will oversee activities and ensure that processes and practices are in place to monitor the financial position so that prompt action can be taken to address any issues or challenges.

The community consultation identified that there are plenty of individuals who are willing to offer their time voluntarily to perform key roles. As an example, volunteer roles with the Shop have included paying suppliers, deliveries to the elderly/infirm, cleaning, gardening, picking up prescriptions for villagers, stocktaking, picking up fruit/veg from market, supporting events, wine tasting and many more. The shop and post office counter activities are always managed by paid staff, although we do provide opportunities for gaining shop work experience to young volunteers to help with their development (e.g. local autistic charity Green Routes, Duke of Edinburgh Award Scheme).

There are three Directors currently who make up the Board of the Hub, all with over 20 years experience of running businesses and community organisations. The intention is for additional Directors to be appointed once the property has been purchased.



## 7. Marketing

### 7.1 Share Offering & Launch

The share offering and launch for the Hub will be marketed vigorously and supported by Community Shares Scotland, including:

- Public meetings and drop-in sessions
- Share offer document
- Email notifications for our growing community pub mailing list
- Information via Facebook and relevant websites
- PR, publicity, posters, leaflets and mailings
- Official opening, ribbon cutting and community celebration.

As we have experienced with Gartmore Community Shop, there is significant media and political interest in community run enterprises and we will take full advantage of this to raise our profile within the community and further afield. This will also provide an ideal opportunity to express our thanks to those that have helped ensure the success of our initiative.

### 7.2 Marketing Strategy

The Hub will be operated and portrayed as a “community owned” village hub and pub that provides a warm welcome, wholesome food and a fine selection of real ales, wine, whisky, tea and coffee. Our marketing focus will take account of our customers falling within the following categories:

1. Inhabitants of Gartmore and the surrounding area
2. Residents of local campsites, B&Bs, guest houses, cabins, holiday cottages and conference facilities
3. Passing tourists and visitors

Through responding to the direction obtained during our community consultation, we will design the facilities, services and opening hours to meet the requirements of inhabitants of Gartmore and the surrounding area. Providing a warm welcome, a community focus and enjoyable food and drink should help to ensure repeat visits and recommendations. A significant proportion of the local community will be Members and receive regular updates through correspondence and meetings. We will also advertise services and events via the Gartmore News, the Shop window, the Hall noticeboard and social media.

The owners and managers of the Trossachs Holiday Park, Cobleland Campsite, Gartmore House and the numerous B&Bs, cabins and holiday cottages already encourage their residents to visit the Black Bull. We will focus upon building and maintaining these relationships on an ongoing basis. For example, we are likely to introduce information leaflets with a food discount voucher for inclusion in welcome packs.

Effective use of digital media would be the emphasis for promoting custom from passing tourists and visitors. An effective website with online booking engine and use of Booking.com and Airbnb should help to maximise bookings. Social media campaigns would help to stimulate interest in the Hub. We will delist the existing TripAdvisor pages and relaunch a new listing. We are a unique “community owned village” in a beautiful area that is experiencing significant growth in tourism and we will make the most of this.

The signage on the main road needs to be updated and improved. Effective signage and publicity will allow us to promote the Hub for regular passing cyclists and walkers which should also be helped by becoming a “comfort partner”, offering accessible toilet facilities.



## 8. Finance

The annual revenue and running costs are based upon information provided by the current owners, plus an allowance for start-up costs and realistic assumptions linked in with our business plan. An overview is provided below:

<u>Key metrics</u>	Year to Aug-20	Year to Aug-21	Year to Aug-22
<b><u>Revenues:</u></b>			
Accommodation	29,360	37,271	46,961
Food	59,667	69,000	75,900
Drink	89,500	96,300	103,041
Café	17,472	21,900	26,280
Total:	<u>195,999</u>	<u>224,470</u>	<u>252,182</u>

### Statistics:

Accommodation margin	48.6%	46.2%	44.8%
Food margin	67.0%	67.0%	67.0%
Drink margin	65.0%	65.0%	65.0%
Café margin	60.0%	60.0%	60.0%
Wages to total revenue	35.1%	36.8%	38.8%

### Profitability:

	£	£	£
EBITDA	15,510	26,505	28,450
Depreciation	9,437	9,437	9,437
Finance costs	3,987	2,245	2,522
<b>Profit before tax</b>	<u>2,086</u>	<u>14,823</u>	<u>16,490</u>

