

THE GILDEN MORDEN COMMUNITY PUB LIMITED

**Guilden Morden
South Cambridgeshire**



BUSINESS PLAN

**For the acquisition of
The Three Tuns Public House
On behalf of the Community**

July 2018

Introduction and Disclaimer

The purpose of this Business Plan (Document) is to explain how the Three Tuns Community Group (TTCG) will work with investors from the community to purchase The Three Tuns (the Pub) from its current owner and reopen it so that it once again becomes a focus for social life in Guilden Morden, adding additional vibrancy to the village that has been missing since the business closed in January 2013.

This document has been produced for Guilden Morden Community Pub Limited (GMCP) by TTCG, which is a group of volunteers, supported by various bodies, seeking to protect Guilden Morden's only Asset of Community Value (ACV) for the benefit of the whole village.

This Business Plan contains detailed financial forecasts for the next 5 years. These projections have been reviewed by our expert advisers and a chartered accountant but have not been verified or audited by an external, independent organisation.

Any investment in GMCP should be made with care. This document is not produced to meet the criteria of the Financial Conduct Authority (FCA) for a share issue. Any share issue in the pub would be deemed to be a private transaction and would not carry any protection by the FCA.

The initial members of GMCP's Management Committee are members of TTCG. All members of TTCG and those that have helped to produce the Business Plan are listed in the Members and Supporters section of this document.

Members of the TTCG form the initial Management Committee of GMCP. Both TTCG and GMCP are referred to in this document.

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Executive Summary

- We can save The Three Tuns!
- Buying the Pub on behalf of the community will not only mean it is reopened, but that its future will be secured for future generations.
- The Three Tuns was an important social hub for the village for centuries prior to its closure in 2013. That is why it is designated as Guilden Morden's only Asset of Community Value (ACV) and why it has been sorely missed. The building is also listed as a significant heritage asset in a conservation area.
- The Pub was closed by Greene King in January 2013 and sold as a pub to the current owner for £295,000. The new owner subsequently submitted a planning application for change of use from a pub to a residential house. After a protracted planning battle lasting nearly four years, in November 2016 the Planning Inspectorate dismissed the application for change of use and confirmed the Pub's status as an A4 Drinking Establishment.
- In June 2017, TTCG incorporated Guilden Morden Community Pub Ltd (GMCP) as a Community Benefit Society registered with the FCA.
- GMCP's vision is for the community to buy The Three Tuns to safeguard the Pub's long-term future. The Three Tuns would return to its role as a community hub, offering a broader range of community-based facilities and services than ever before. As such it would enhance the social cohesion of the whole village, as well as providing greater employment opportunities and addressing growing issues of loneliness and social isolation.
- In August 2017 the owner put the property on the market at an asking price of £385,000. Under ACV legislation, GMCP had six months to raise funding to submit a bid for the Pub. Having raised over £300,000 in equity pledges, grants and loans, GMCP submitted a bid in January 2018. The initial bid was rejected, but GMCP has now agreed to buy the Pub for £325,000 subject to contract.
- GMCP has commissioned a structural survey by a qualified heritage surveyor. The property does need a lot of refurbishment work before it can reopen. The surveyor's report states "*A sensible budget for getting this property back into a usable and habitable condition would be £100,000*". This includes estimated costs and a contingency. These costs have been confirmed as realistic by a local building contractor.
- This Business Plan assumes an overall cost for purchase and refurbishment of £425,000, with a further £60,000 required for legal expenses, Stamp Duty and working capital. In total, therefore we need to raise £485,000.

- The business model for the Pub would be as a free house with strong support from its widespread local shareholder base. GMCP would lease the Pub to an experienced tenant who shares the community ethos and who would live onsite in the newly refurbished building.
- A Village Survey in late 2017 indicated widespread support for reopening The Three Tuns. The services and facilities that are most required are complementary to the other pub in the village, the Edward VII. The reopened Pub would specifically avoid direct competition, focusing instead on the services that the existing pub is unable to provide, such as dining facilities, a daytime café and the large, family-friendly garden.
- GMCP is seeking to raise a minimum of £200,000 in share capital from the community. Prior to submitting its bid in January 2018, GMCP received pledges to invest totalling £215,000 from 235 individuals – this has since risen to £225,000. This Business Plan is currently based on raising £300,000 in share capital.
- In addition, GMCP has been awarded £100,000 in grants and loans from the Plunkett Foundation. We will apply for additional funding from other community or heritage bodies, but we have not included any additional grants in this Business Plan at this stage.
- If we raise £300,000 in share capital and a further £100,000 from the Plunkett Foundation we will still have a funding shortfall of £85,000. This would be covered through a mortgage secured against the property. The valuation of a plot of 0.23 hectares in a popular village would provide considerable security for the lender, which in turn should be reflected in the terms of the loan.
- In 2017 GMCP commissioned pub property agent Everard Cole to assess the sales potential for the reopened Pub. They estimate the Pub is capable of generating turnover of £6,000 or more per week. To be prudent, the Business Plan assumes a lower sustainable turnover of £5,000 per week, or £260,000 pa. This would be split equally between wet sales and food. Based on national average margins and costs, we believe the tenant would comfortably afford the current proposed rent of £30,000 pa.
- The Business Plan assumes that the Pub will not achieve its full potential revenue in the first year. The rent will be discounted by 20% to £24,000 pa for the first 12 months (hopefully starting in the spring of 2019). The rent would be adjusted for inflation every three years.

- The rental income would cover the loan interest and running costs of GMCP from the start of the tenancy. In the first three years, the priority would be to pay off loans and GMCP will not pay interest on share capital during this period. Thereafter, the Business Plan assumes GMCP will be able to pay modest interest on share capital. This is not guaranteed and will depend on the financial position and performance of GMCP at the time.

History

The Three Tuns is a Grade II listed building in the heart of the village and within a conservation area. It has served Guilden Morden as a public house since at least 1851 (it is listed as such in the first census) and possibly much longer.

The Pub played a central role in village life for generations. It acted as the clubhouse and meeting place for a number of sporting, cultural and social groups and it was where a local, now well established, mobility charity was founded in 1990. The Pub also hosted a number of well attended community events (some in the garden) and seasonal festivities. It was of course where old friendships were cemented and new ones forged.

In the years prior to its closure in 2013, the Pub was owned by Greene King under a tied tenancy model. From 1953 to 2003 it had only two resident tenants. Between 2003 and 2006 the pub was leased to various tenants, one of whom was an experienced owner of a pub chain who tried to buy the pub from Greene King. When this bid failed, the individual who had managed the Pub on a day-to-day basis since 2003 took on the tenancy. This tenant ran the Pub from 2006 until its closure in 2013.

