# Guilden Morden Community Pub Ltd Second Share Offer



## Why does GMCP want to raise more capital?

- GMCP owns The Three Tuns pub on behalf of the village community
- GMCP provided a lot of financial support to the pub to enable it to survive the prolonged lockdowns experienced during the pandemic
- While GMCP's cash reserves are still comfortable, our income in the last 15 months has been lower than expected
- As a result, we are not currently able to take advantage of the early repayment option on the short-term loan from the Plunkett Foundation this November
- The Plunkett loan is expensive with repayments totaling over £10,000 pa
- Raising an extra £35,000 in share capital will enable us to repay the loan early
- The share issue is not to pay for the resurfacing of the car park, which was already allowed for in our reserves.

#### EVERY NEW SHARE PUCHASED WILL SAVE US OVER £300

## Investing in GMCP

#### **Investor Benefits**

- Collective ownership of The Three Tuns
- Help to maintain a vibrant local community
   and ...
- Be recognised on the new Shareholder Board in the Dining Bar
- Receive a shareholder card entitling you to monthly rewards at The Three Tuns
- Potential to earn interest on capital\* for shareholders investing £1,000 or more

#### **Important Information**

- GMCP is a Community Benefit Society
  - Limited liability
  - Downside protected through owning building and land
  - No scope for personal capital gain
- £250 per share
- Minimum investment £250
- One shareholder, one vote
- Shares are not tradeable and there are restrictions on withdrawing capital
- Shareholders elect Management Committee at the AGM

<sup>\*</sup> Interest on capital is unlikely to be paid in the next 2 years

## **Updated Financial Projections - Cash Flow**

#### Guilden Morden Community Pub Limited Cash Flow Forecast

2021 / 22 2022 / 23 2023 / 24 2024 / 25 Inflows 35,000 Share capital 0 0 **Grant receipts** Rental income 38,723 38,824 38,928 42,702 **VAT refunds** 99 0 42,702 73,822 38,824 38,928 Outflows Capital projects / spend 9,000 0 0 Fixtures, fittings & equipment additions 0 0 3,000 Insurance 2,650 2,745 2,850 4,800 Maintenance / repairs 4,920 5,000 5,200 Sundries 240 252 260 270 Plunkett loan repayments 0 38,659 29,488 Mortgage repayments 6,110 6,110 36,110 Repay tenant's deposit 0 0 VAT payments 3.854 5,610 5,499 6,081 Corporation tax 619 4,085 4,268 65,313 20,256 53,805 48,308 Net surplus / defecit 18,568 -14,877 8,509 -5,606 Opening balance 34,361 42,870 61,437 46,561 **Closing balance** 42,870 61,437 46,561 40,955

Resurfacing the car park in July 2021 - Net cost to GMCP of £5000 after allowing for recoverable VAT and Parish Council grant

We would then be able to choose between making further improvements to the pub (from 2023) or reducing the mortgage (as shown here)

Raising extra capital enables us to pay off the Plunkett loan early

# Updated Financial Projections - Income and Expenditure

Grants are recognised as income either when spent (e.g., on the car park) or over several years (e.g., Plunkett)

If we can pay off the

Plunkett loan in November ...

### Guilden Morden Community Pub Limited Income and Expenditure Forecast

	2021 / 22	2022 / 23	2023/24	2024/25
	£	£	£	£
<u>Income</u>				
Rental income	32,269	32,353	32,440	35,585
Grant release	5,500	3,000	3,000	3,000
	37,769	35,353	35,440	38,585
<u>Expenditure</u>				
Maintenance / repairs	4,000	4,100	4,167	4,333
Insurance	2,650	2,745	2,850	3,000
Sundries	200	210	217	225
Depreciation of freehold	7,818	7,830	7,830	7,838
Depreciation of fixtures, fittings & equipment	5,376	5,376	5,376	5,376
Interest on Plunkett loan	1,205	<b>)</b> 0	0	0
Interest on mortgage	3,932	3,797	2,743	832
	25,181	24,058	23,183	21,596
	12,588	11,295	12,257	16,989
Corporation tax	3,854	4,085	4,268	5,167
Provision for future refurbishment	0,054	2,024	4,866	5,338
Trovision for future returns innent		2,024	4,000	3,330
Retained surplus	8,735	5,185	3,123	6,484

