



THREE
HORSESHOES

FOR
SALE

23rd October 2019

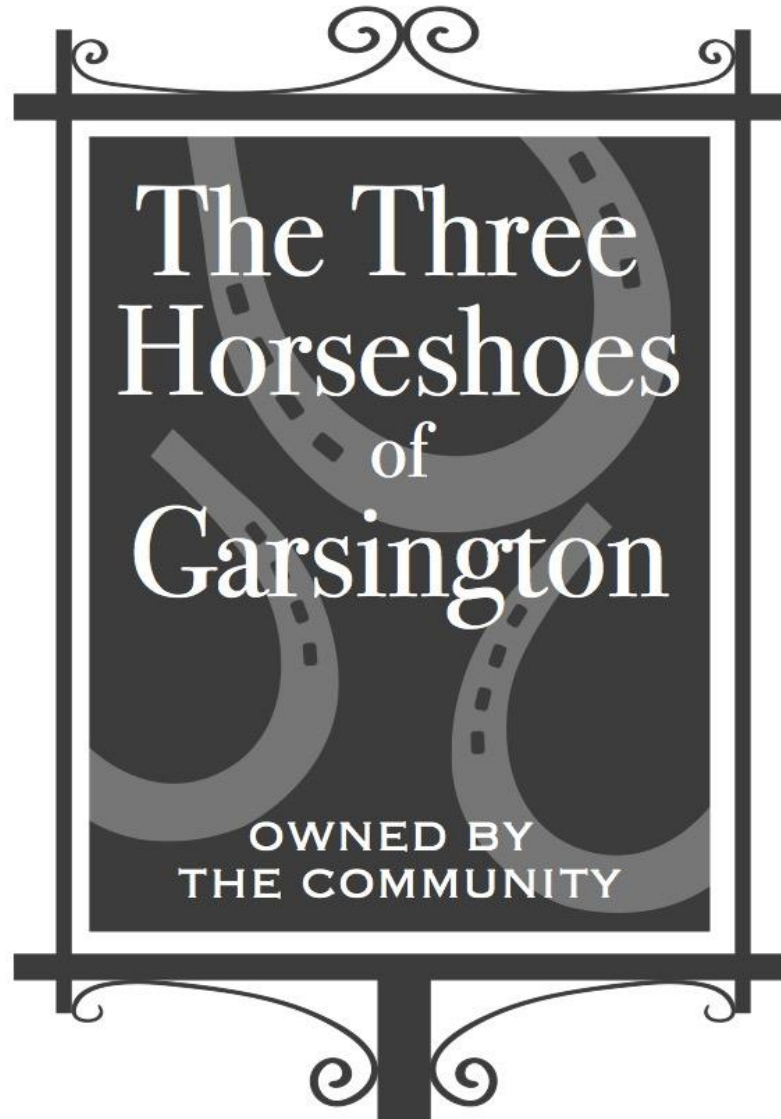
This could happen.....



Or this.....



But we
hope it's
this.....



The Three
Horseshoes
of
Garsington

OWNED BY
THE COMMUNITY

COMMUNITY SHARE OFFER

- We need to raise in excess of £500,000
- We want you to buy shares
- We want you to buy more shares!
- We want you to encourage other people to buy shares
- We want your skills, time & enthusiasm

SCOPE

- Garsington Community Benefit Society Ltd
- The Proposal
- Financial Forecast
- The Share Offer
- Questions

GARSINGTON COMMUNITY BENEFIT SOCIETY LTD

- The Aims
- What / Who is it?
- The Management Committee
- Membership

THE AIMS

- Secure and safeguard the Pub's future
- Democratic Organisation
- Community Consultation

WHO ARE WE?

- Chris Wright
- Hugh Blaza
- Ian Ashley
- Martin Kelly
- Matthew Dovey
- Janet Bolam
- Nick Green

THE MANAGEMENT COMMITTEE

- Will be annually elected
- Manage the formalities of the purchase
- Select, appoint and manage the Tenant
- Financial affairs
- Applicable regulations, eg Licence

WHAT HAVE WE BEEN DOING?