The new tenant upgraded the kitchen so the Pub could provide a comprehensive food offering for the first time, which was appreciated by many in the village and beyond; now more than ever the Pub was used for family celebrations and the like. The Three Tuns continued to be a thriving hub of the village and many were stunned when they learnt that it was to be closed and the property sold. This unexpected news in January 2013 led to the immediate formation of the Three Tuns Action Group (TTAG) and the successful application in March 2013 to list The Three Tuns as an ACV – a listing challenged by the current owner in 2014 but nonetheless upheld by South Cambridgeshire District Council (SCDC).

Local support for, and interest in, the reopening of The Three Tuns has remained strong and constant throughout the current period of its closure. When the owner submitted a planning application for change of use from a pub into a residential dwelling in 2015, an overwhelming majority of respondents objected. Refusal was also recommended unanimously by Guilden Morden Parish Council, by SCDC's Planning Committee and by our elected representatives on the District Council, the County Council and in Westminster. In November 2016, the Planning Inspectorate dismissed the owner's appeal and refused the application for change of use - The Three Tuns remains designated as an A4 Drinking Establishment.

Following the Planning Inspectorate's decision, TTAG decided the best way forward would be to seek community ownership for the Pub. TTAG broadened its membership and changed its name to the Three Tuns Community Group (TTCG). We sought to engage with the owner with a view to negotiating a sensible purchase price reflecting both the property's designation as a pub and the community's keen interest in buying it. Our attempts over several months were rejected by the owner.

In June 2017, with support from the Plunkett Foundation, GMCP was registered with the FCA as a Community Benefit Society. We then started discussions with SCDC with a view to initiating a Compulsory Purchase Order.

On 2nd August 2017, in accordance with ACV protocol, TTCG was informed by SCDC that the owner had put the Pub on to the market having kept it closed for nearly five years. The asking price was £385,000. GMCP quickly expressed an Intention to Bid, triggering a 6-month moratorium during which the owner could only sell to a recognised community group.

Having raised in excess of £300,000 in equity pledges, grants and loans, GMCP submitted a bid to buy the property in January 2018 shortly before the moratorium expired. That bid was rejected, but we have subsequently negotiated to buy the Pub for £325,000 subject to contract.

With the support of the village it is now time for The Three Tuns to begin a new phase under community ownership to secure its future serving the village for years to come.

Vision and Benefits to the Community

Our vision is to secure the long-term future of The Three Tuns as a flourishing, family-friendly pub for the benefit of Guilden Morden. We will do this by vesting ownership in a Community Benefit Society (CBS) controlled by the community and by running the Pub profitably. Our aspiration is to have an attractive pub at the heart of the village with a warm and welcoming atmosphere and a strong community ethos.

We envisage a reopened and revitalised Three Tuns as the 'go to' place for all sections of the community to socialise. It will be a vibrant hub of conviviality which, in being so, will increase social cohesion and decrease social isolation within the village. We also expect that the Pub will develop its own strong identity that will help to attract visitors, be they day trippers, cyclists or walkers. It will be a haven of hospitality for one and all.

We intend to:

- *Be caring custodians and ensure the long-term sustainable future of The Three Tuns as a public house.*
- *Sympathetically refurbish the Grade II listed building at the heart of the conservation area and restore it to a traditional village pub with a garden. In doing so we will employ local tradespeople or use the help of volunteers where appropriate.*
- *Appoint a tenant with a clear vision of the future business of the Pub and who shares the community values and aims of the members. Other members of staff will be recruited locally.*
- *Provide good quality seasonal food sourced from local suppliers where possible and serve a selection of real ales, traditional ciders and wines as well as lagers, spirits et cetera.*
- *Provide facilities and services that complement rather than compete with those of the Edward VII public house so that the village retains two pubs in the long term each with its own distinctive character.*
- *Reach out to everyone in the village, so that they all see The Three Tuns as "the community's" Pub, and develop an exciting calendar of social and cultural events driven by popular demand.*

The Three Tuns cannot be all things to all people but we will ensure there is something for everyone.

Guilden Morden Community Pub Ltd

GMCP is a Community Benefit Society (CBS) registered with the FCA (No. 7583) on 21st June 2017 as the legal structure to procure and operate The Three Tuns. The FCA registration is contained in Appendix 01.

Initial pledges indicate sufficient interest to proceed with acquisition of the Pub, but it is recognised that capital funding will be required to acquire the premises and to renovate and refurbish it to an acceptable level. Once complete, the Pub will be leased out to a suitable tenant ensuring long-term success can be achieved. This approach is supported by The Pub is the Hub and the Plunkett Foundation - both of which seek to preserve community assets and both have contributed to the development of this Business Plan.

Community Benefit Societies

The Co-operative and Community Benefit Societies Act came into force on 1st August 2014. It replaced the 'Industrial and Provident Society' legal form with the Co-operative Society and the Community Benefit Society.

The main difference between a co-operative and a CBS is that a CBS operates for the benefit both of its members and of the wider community and can use profits to reinvest in the business or distribute to good causes. By contrast, a co-operative society operates primarily for the benefit of its members and, as well as being able to reinvest in the business, it allows the co-operative to distribute dividends to shareholders.

Key points of a CBS are:

- *Governance is democratic. Anyone who buys the minimum number of shares becomes a member of the CBS. Each member then has one vote to exercise at the Members' General Meetings regardless of how many shares they hold.*
- *The members elect a Management Committee to oversee strategic operations and the business's finances.*
- *There is open membership where new members are encouraged to join and become involved as part of the widest possible community ownership.*
- *Investment may be in the buildings and land and exclude the licensed business, which would be operated by a tenant (this is the proposed model of GMCP).*
- *It is possible for the CBS to pay interest to members on share capital or on loans, but any interest paid shall be modest and in accordance with the Rules.*
- *Profits or assets must not be distributed to the members, but used to further the objects of the CBS.*
- *Assets in excess of the original capital may not be distributed to its members on dissolution but must be transferred, for example, to another body with similar objectives.*

- *Withdrawals of share capital can only be funded from trading profits or the proceeds of a fresh issue of shares and are payable at the sole discretion of the Management Committee.*

Membership of the Plunkett Foundation facilitates access to grant funding. It also enables access to loan finance from ethical lenders including Triodos Bank, Ecology Building Society and Co-operative and Community Finance, all of which have in-depth experience of communities owning and running their own businesses. The Plunkett Foundation provides a service of incorporation which includes model rules, which have been approved by the Mutual Societies Association and the FCA. GMCP has adopted these rules without modification. The model rules can be found on our website:

<https://www.thethreetunguilden.co.uk>

For details of the Management Committee of GMCP please see page 34.

Pub Market

Despite the overall number of pubs declining in the last 40 years, the freehold values of pubs increased ten-fold from 1975 to a peak in 2007 (*source: Christie & Co*). This was a result of wider trends in the property sector but in addition, during much of this period large pub estates were built up by pub owning companies (Pubcos) using cheap debt, hence increasing demand.

However, in 2007 the market faltered and there has been a dramatic reversal with values falling before plateauing in recent years. Much of the fall was due to the impact of the financial crisis on the Pubcos which consequently have been selling assets to pay down their debt.