### Cash:

	£	£	£
Max cash facility required [i.e. funding gap]	(4,337)	n/a	n/a
Timing	Mar-20	n/a	n/a
	£	£	£
Cash position at year end	22,924	48,302	75,129

### Assets:

	£	£	£
Net asset position at year end (not including SLF grant funding which will ultimately be added to assets)	57,086	71,909	88,399

### **Key assumptions:**

Occupancy	20% increase year on year
Room rate	5% increase year on year
Food revenue	10% increase year on year
Drink	7% increase year on year
Wages	Café/hub/pub - 12hrs per day




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	Chef 4hrs per day
	Breakfast/rooms - 2hrs per day
	Increase rate p/hr 10% year on year; additional staff as required
Overheads	Varying increases from current
	Based on known/expected factors
	Suppliers paid immediately
Capital expenditure	Not included as timing undecided
	(e.g. property, kitchen, bedroom upgrades)

The salary figures have been based upon opening hours of 11am to 11pm, 7 days per week, with all operational activities being undertaken by paid staff and miscellaneous support being provided by volunteers. This approach has worked well for Gartmore Community Shop over 21 years.

Start-up and one-off costs have been incorporated into the financial information, with appropriate elements being capitalised and others included within initial or ongoing revenue. Start-up costs include company formation, legal fees, LBTT, valuation/surveys, minibus deposit, VAT registration, stocktake, payroll set up, licence transfer, share offer, electrical installation, fire risk assessment, fire detection/prevention measures, PAT testing, health & safety plan/measures, computer/printer.

The financial figures assume that a grant is provided by Scottish Land Fund for £217,500 and there is a community investment of £55,000. Community Shares Scotland have also kindly offered support with our share offer and initial marketing which will help minimise costs. Subject to receiving the stated amounts, financial projections show that the business is viable and sustainable. There would be no loans, the property would be owned by the Society and the community investment would not have interest or return implications as the main objective of Member contributions are to help safeguard this essential community asset.



## 9. Risk Analysis

The main risk to the continuation of the Black Bull Hotel is that the property is likely to be more attractive to developers who wish to convert the building into residential accommodation. The risk of closure will be mitigated by succeeding in our bid to take over the property as a community and run this as a Community Benefit Society.

In the event of the property being acquired and operated as the Hub, the risks faced will mainly relate to the challenges of running a community enterprise, many of which we have faced during our 21 years of running Gartmore Community Shop. Running a Hub, pub, restaurant, café and B&B business will inevitably introduce its own challenges and, thankfully, we have plenty of individuals in our community with relevant experience who have offered their advice and support on a voluntary basis. The following table outlines some of the risks faced and the mitigation measures to reduce the likelihood and/or impact:

Risk	Mitigation
Directors not performing duties effectively	<ul style="list-style-type: none"> <li>• Careful selection of Directors to ensure that they have the necessary skills and experience</li> <li>• Training and mentoring to ensure duties and responsibilities are understood</li> <li>• Careful management of meetings and activities to avoid obstructive or inappropriate behaviour</li> </ul>
Reliance on recruitment and retention of effective staff and volunteers	<ul style="list-style-type: none"> <li>• Comprehensive training (licence certification, food hygiene, customer service etc.)</li> <li>• Professional recruitment, HR management, review and disciplinary processes, as well as clearly defined responsibilities</li> <li>• Establish a resource pool and contingencies in the event of unexpected unavailability</li> </ul>
Insufficient revenue and profits to cover costs	<ul style="list-style-type: none"> <li>• Implement sound financial controls, use experienced professional advisers and ensure at least half of Directors have good experience of running businesses and community enterprises</li> <li>• Regular review of monthly management accounts and other financial information at Board meetings</li> <li>• Willingness to make “difficult decisions” and ability to act promptly when challenges are identified</li> </ul>
Unanticipated costs and repairs	<ul style="list-style-type: none"> <li>• Maintain comprehensive insurances</li> <li>• Financial buffer and overdraft facility</li> <li>• Ongoing focus and investment to ensure facilities are well maintained</li> </ul>
Competition with other community organisations for resources or business	<ul style="list-style-type: none"> <li>• Aim for at least half of Directors and volunteers not being actively involved in running other community organisations</li> <li>• Ongoing communication with the Hall and Shop management committees to maintain effective cooperation and support</li> <li>• Actively support each other’s core services, rather than competing</li> </ul>