Costs exclude VAT that GMCP can reclaim

... GMCP would expect to generate a surplus every year

## Updated Financial Projections - Balance sheet

#### Guilden Morden Community Pub Limited Balance Sheet Forecast

GMCP's total debt is now over £100k

An extra £35,000 in share capital

Fixed Assets         f <t< th=""><th>Dalatice Stieet Forecast</th><th></th><th></th><th></th><th></th><th></th><th></th></t<>	Dalatice Stieet Forecast						
Fixed Assets         f <t< th=""><th></th><th>At 30 June</th><th></th><th colspan="4">At 30 June</th></t<>		At 30 June		At 30 June			
Fixed Assets         Freehold investment property         368,538         368,221         360,391         352,561         344, 71           Fixtures, fittings & equipment         24,468         19,092         13,716         8,340         2,           393,006         387,313         374,107         360,901         347,           Current Assets           Bank balance         31,861         42,870         61,437         46,561         40,           Bank deposit (restricted)         10,000         7,500 <td< th=""><th></th><th>2021</th><th></th><th>2022</th><th>2023</th><th>2024</th><th>2025</th></td<>		2021		2022	2023	2024	2025
Freehold investment property   368,538   368,221   360,391   352,561   344,   Fixtures, fittings & equipment   24,468   19,092   13,716   8,340   2,		£		£	£	£	£
Statures, fittings & equipment   24,468   19,092   13,716   8,340   2,	Fixed Assets						
393,006   387,313   374,107   360,901   347,	Freehold investment property	368,538		368,221	360,391	352,561	344,731
Current Assets           Bank balance         31,861         42,870         61,437         46,561         40, Bank deposit (restricted)         10,000         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,500         7,601         48,61         48,61         50,370         68,937         54,061         48,61         48,61         50,370         68,937         54,061         48,61 <td>Fixtures, fittings &amp; equipment</td> <td>24,468</td> <td></td> <td>19,092</td> <td>13,716</td> <td>8,340</td> <td>2,964</td>	Fixtures, fittings & equipment	24,468		19,092	13,716	8,340	2,964
Current Assets           Bank balance         31,861         42,870         61,437         46,561         40,000           Bank deposit (restricted)         10,000         7,500         1,408 <td< td=""><td></td><td>393,006</td><td></td><td>387,313</td><td>374,107</td><td>360,901</td><td>347,695</td></td<>		393,006		387,313	374,107	360,901	347,695
Bank balance         31,861         42,870         61,437         46,561         40,08           Bank deposit (restricted)         10,000         7,500         4,680         14,00         14,00	Current Assets	,		,	,	,	,
Bank deposit (restricted) 10,000 7,5		31,861		42,870	61,437	46,561	40,955
VAT refunds due         0         0         0         0           41,861         50,370         68,937         54,061         48,000           Current Liabilities         7,987         0         0         0           Plunkett loan         7,987         0         0         0           Mortgage         2,178         2,313         33,367         28,656           Tenant deposit         7,500         1,408         1,4         1,4         1,4         1,4         1,4         1,4         1,4         1,4         1,4         1,4         1,4         1,4         1,4         1,4	Bank deposit (restricted)	•					7,500
Current Liabilities           Plunkett loan         7,987         0         0         0           Mortgage         2,178         2,313         33,367         28,656           Tenant deposit         7,500         7,500         7,500         7,500         7,500           VAT payments due         1,046         1,405         1,404         1,516         1,           Corporation tax         -3,235         619         4,085         4,268         5,           Long Term Liabilities         15,476         11,837         46,356         41,940         14,           Long Term Liabilities         29,467         0         0         0         0           Mortgage         64,337         62,023         28,656         0         0           Agency State Line Liabilities           Plunkett loan         29,467         0         0         0         0           Mortgage         93,804         62,023         28,656         0         0           Agency State Line Liabilities         0         0         0         0         0         0         0         0         0         0         0         0         0         0		0				0	0
Current Liabilities         7,987         0         0         0           Plunkett loan         7,987         0         0         0           Mortgage         2,178         2,313         33,367         28,656           Tenant deposit         7,500         7,500         7,500         7,500           VAT payments due         1,046         1,405         1,404         1,516         1,           Corporation tax         -3,235         619         4,085         4,268         5,           Long Term Liabilities         15,476         11,837         46,356         41,940         14,           Long Term Liabilities         Plunkett loan         29,467         0         0         0         0           Mortgage         64,337         62,023         28,656         0         0         0           Mortgage         33,804         62,023         28,656         0 <t< td=""><td></td><td>A1 0C1</td><td></td><td>EO 270</td><td>69 027</td><td>E4 061</td><td>48,455</td></t<>		A1 0C1		EO 270	69 027	E4 061	48,455