The decline in the value of pubs has also been accentuated by competitive pressures on drink sales and changing patterns of leisure time usage. This is confirmed by a recent Campaign for Real Ale (CAMRA) report in August 2016 that pubs are being forced out of business by cheap supermarket prices, high beer taxes, and the high rents and wholesale beer prices charged by pub owning property companies, which together have put a significant strain on the traditional tied pub tenancy model. This model has become increasingly uneconomic, particularly in rural locations.

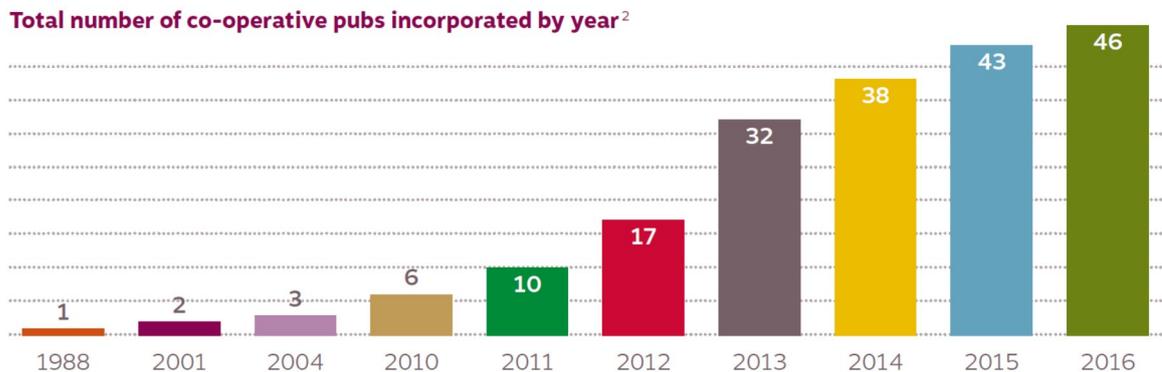
As a result of these pressures the nature of pub ownership is changing. The large estates of the Pubcos are being broken up and numerous properties are either being closed or are passing into the hands of individuals or small groups. Hearteningly, the rate of closure has started to attenuate and in 2016 stood at an average of 10 pub closures per week (*Source: BBPA*) compared with 28 per week in 2013 (*Source: CAMRA*).

It has become clear that the traditional tied pub owning model has become inflexible and increasingly uncompetitive. The traditional model separates the pub owner from the pub operator. The pub owner has charged high rents and generally been slow to invest capital in the property. The pub operator has struggled with weak sales, high tied beer costs, an unaffordable rent and insufficient capital to invest in the asset. This is a vicious circle, which leads to a loss of incentive and subsequent poor management of the pub, resulting in poor performance, declining sales and a deteriorating property.

Increasingly, smaller and better managed independent groups are now emerging to acquire and invest in pubs using a more integrated model. Similarly, communities are increasingly mobilising and buying these under-performing assets, operating them through tenancies for the benefit of the local community.

Community ownership of pubs used to be very rare but has increased significantly in recent years. At end 2016, the Plunkett Foundation reported that 46 pubs were now co-operatively owned by communities in the UK, with the sector growing quickly. In addition, there were a further 90 community groups actively seeking reacquisition of their local pubs. The recent growth of community ownership has in part been due to

the changes of the 2011 Communities Act which gave communities the power to list pubs as ACVs.



Source: Co-operative pubs, A better form of business. Plunkett 2017

There are examples of pubs close to Guilden Morden which are owned by their local community. These include:

- *The Hare and Hounds, Harlton – bought by the community in 2017*
- *The Green Man, Thriplow – bought by the community in 2013*
- *The Red Lion, Preston, Hitchin – bought by the community in 1982*

Although still a relatively young sector, to date there have been no co-operative pub closures in the UK, therefore maintaining a survival rate of 100%. Regardless of the age of the sector, this is still a remarkable achievement, considering the 5-year survival rate of all UK small businesses is only 41% (Source: Office for National Statistics).

Village Survey Results

Survey of Individuals

In early September 2017, GMCP sent a survey sheet to every household in the community of Guilden Morden. The Survey questionnaire and final results are shown in Appendix 03. The closing date for the survey was 8th October 2017.

There are approximately 400 houses within the community with a total population of 986 persons of which the estimated adult population, aged over 20, is 680. At the close of the survey, 181 questionnaires had been returned. The gender split (question 7) was almost exactly equal between men and women.

There was strong support for The Three Tuns, with 89% agreeing or strongly agreeing that the Pub should be saved (question 1) and 91% stating that it was important or very important to them for the Pub to reopen (question 2). Only 3% disagreed that the Pub should be saved.

The survey highlighted the community's need for a traditional pub serving food and open during the day. When asked what use they would make of the reopened Pub (question 3) the highest five responses were:

- Home-cooked, traditional pub food 90%
- Dinner with friends 67%
- Quiet drink 63%
- Pub garden 56%
- Sunday lunch 48%

While the most common use (question 4) was expected in the evening at 85%, there was also support to use the Pub as a café during the day, with about 30% definitely wanting to do so and another 40%+ saying they might.

There is also keen interest in providing financial support to enable the Pub to reopen either through purchasing shares, providing loans or making a donation. In total 132 respondents (73% of the total completing the survey) ticked one or more of these boxes.

Survey of Groups

Several groups within the village meet on a regular basis and these were asked to complete a survey to determine the potential use they would make of a reopened The Three Tuns. Eight groups responded (Appendix 04). In general, the Pub would be used either as the location for their meeting or as a venue post-meeting for a drink and chat. There was also a strong desire to have a facility within the village for major gatherings such as Christmas lunch/dinner and celebrations.

Survey of Businesses

Six businesses answered the survey (Appendix 05). There are similarities to the group survey with regard to having meals for special occasions but the emphasis was on

making use of the Pub's proposed morning and afternoon openings to be able to hold meetings and buy refreshments.

Sources of Advice

In the preparation of this Business Plan we have been assisted and guided by the following people and organisations:

Plunkett Foundation

The Plunkett Foundation supports people, predominantly in rural areas, to set up and run community co-operatives; enterprises that are owned and run democratically by large numbers of people in their community. They currently represent a network of over 500 rural community co-operatives, including shops, cafes and pubs that are trading across all parts of the UK. The Foundation has provided TTCG with advice on business planning, engaging with the community, marketing, financial management, governance, legal structures and raising finance. The Plunkett Foundation has also provided financial support by way of a £2,500 bursary to cover professional fees and other initial costs.

Planning For Pubs Ltd

Dale Ingram from Planning For Pubs Ltd is an historic buildings and planning consultant specialising in the conservation of pubs and breweries. TTCG engaged Dale's help in defending the pub from a change of use application by the current owner. Dale supported us through the preparation of a detailed report to SCDC Planning Committee and at the Planning Inspector's meeting considering the appeal by the owner to SCDC's rejection of the planning application.