- Steering Group – up to 25 people, fortnightly
- Plunkett Foundation
- Valuation report
- Business Plan
- Prospectus
- Market Survey
- Banking

MEMBERSHIP

- One vote per member
- AGM/EGM
- Hold the Management Committee accountable

THE PROPOSAL

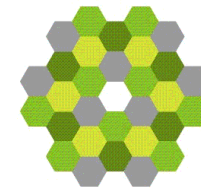
- The opportunity
- The site
- Business viability
- Operating model
- Vision

THE OPPORTUNITY

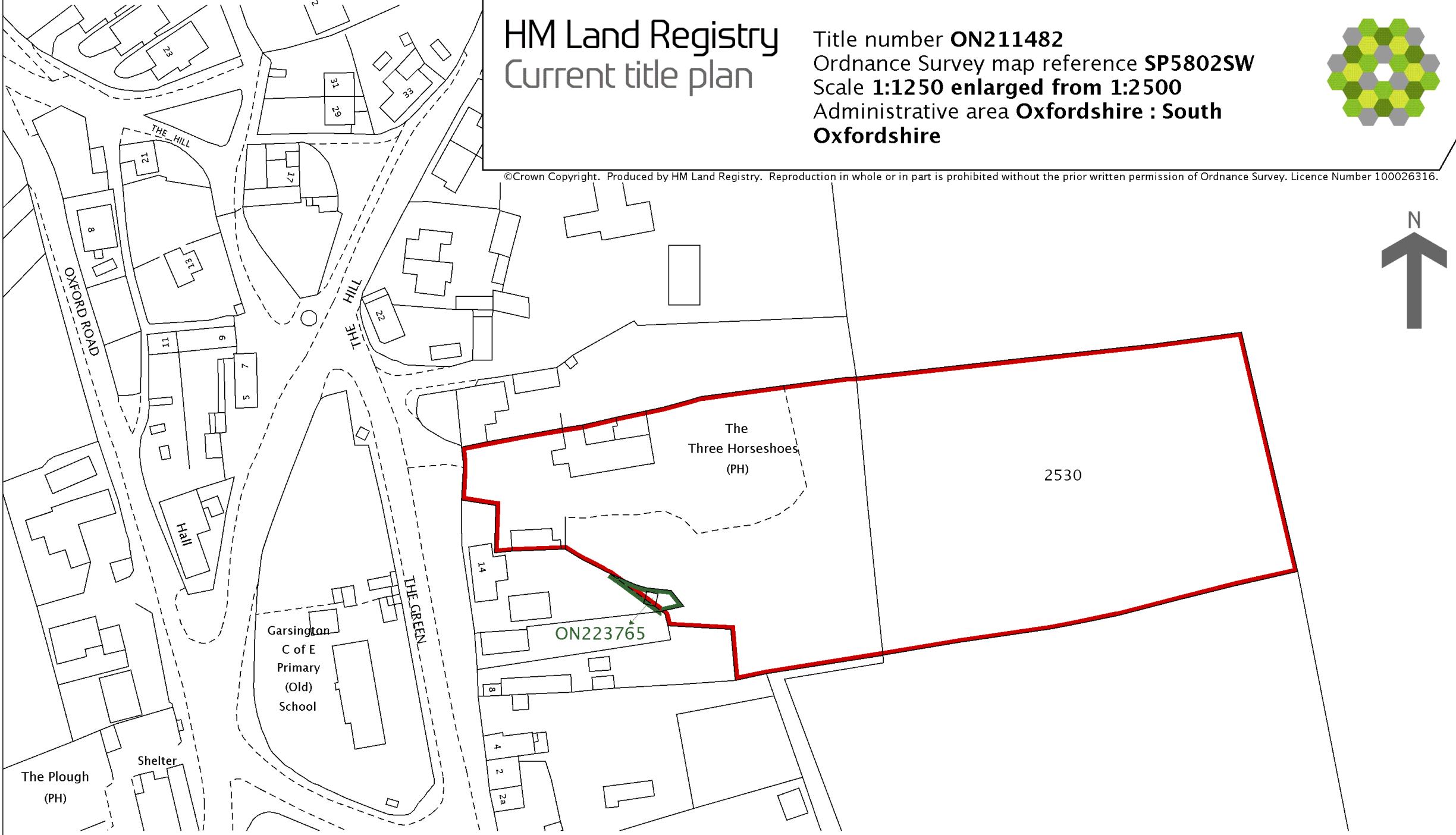
- For Sale at £360,000 + VAT
- Asset of Community Value
- Only we can bid before the ACV ends

HM Land Registry Current title plan

Title number **ON211482**
Ordnance Survey map reference **SP5802SW**
Scale **1:1250 enlarged from 1:2500**
Administrative area **Oxfordshire : South
Oxfordshire**



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BUSINESS VIABILITY

- Tenant to run the pub
- Tenant to pay affordable rent
- % of turnover
 - Opportunity and incentive to run a thriving pub

RENTAL INCOME

- Maintain and improve the property
- Repay any loans
- Pay modest interest
- Fund withdrawal of shares
- Subsidise community services

BUSINESS PLAN

- Website
- Feasibility study by specialist
- Advice from other successful pub operators
 - Community pubs
 - Local pubs

OPERATING MODEL

- Selecting the right tenant
- Tenant endorses objectives and vision
- No micro-management