Plunkett loan         7,987         0         0         0           Mortgage         2,178         2,313         33,367         28,656           Tenant deposit         7,500         7,500         7,500         7,500         7,500           VAT payments due         1,046         1,405         1,404         1,516         1,           Corporation tax         -3,235         619         4,085         4,268         5,           Long Term Liabilities         15,476         11,837         46,356         41,940         14,           Long Term Liabilities         15,476         0         0         0         0           Plunkett loan         29,467         0         0         0         0           Mortgage         64,337         62,023         28,656         0           325,587         363,822         368,031         373,021         381,           Capital & Reserves         56,496         50,996         47,996         44,996         41,           Future refurbishment reserve         0         0         2,024         6,890         12,           Retained surplus income         -11,909         -3,174         2,011         5,135         11, <td>Current Liabilities</td> <td>41,801</td> <td></td> <td>30,370</td> <td>00,337</td> <td>34,001</td> <td>40,433</td>	Current Liabilities	41,801		30,370	00,337	34,001	40,433
Tenant deposit 7,500 7,5		7.987		0	0	0	0
VAT payments due 1,046 1,405 1,404 1,516 1, Corporation tax -3,235 619 4,085 4,268 5,  15,476 11,837 46,356 41,940 14,  Long Term Liabilities Plunkett loan Mortgage 29,467 0 0 0 0 Mortgage 93,804 62,023 28,656 0  293,804 62,023 28,656 0  Capital & Reserves Share capital 281,000 316,000 316,000 316,000 316, Grant reserve 56,496 50,996 47,996 44,996 41, Future refurbishment reserve 0 0 2,024 6,890 12, Retained surplus income -11,909 -3,174 2,011 5,135 11,	Mortgage	2,178		2,313	33,367	28,656	
Corporation tax  -3,235  619  4,085  4,268  5,  15,476  11,837  46,356  41,940  14,  Long Term Liabilities  Plunkett loan  Mortgage  29,467  0 0 0 0  64,337  62,023  28,656  0   293,804  62,023  28,656  0  Capital & Reserves  Share capital  Grant reserve  56,496  Future refurbishment reserve  0 0 2,024  6,890  12,  Retained surplus income  -11,909  -3,174  2,011  5,135  11,	Tenant deposit	7,500		7,500	7,500	7,500	7,500
Corporation tax  -3,235  619  4,085  4,268  5,  15,476  11,837  46,356  41,940  14,  Long Term Liabilities  Plunkett loan  Mortgage  29,467  0 0 0 0  Mortgage  93,804  62,023  28,656  0   28,656  0  Capital & Reserves  Share capital  Grant reserve  56,496  Future refurbishment reserve  0 0 3,000  316,000  31	VAT payments due	1,046		1,405	1,404	1,516	1,640
Long Term Liabilities           Plunkett loan         29,467         0         0         0           Mortgage         64,337         62,023         28,656         0           93,804         62,023         28,656         0           281,000         363,822         368,031         373,021         381,000           363,822         368,031         373,021         381,000         316,000	Corporation tax	-3,235		619	4,085	4,268	5,167
Description   Capital & Reserves   Capital & Reserves   Capital & Reserve   Capital							
Plunkett loan 29,467 0 0 0 0 Mortgage 64,337 62,023 28,656 0		15,476		11,837	46,356	41,940	14,307
Mortgage         64,337         62,023         28,656         0           Capital & Reserves           Share capital         281,000         316,000							
93,804 62,023 28,656 0  325,587 363,822 368,031 373,021 381,000 316,00		_		-	-		
325,587     363,822     368,031     373,021     381,000       Capital & Reserves     281,000     316,000     316,000     316,000     316,000     316,000     316,000     316,000     44,996     41,996     44,996     41,996     <	Mortgage	64,337		62,023	28,656	0	C
Capital & Reserves         Share capital       281,000       316,000       316,000       316,000       316,000       316,000       316,000       316,000       316,000       316,000       316,000       316,000       316,000       44,996       41,996		93,804		62,023	28,656	0	0
Share capital         281,000         316,000		325,587		363,822	368,031	373,021	381,842
Grant reserve         56,496         50,996         47,996         44,996         41,           Future refurbishment reserve         0         0         2,024         6,890         12,           Retained surplus income         -11,909         -3,174         2,011         5,135         11,	Capital & Reserves						
Future refurbishment reserve         0         0         2,024         6,890         12,           Retained surplus income         -11,909         -3,174         2,011         5,135         11,	Share capital	281,000	-	316,000	316,000	316,000	316,000
Retained surplus income -11,909 -3,174 2,011 5,135 11,1	Grant reserve	56,496		50,996	47,996	44,996	41,996
· <u> </u>	Future refurbishment reserve	0		0	2,024	6,890	12,228
225 507 262 022 260 024 272 024 200	Retained surplus income	-11,909		-3,174	2,011	5,135	11,618
325,58/ 363,822 368,031 3/3,021 381,		325,587		363,822	368,031	373,021	381,842

May enable us to repay all our debts by 2025; Alternatively, GMCP could invest in pub improvements