Campaign for Real Ale (CAMRA)

At the start of our campaign, we received valuable support and advice from Andy Shaw at CAMRA, particularly with respect to getting The Three Tuns registered with SCDC as an ACV which we successfully achieved with the support of Guilden Morden Parish Council.

More than a Pub: The Community Pub Business Support Programme

This is a three-year Government funded programme worth £3.62m established to help support community ownership of pubs in England. The Plunkett Foundation is leading this programme and delivering it in collaboration with Co-operative & Community Finance, Keyfund, CAMRA, Co-operative Mutual Solutions, Pub is the Hub and Locality. As part of the programme, The Plunkett Foundation has allocated £100,000 in a grant and unsecured loan package to support the community bid for The Three Tuns. In addition, they have funded the services of an expert adviser, Alan Collard, to support TTCG, in particular with the preparation of this Business Plan and the share issue.

Pub is the Hub

Pub is the Hub has allocated an expert adviser, Bernard Lee, to GMCP to help us in establishing a successful pub business. Bernard has many years' experience in the trade and has provided input on our Business Plan. He will also provide guidance in the recruitment of a suitable tenant.

We are grateful and indebted to all of the above for their expertise, support and, above all, their encouragement.

Local Demographics

Guilden Morden is a rural village in South Cambridgeshire close to the borders with Bedfordshire and Hertfordshire. The following data is taken from a Housing Needs Survey carried out in January/February 2015 by Cambridgeshire ACRE (Action with Communities in Rural England):

- *“Guilden Morden has a population of about 986 (2011 census) in its 400 dwellings. There is a primary school, church and pub (the Edward VII). There are also a broad range of local clubs and societies. Other services have to be accessed from further afield. There is a post office in neighbouring Steeple Morden and doctors and dental surgeries are available in Ashwell. The parish is in the catchment area for Bassingbourn Village College.*
- *Guilden Morden is a wealthy parish. The median household income is £43,500 compared with a South Cambridgeshire average of £36,000. Benefit dependency levels for working age and retirement age populations are low. For example, the numbers of working age Department of Work & Pensions claimants, Housing and Council Tax Benefit claimants, Income Support claimants and Pension Credit claimants are all well below the national average. However, there do remain small numbers of households facing real hardship in the parish. In contrast, economic activity rates are high. There are particularly high levels of self-employment and people working from home.*
- *Guilden Morden is also a highly-qualified community. Four out of 10 people aged over 16 are qualified to Higher Education level. Over half of employed people work in managerial, professional and associate professional occupations. Both of these proportions are considerably higher than in Cambridgeshire or England. In contrast, only one in twenty works in elementary occupations, about half the national rate. Whilst employment opportunities in Guilden Morden are limited, access to the A1 and A505 and a rail link to London Kings Cross from Ashwell and Morden station, mean that a broad range of labour markets are commutable.*
- *Guilden Morden had a distinctive age profile, typical of many rural parishes. The parish has average proportions of school age children and people over retirement age. However, there are two significant features to the profile. Guilden Morden only has 9% of its population aged 20 to 35 (21% in Cambridgeshire). In contrast, 36% of the parish population is aged 45 to 64 (25% in Cambridgeshire).*

- *Three quarters of properties in Guilden Morden are owner occupied. This is higher than Cambridgeshire (66%) but, again, not untypical of a rural community in the county. Social rented and shared ownership accommodation is broadly in line with the Cambridgeshire average. However, private rented accommodation is in scarce supply.*
- *Almost nine in ten properties in Guilden Morden are detached or semi-detached. The remainder are largely terraced houses. There are only four flats in the parish. This profile is again fairly typical of a wealthy rural community in Cambridgeshire.*

SCDC is currently considering three significant housing developments in Guilden Morden - up to 16 houses in Thompsons Meadow and 20 houses in Dubbs Knoll Road. This is likely to add to the number of children attending the village primary school and increase demand on local services, including public houses.

From the data and the results of the survey given above, it is concluded that there is, and will increasingly be, a high demand among the local community for pubs providing good quality food and drink and a particular requirement for such a pub to be within walking distance of home.

Looking wider afield, a demographic report for a pub in nearby Ashwell (3 miles from Guilden Morden) noted that over 260,000 people live within 20 minutes' drive, with disproportionate representation relative to national average from higher income households (*source: Charles Wells website in respect of the Bushel & Strike*).

Competition from Other Pubs

In the 19th and early 20th centuries, when Guilden Morden employed many farm labourers, there were as many as 9 public houses in the village. All but two of the pubs had closed by the mid 1900s and, following the closure of The Three Tuns in 2013, the only remaining pub in the village is the Edward VII.

The **Edward VII** is a 'wet sales' pub with two bars each with a TV showing predominantly sporting events. It also has a pool table, a dart board, an outside boules pitch and a small garden. It is closed Monday to Thursday lunchtimes.

Other village pubs within a five-mile drive, which are open for food lunchtimes and evenings, 7 days a week (unless otherwise stated):

The Waggon and Horses, Steeple Morden (pop 1078)*

Pig and Abbot, Abington Pigotts (pop 162)*

The Three Tuns, Ashwell (pop 1870)*

Rose and Crown, Ashwell (pop 1870)*

The Hoops, Bassingbourn (pop 3583)*

The Jester, Odsey (pop included with Steeple Morden)*

The Crown, Litlington (pop 877)*

- No food Monday lunchtime

The March Hare, Dunton (pop 696)*

- Open evenings 7 days a week and lunchtimes on Sat / Sun. No kitchen, but take-aways can be ordered to be served and eaten in the pub.

The Chequers, Wrestlingworth (pop 850)*

- No food Monday lunchtime

Bushel and Strike, Ashwell (pop 1870)*

- Closed Monday

The Belle, Bassingbourn (pop 3583)*

- No food Monday lunchtime. The pub is also open from 09:30 on Fri / Sat / Sun for breakfast

** Population figures from 2011 census.*

Guilden Morden is therefore one of the few villages in the immediate area without a pub serving food and open during the day at least 6 days a week. Other villages with populations far smaller than Guilden Morden (for example, Abington Pigotts, pop 162) support a thriving pub, drawing in custom from a wide area. Our plan for The Three Tuns is that on at least 6 days a week it will open for food at lunchtimes and evenings, and also for tea and coffee during the day. We believe there is a demand for this from within Guilden Morden and beyond.

Financial Viability

Introduction

GMCP Management Committee has decided that the long-term success of The Three Tuns Pub is best served by appointing a suitable tenant as soon as the refurbishment is complete. The pub trade is complex and requires specialist knowledge and experience. The local community may have huge enthusiasm for reopening the Pub, but it does not have the necessary skills, experience or time to manage the business effectively.

Against this background, this Business Plan assesses the financial viability of the Pub from two perspectives. First, it considers whether the Pub would be viable for the tenant after paying rent to GMCP. Second, it considers the level of rent required to enable GMCP both to cover its administration and funding costs and to build up prudent financial reserves over time.