PLANS FOR THE PUB

- Current condition
 - Experts
 - No full survey
- Future plans
 - Short term – Community – minor works, signage
 - Long Term – Management Committee & Tenant

THE VISION

- More than just a pub
- Brunch, coffee, bar
- Fresh, good value food
- Local produce
- Relaxed, warm and welcoming
- Custom from wider areas

THE VISION

- Local employment
- Shop
- Collection point
- Community

FUNDRAISING TARGET

- £500,000 +
- Pledges ->Share offer
- Mortgage
- Grants
- Donations

Financial Plan

- Detailed profit and loss account, cash flow and balance sheet in Business Plan and Prospectus.
- Will need updating when pledges are in CBS bank account and total raised is known.
- Current plan assumes £350k pledges; £120k 10 year mortgage; pub sold at asking price of £360k.

Summary Profit & Loss Forecast

| £'000 | Yr 1 | Yr 2 | Yr 3 | Yr 4 | Yr 5 | Yr 6 | Yr 7 | Yr 8 |
|---|------|------|------|------|------|------|------|------|
| Forecast Turnover | 200 | 300 | 350 | 300 | 350 | 350 | 350 | 350 |
| Rental Income | 12 | 24 | 35 | 30 | 35 | 35 | 35 | 35 |
| | | | | | | | | |
| Costs : | | | | | | | | |
| Mortgage Interest | 7 | 6 | 6 | 5 | 4 | 3 | 3 | 2 |
| Repairs & Maint | 0 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Other | 9 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Total | 16 | 17 | 17 | 16 | 15 | 14 | 14 | 13 |
| | | | | | | | | |
| Profit before shareholder interest, community subsidies and corp tax plus mortgage capital repayments | (4) | 7 | 18 | 14 | 20 | 21 | 21 | 22 |

Summary Cash Flow Forecast

| £'000 | Yr1 | Yr2 | Yr3 | Yr4 | Yr5 | Yr6 | Yr7 | Yr8 |
|----------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| Income : | | | | | | | | |
| Community Shares | 350 | | | | | | | |
| Mortgage | 120 | | | | | | | |
| Rent | 12 | 24 | 35 | 30 | 35 | 35 | 35 | 35 |
| | | | | | | | | |
| Outgoings : | | | | | | | | |
| Purchase Price | 360 | | | | | | | |
| Mortgage (capital & interest) | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| Repairs & Maint | 40 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Other | 28 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Subsidies for community services | | | | | | | | |
| Shareholder interest | 0 | 0 | 5 | 5 | 5 | 5 | 5 | 5 |
| Corp Tax | 0 | 0 | 0 | 5 | 5 | 5 | 5 | 5 |
| | 0 | 1 | 2 | 1 | 2 | 2 | 2 | 2 |
| Cumulative cash flow | 38 | 34 | 35 | 27 | 23 | 20 | 16 | 12 |

THE SHARE OFFER

- What is a Community Share Offer?
- What are the potential risks?
- What's in it for you?
- What you won't get
- The timetable

WHAT IS A COMMUNITY SHARE OFFER?

- Investment in a business managed and controlled by and for the community
- Community have democratic control of the business
 - Community shareholders elect management committee
 - Equal votes regardless of number of shares owned

WHAT IS A COMMUNITY SHARE OFFER?

- An investment in the community
 - Returns restricted by law
 - No capital gains
 - Interest payments
 - Excess returns re-invested in the community
 - Improvements / extra services
- A minimum stake of £250 buys 5 shares

WHAT ARE THE POTENTIAL RISKS?

- Same risks as with any financial investment
- You could lose all your money
 - BUT we are buying a property which is likely to retain its value
- The Pub may need a lot of remedial work
 - BUT we have consulted a builder and a structural engineer
- Poor management may create difficulties in meeting the mortgage payments
 - BUT you have the right to elect a new management committee

WHAT ARE THE POTENTIAL RISKS?

- Inability to withdraw capital in first few years
- Financial returns limited by law
- You are investing on the strength of The Prospectus

WHAT'S IN IT FOR YOU/ME/US?

- A thriving village with a community pub at its heart
- A focus for other community initiatives
 - Café, Parcel Collection, shop
- The opportunity to influence the development of the business
 - Your pub is controlled by you
- Interest payments
- An asset you can leave in your will

WHAT YOU WON'T GET

- Windfall profits
- Increase in share value
- Guaranteed returns
- Tax relief

THE TIMETABLE

- Approval of CBS by FCA
- Prospectus distributed
- Cash into CBS bank account
- Raise the mortgage
- Make our bid!!

WHAT NEXT?

- Have you pledged?
- Prospectus & Share Application
- Contact Details

QUESTIONS