The two issues are considered separately, but they are related. If the tenant is able to generate a higher level of turnover, the business will be able to sustain a higher level of rental income for GMCP. Similarly, if GMCP needs to set a higher rental income to be financially sustainable, it will only be possible to find a suitable tenant if the potential operating profit of the Pub is sufficiently high to justify this.

The financial forecasts below are uncertain. The Pub has been closed for nearly five years, so we have based our revenue forecasts on other village pubs where data is available. Similarly, the funding costs of GMCP are not clear given we do not yet know the financing mix between share capital, loans and grants. The forecasts below are intended to be both realistic and prudent.

Before considering the viability of the Pub in future, however, we need to address the issue of why it closed in 2013.

Why was The Three Tuns closed in 2013?

The decision by Greene King to sell The Three Tuns reflected the company's business strategy during the recession of focusing on larger pubs in larger population centres. Greene King subsequently sold a large part of its village pub estate, including the Waggon and Horses in Steeple Morden and The Crown in Litlington. Against this background, it is not surprising that the company decided to close The Three Tuns in January 2013 rather than make the required investment in the fabric of the building to comply with new regulatory requirements.

The business model of village pubs under brewery ownership has been challenging for many years. The brewery tie requires a tenant to pay a higher than market price for beer and other brewery products, which puts them at a cost disadvantage relative to free houses. If the tenant was successful despite the cost disadvantage, the brewery would often raise the rent significantly at the next rent review. As a result, a tenant has little incentive and often little capital to invest in the property.

Neither Greene King nor successive tenants had invested to maintain the fabric of The Three Tuns for over 25 years, although the last tenant did redecorate the public areas and upgrade the kitchen to be able to provide food. The Three Tuns suffered under the brewery ownership model, but if reopened it would be a free house with a much more competitive cost structure. It would also have the support of the community as owners and be newly refurbished, so it would have a far more robust business case. This would make it more attractive both to customers and to a potential tenant.

Financial Viability for the Tenant

It is not easy to define accurately the revenue potential for The Three Tuns in Guilden Morden. The Pub has been closed for nearly five years and was previously operating under the constraints of the brewery tie. The economic environment in the years preceding the Pub's closure was also very different from today.

The financial forecasts in this Business Plan are conservative and based on the turnover achieved by other pubs, to the extent that such information is available. In particular, we have considered village pubs with similar facilities – notably offering food and a garden.

We have been advised by Everard Cole, a commercial property agent specialising in pubs, that The Three Tuns is capable of generating weekly turnover of £6,000 or more, net of VAT, although it may take a few years to achieve this.

We have based our forecasts on a sustainable turnover of £5,000 per week. This is consistent with the business model for the local community's purchase of the Hare and Hounds in Harlton (*source: Hare & Hounds (Harlton) Community Owned Pub CIC Ltd Business Plan 2017*). This in turn reflects the turnover achieved in recent years by the Hare and Hounds, a property of similar size to The Three Tuns, but in a village roughly one third the size of Guilden Morden.

The financial assumptions used for determining the potential profitability for the tenant are based on the latest national average cost data for tied lease pubs published by the British Beer & Pub Association (*source: British Beer & Pub Association 'Running a Pub' July 2017*). We have used the category 'rural character £5,000 per week'.

Our central assumption is that The Three Tuns will achieve sales of £5,000 per week, or £260,000 pa. It is expected that food will comprise roughly half of sales. BBPA data indicates an average gross margin of 55% on wet sales and 62% on food. The Business Plan assumes the average gross margin on wet sales for a free house will be 5% higher, at 60%, reflecting the ability of a free house to source beer and other drinks at market rates. The gross margin on food is assumed to be in line with the national average at 62%.

We have also shown the impact of revenue being either materially lower (£4,000 per week) or materially higher (£6,000 per week). It is worth noting for comparison that the Rose & Crown in Ashwell has an expected revenue in excess of £7,000 per week (*source: Greene King website of available leases*) and the Bushel & Strike also in Ashwell has an expected revenue of over £8,500 per week.

Our analysis of rents paid by tied pubs, suggests this is typically between 8% and 12% of turnover with annual adjustments for Retail Price Inflation (*source: Greene King and Charles Wells websites of available leases*). In addition, a tenant in a tied pub would be required to pay a premium for the brewery's products – this is often referred to as an additional 'wet rent'. The Business Plan assumes that the rent payable to GMCP would

be £30,000pa, or around 12% of expected turnover, with no wet rent. We would review the rent every three years, with an expectation this would rise in line with the Retail Price Index, which we think is a sensible long-term trend for the growth in the Pub's turnover. The rent would include the tenant's living accommodation above the Pub, which would be made habitable as part of the refurbishment of the building.

Tenant Profitability

Sales achieved	Low case	Central case	High case
	£4,000/week	£5,000/week	£6,000/week
Turnover	£pa	£pa	£pa
<i>Drink sales</i>	104,000	130,000	156,000
<i>Food sales</i>	104,000	130,000	156,000
Total sales	208,000	260,000	312,000
Cost of sales			
Drink	41,600	52,000	62,400
Food	39,520	49,400	59,280
Total cost of sales	81,120	101,400	121,680
Gross profit	126,880	158,600	190,320
Operating costs			
Wages & salaries	41,600	52,000	62,400
Premises costs	16,640	20,800	24,960
Insurance	1,456	1,820	2,184
Marketing/promotion	2,080	2,600	3,120
Consumables	1,248	1,560	1,872
Waste disposal/hygiene	2,080	2,600	3,120
Professional fees	2,080	2,600	3,120
Bank charges	1,040	1,300	1,560
Equipment hire	1,040	1,300	1,560
Other	2,912	3,640	4,368
Total operating costs	72,176	90,220	108,264
Operating profit	54,704	68,380	82,056
Rent paid to GMCP	30,000	30,000	30,000
Tenant income after GMCP rent	24,704	38,380	52,056

Comparisons with Other Pubs

The table below details the turnover and rents proposed for a range of pubs within 40 miles of The Three Tuns advertised recently as available to lease. Each pub listed varies in location, size, character and facilities. We have excluded pubs which rely mostly or entirely on wet sales or which have no parking or garden. The number of covers for dining is a rough guide to the size of each pub. Most of these leases are offered with a brewery tie requiring the tenant to source beer and other drinks from the brewery.

It is clear from the table that the rent proposed in the Business Plan will be attractive for a prospective tenant, particularly given the lease would not have a brewery tie. It is also clear that the turnover projections used to justify the rent are prudent relative to the turnover achieved by or expected from similar sized pubs elsewhere.

Pub	Location	Brewery/agent	Covers	Turnover £000 pa	Rent £000 pa
Business Plan for The Three Tuns	Guilden Morden		60	260	30
Rose & Crown	Ashwell	Greene King	58	382	34
Bushel & Strike	Ashwell	Charles Wells	60	450	36
King William IV	Fenstanton	Greene King	60	405	30
Red Lion	Biggleswade	Greene King	20	308	35
Chequers	Stotfold	Greene King	60	414	38
Cock	Stansted	Greene King	30	403	36
White Hart	Fulbourn	Greene King	65	590	68
Plough	Saffron Walden	Greene King	40	429	48
White Horse	Tilbrook Swaffham	Charles Wells	50	350	28
Black Horse Inn	Bulbeck	Charles Wells	60	335	35
The Plough	Simpson	Charles Wells	50	405	29
Lytton Arms	Old Knebworth	Fleurets	66	650	62
Chequers	Cottenham	Everard Cole	60	390	42
Black Bull	Huntingdon	Enterprise Inns	64	370	31
Mondaz	Brampton	Everard Cole	60	Closed	30

All data sourced from relevant websites on 12th October 2017

Financial Viability for GMCP – Key Assumptions

The financial forecasts for GMCP are subject to a significant degree of uncertainty. While the acquisition cost is agreed subject to contract at £325,000 + VAT, many other important financial variables are not known. The most significant are:

- Refurbishment cost
- Amount raised from the community through shares and loans
- Access to grants and loans

Refurbishment Cost

GMCP has commissioned a detailed structural survey from a qualified heritage surveyor specialising in pubs. The survey identifies necessary refurbishment required before the pub can be reopened, additional works that are required to make the living accommodation habitable and longer-term projects that would enhance the pub's facilities and improve rental potential.

The surveyor's report states "*A sensible budget for getting this property back into a usable and habitable condition would be £100,000*". This includes estimated costs of £88,000 and a contingency to cover cost overruns. These costs have been confirmed as realistic by a local building contractor.

VAT would be payable on both the acquisition and the refurbishment costs, but GMCP would be able to reclaim any VAT charged. We will arrange the borrowings including the mortgage in a way that covers the cash flow impact of the delay in recovering VAT.

Amount Raised in the Share Offer

The target for the issue of share capital is between £200,000 and £300,000. This Business Plan is based on an optimistic but achievable share subscription of £300,000. This would enable the community to buy the Pub, funding expenses, VAT and subsequent refurbishment costs through a combination of share capital, short-term and long-term loans and grants.

If the Share Offer raises less than £300,000, GMCP would need to borrow more to complete the refurbishment, which would restrict the reserves to be built up due to higher loan repayments and interest charges.

The Management Committee believes that more local residents will want to invest in the pub now that the purchase is proceeding. We believe it is realistic to raise up to £300,000.

Access to Grants and Loans

GMCP has been awarded the maximum grant and loan facility of £100,000 from the More Than A Pub Programme administered by the Plunkett Foundation.

The Plunkett Foundation funding package comprises a combination of a grant from the Foundation and an unsecured loan from Cooperative and Community Finance (CCF). The loan would be repayable over 7 years at an interest rate of 8% pa and would sit alongside a grant up to the same value. While the loan has a higher interest rate than other sources of funding, the combination with the grant means that the aggregate cost in interest and capital repayments is only 65% of the capital provided.

Once GMCP has bought the pub, TTCG will also apply for grants from other bodies supporting either heritage or community projects. For the purpose of the Business Plan we have only included funding from the Plunkett Foundation.

This Business Plan indicates GMCP will also need to secure a mortgage from a bank to finance expenses and the refurbishment programme. The size of the mortgage will depend on the amount raised in share capital. The Management Committee has established that loans for community pubs can be obtained from banks specialising in community-based projects, such as CCF or Triodos Bank.

We have based our assumptions in this Business Plan on the terms currently offered by a community specialist bank. These are for a Loan-to-Value (LTV) of up to 65% of the property acquisition cost, an interest rate of 6% pa and a 20-year repayment term. We believe these are conservative assumptions and that it may be possible to improve on these terms, particularly if sufficient share capital is raised to reduce the proportion required from debt finance.

Viability for GMCP – Financial Forecasts

A five-year annual cash flow forecast for GMCP is shown below, together with forecasts for the profit & loss account and the balance sheet. The forecasts are based on our central assumptions that the cost of acquiring and refurbishing the pub will be around £445,000 (exc VAT but including stamp duty and expenses) and that GMCP raises £300,000 in share capital.

We have based our projections on the essential refurbishment taking up to 3 months. We would expect a tenant to take the lease from April 2019 onwards at the latest. We recognise that it will take a while for the business to achieve its full potential, so we have projected a rental level that is discounted by 20% for the first 12 months, rising to £30,000 pa in 2020. The rent would be adjusted for Retail Price Inflation every three years, so it would rise to say £32,800 pa in 2022 and to £35,800 pa in 2025. These expectations are based on RPI averaging 3% pa.

We believe it is important to incentivise the tenant to grow the business without fear of having the rent increased at each review. The rent required is also deliberately set at a competitive level to allow the community to specify services that might not otherwise be commercial for the tenant – in particular, longer opening hours and daytime café services staffed by volunteers.

It would be normal for a tenant to make a payment at the start of a tenancy to cover the value of fixtures and fittings, stock, furniture, glassware, crockery, etc. This Business Plan has not included any such entry payments because it is not yet clear what would be required. Initial payments would be included in any negotiation with a prospective tenant and may reduce the level of borrowings required.

The cash flow forecast shows that GMCP would maintain a sensible cash reserve throughout the next five years. Each year the Management Committee of GMCP would determine whether the financial performance of the business could support the payment of interest on capital. The Business Plan assumes that the Management Committee would not authorise any interest payments for the first three years, but that thereafter it would be possible to pay modest interest on share capital at a maximum of 2% over the base rate.

Our longer-term projections indicate loans from the bank and the Plunkett Foundation would be maintained at low Loan to Value (LTV) ratios although they will inevitably be higher in the event that the share offer raises lower amounts than hoped for.

Assumptions in the financial projections:

- *VAT on the initial property purchase will be recovered two months after being incurred*
- *Bank loan based on terms offered by CCF – 6% pa over 20 years*

- *Completion of the purchase in October 2018 with refurbishment continuing into January of 2019 – the tenant will start paying rent at a reduced level in April 2019 and at a full rate from April 2020*
- *Rent is set at £30,000 pa and adjusted in line with the retail price index (RPI) every three years – this would be discounted by 20% for the first 12 months in recognition of the need to build the business over time*
- *No interest is paid on share capital until 2022 and thereafter it is paid at a modest rate subject to a maximum of 2% pa over the base rate (investors should note that interest payments are not guaranteed)*
- *Interest will only be paid on shareholdings of £1,000 or more – the administrative costs of interest payments on smaller investments would be prohibitive*
- *No share capital withdrawals will be allowed until 2022 and thereafter they would be permitted only if the Management Committee judges this will not conflict with the long term financial viability of the CBS.*

Guilden Morden Community Pub Limited
Summary Cash Flow
Forecast

	2018	2019	2020	2021	2022
	£	£	£	£	£
<u>Inflows</u>					
Share capital	300,000				
Plunkett grant	50,000				
Plunkett loan	50,000				
Short term loan	65,000				
Mortgage advance	85,000				
Rental income		21,600	34,200	36,000	38,504
VAT refunds	67,100	20,000			
Total Inflows	617,100	41,600	34,200	36,000	38,504
<u>Outflows</u>					
Property purchase	390,000				
Stamp duty	9,000				
Legals	12,600				
Refurbishment	80,000	40,000			
Insurance	1,600				
Maintenance		4,800	5,600	6,000	6,400
Shareholder interest					9,000
Plunkett loan repayments	1,559	9,352	9,352	9,352	9,352
Short term loan repayments		65,000			
Mortgage repayments	1,218	7,308	7,308	7,308	7,308
VAT payments		2,800	4,700	5,067	5,417
Corporation tax				2,732	2,814
Total Outflows	495,977	129,259	26,959	30,458	40,290
Net Inflows / Outflows	121,123	-87,659	7,241	5,542	-1,787
Opening Balance		121,123	33,464	40,705	46,247
Closing Balance	121,123	33,464	40,705	46,247	44,461

Guilden Morden Community Pub Limited
Summary Income & Expenditure Forecast

	2018	2019	2020	2021	2022
	£	£	£	£	£
<u>Income</u>					
Rental income		18,000	28,500	30,000	32,086
Plunkett grant	50,000				
Total Income	50,000	18,000	28,500	30,000	32,086
<u>Expenditure</u>					
Maintenance / refurbishment		4,000	4,667	5,000	5,333
Insurance	1,600				
Shareholder interest					9,000
Interest on Plunkett loan	664	3,725	3,258	2,752	2,205
Interest on short term loan					
Interest on mortgage	849	5,016	4,874	4,724	4,565
Total Expenditure	3,113	12,741	12,799	12,476	21,103
Surplus Income over Expenditure	46,887	5,259	15,701	17,524	10,984
<u>Provisions</u>					
Corporation tax	-591	999	2,983	3,329	2,087
Future refurbishment	0	4,500	7,125	7,500	8,022
Retained Surplus	47,479	-240	5,593	6,694	875

Guilden Morden Community Pub Limited

Summary Forecast Balance Sheet

	2018	2019	2020	2021	2022
	£	£	£	£	£
<u>Fixed Assets</u>					
Freehold investment property	411,167	444,500	444,500	444,500	444,500
<u>Current Assets</u>					
Bank balance	121,123	33,464	40,705	46,247	44,461
VAT refunds due	13,333				67
Total Current Assets	134,457	33,464	40,705	46,247	44,527
<u>Current Liabilities</u>					
Plunkett loan	5,627	6,094	6,599	7,147	7,740
Mortgage	2,292	2,433	2,584	2,743	2,912
Short term loan	65,000				
VAT payments due			67		
Corporation tax	-591	408	3,391	3,989	3,262
Total Current Liabilities	72,327	8,935	12,641	13,879	13,915
<u>Long Term Liabilities</u>					
Plunkett loan	43,478	37,385	30,785	23,638	15,898
Mortgage	82,339	79,906	77,322	74,579	71,667
Total Long Term Liabilities	125,817	117,290	108,107	98,217	87,565
Total Assets less Liabilities	347,479	351,739	364,457	378,651	387,548
<u>Capital & Reserves</u>					
Share capital	300,000	300,000	300,000	300,000	300,000
Future refurbishment reserve		4,500	11,625	19,125	27,147
Retained surplus income	47,479	47,239	52,832	59,526	60,401
Total Capital and Reserves	347,479	351,739	364,457	378,651	387,548

Implications for Investors of the CBS Structure

The Share Offer will seek to raise a minimum of £200,000. If the minimum is not raised the share issue and the purchase of the Pub by the community will not proceed and any monies raised will be returned to investors after settlement of any debts.

The main implications of the CBS structure for investors are:

- *A CBS is governed on the principle of one member one vote*
- *A CBS is a corporate entity with limited liability*
- *The minimum investment in GMCP is £250 and the maximum investment by any individual is prescribed by legislation - currently 30% of the share capital or £100,000, whichever is lower. In the case of GMCP there will be a maximum investment limit of £40,000*
- *There is no scope for individuals to make a capital profit; the share price cannot exceed its nominal value, but it can fall in value if the financial performance of the business is poor*
- *There is an asset lock; if a CBS's assets are sold, the most an individual investor can receive back is the nominal value of their original investment and accrued interest - any surplus would be distributed to other community bodies or charities*
- *Financial returns through interest payments on share capital have to be modest and are constrained by the Rules governing a CBS*
- *Shares cannot be sold except back to GMCP; investors have to give three months' notice of an intention to withdraw*
- *Neither interest payments nor share withdrawals are guaranteed and are at the absolute discretion of GMCP's Management Committee, which is required by Society's Rules to ensure the long-term financial sustainability of the business*

Conclusion

The financial forecasts demonstrate that The Three Tuns would be viable as a community owned pub.

From a tenant's perspective, the rent is attractive relative to other pubs available within 40 miles and is based on prudent turnover projections.

The proposed rent is sufficient to cover the expected funding costs of GMCP and to allow the business to establish a suitable financial reserve. In due course, it should also enable GMCP to pay interest on share capital to investors, although any such payments will be entirely at the discretion of the Management Committee at the time; investors should not assume this is guaranteed.

Key Risks Associated with the Business Case

The key risks associated with the business case are set out below together with the proposed mitigating actions to be taken to address these risks.

Risk 01: The owner does not proceed with the sale at the agreed price

Description

The community bid is below the asking price. The owner may be approached by other bidders offering more or simply choose not to sell at this time.

Mitigating Action

GMCP has a low cost of capital and considerable community support. TTCG believes the agreed price is full and fair and that other potential buyers would be reluctant to stand in the way of a community purchase of an ACV. The planning history and ACV status of the property also suggest that there would be few buyers willing to risk seeking change of use.

Resolution Status

Ongoing.

Risk 02: Lenders will not accept security in The Three Tuns

Description

Financial Institutions may apply lending criteria to support purchase and refurbishment costs excluding short-term loans for VAT recovery. These institutions might not be prepared to take the risk.

Mitigating Action

LTV requirements from loan providers will be within lenders' usual limits. CCF is already familiar with the Business Plan through its unsecured loan provision and has indicated that it would consider providing mortgage finance as well, subject to a successful share issue.

Resolution Status

Outstanding - partially satisfied by the production of this Business Plan.

Risk 03: We are unable to find a suitable tenant

Description

A professional, motivated, tenant with a clear vision as to the future business potential of the Pub is critical to the success of the venture.

Mitigating Action

None as yet, other than to highlight as a risk in the business case. Advice is available from Pub is the Hub and the Plunkett Foundation and will be sought when a realistic reopening date can be identified.

Resolution status

Outstanding.

Risk 04: Revenue or rental forecasts are too high

Description

If the Pub is unable to generate sufficient turnover, the tenants may not be able to afford the rent assumed.

Mitigating Action

Many other similar village pubs in the local area generate sales significantly greater than forecast in this document.

Resolution Status

The Business Plan is based on prudent assumptions.

Risk 05: Community funding is not sufficient

Description

The Business Plan requires at least £200,000 and preferably closer to £300,000 to be raised in share capital.

Mitigating Action

We already have received pledges to invest £225,000 in shares. Other community pubs have found that share offers usually raise more than the pledged amount as new investors are willing to back a bid when it is more likely to proceed and existing pledgers increase their investment.

Resolution Status

The pledge process has provided a solid basis on which to assess the potential size of the share issue.

Risk 06: Interest rate rises impact profitability and cash flow

Description

Interest rates have been at historic lows for a prolonged period and may start to increase soon.

Mitigating Action

We will seek to secure fixed rate terms for loans, or at least terms that would require materially higher base rates before interest costs rise. However, it is possible that an increase in base rates prior to completion would increase borrowing costs. There is little that can be done to mitigate this risk. The more that is raised in share capital the less the impact of higher interest rates on the financial forecasts.

Resolution Status

We are seeking to raise as much share capital as possible.

Management Committee and Supporters

Management Committee

Colin Beales (Treasurer)

I am a retired Civil Servant (engineering research and major road projects) and moved to the village with my partner Sarah in 2003. I am a Trustee and Treasurer of the Wheels for Martin's Friends charity, which was formed in The Three Tuns in 1989. Within weeks of moving to the village we had made friends with several people in The Three Tuns and very soon felt fully integrated in the local community. My retirement in April 2013 was dealt a bitter blow when the pub closed in January of that year. My hopes of popping in for a lunchtime drink and meeting up with friends for a chat were dashed. I miss the regular contact and informal catch-ups I used to have with people in the village and have nowhere within walking distance to take friends and family out for a quiet drink or meal. I am prepared to invest my time and money to see the pub reopened and our community hub restored.

Alan Boyd (Secretary)

I am a retired chartered civil engineer and have lived in the village since November 1975. The Three Tuns was where I was first introduced to the community and up to its closure in January 2013 it was where I strengthened those original friendships and continued to forge new ones. The pub was also important to me as a "club house" after practice nights with the bell ringers and outings with the fair-weather cyclists. I feel very strongly that the closure of The Three Tuns has diminished the village and I am happy to be part of the group that is fighting for it to be reopened for the benefit of the community. I will also be investing financially.

Nick Buckland (Building)

I have been a resident of Guilden Morden since 1978 and The Three Tuns has always been part of village life for both me and my family and as my children grew up, a trip to the pub was always a big treat for them at the weekend. I feel robbed of a great amenity and want to do something to return the Tuns to the community for all to enjoy as I have over many years.

Dr James Fettiplace (Project Management)

I moved to Guilden Morden in 2016 when I started working in Cambridge. I joined the TTCG in December 2016. We have 3 young children and a dog and it would be tremendous if we could walk to a pub in the village that catered for young families. In particular, I would very much value a pub that served food and helped to entertain the children in the garden. Pubs have always formed an active part of my life and as a longstanding member of CAMRA, I very much want to see pubs focus on real ale and preferably locally sourced. It is for these reasons that I passionately believe the village will benefit from the reopening of The Three Tuns, especially if the community can help to shape it.

Michael Greenstein (Project Management)

I am the Principal of the Hitchin Dental Centre and I have lived in Guilden Morden for some sixteen years. The closure of The Three Tuns has resulted in the loss of a community hub the village often used for social events. Reopening the pub would help return that base: an important feature given the proposed increase in dwellings to Guilden Morden.

John Harrison (Business Strategy)

I have over 35 years' experience in investment as a fund manager and adviser to large pension funds and charities. I am currently Interim Chief Investment Officer for a newly created asset pool for 12 local government pension funds with total assets approaching £50bn. I am also a Visiting Professor in Charity Investment at a London based business school. The Three Tuns was the place where my wife and I first met many of our friends and neighbours when we moved into the village. I am keen to use my professional experience to help the community create a sustainable Business Plan for the pub so future arrivals to the village can benefit from the same warm welcome we received.

Doug Johnson (Legal)

I have a keen interest in beer and eating out and so I was happy to get involved with the group to contribute my views. As a father to a young family, I can see the benefits that would come to the village with a pub serving food, particularly if it could offer amenities in the daytime.

David Karat (Business Strategy)

We moved to Guilden Morden about 10 years ago when our two boys were very young, so for them this is very much home. I am now retired after working 35 years in the City in law, finance and consulting specialising in advising banks on their strategy and capital structure. My wife and I are supporters of the Three Tuns project, which will provide a focal point for community activities and a welcoming place for families and friends to meet. We would like to see as many people as possible contribute to the project both with time and money so that everyone feels part of what the community is trying to achieve. It is clear that having a community owned pub brings real benefits to a village and I hope to be part of helping this to happen.

Ken Lock (Building)

I have lived opposite the Three Tuns with my wife Jackie for the past 31 years. I retired 9 years ago following 44 years in the construction industry. I was a Chartered Quantity Surveyor and Commercial Director for a London based contractor. We are very fortunate in having an historic building, a picturesque typical English country pub, sited in the centre of our village with off-road parking, gardens and grounds providing amenities which we should ensure are not lost for all time. The property has been deprived of meaningful investment for far too long. Free of brewery ties and with a suitable tenant backed up with the necessary support from the community, I firmly believe that The Three Tuns has a vibrant future. We should not miss this opportunity to re-establish this important element into our community and I am involved with the TTCG for that reason.

Justine Smith (PR & Communications)

I have over 24 years' PR and communications experience. Most recently, I was PR Managing Director at a marketing communications agency in Cambridge. Previous experience also includes head of PR for a multi-national blue-chip company, freelance as a business journalist and working in Asia for a law firm. I moved to Guilden Morden two years ago from Steeple Morden with my husband and two sons, aged 18 and 21. It would be great to see The Three Tuns open and have a choice of two good pubs in the village. For me, having a pub that serves food would be fantastic.

Dennis Tear (Chairman)

I am a retired teacher and have lived in Guilden Morden for nearly 20 years. My hobbies / interests include cycling, volunteering for the National Trust and golf. The rest of my time is given up with family and grandchildren. From day one I was made welcome in The Three Tuns and it was always an important part of social and family life. As a CAMRA member I cannot sit by and see a great pub lost forever to the village. I therefore look forward to the day the pub will be reopened for the benefit of the whole village.

Peter Woodhall (Accountant)

I am a partner in the accountancy practice of UHY Hacker Young with offices in Letchworth, Royston and Cambridge. I have lived in Guilden Morden for just over 12 years and I'm married to Trudie, a primary school teacher and we have two children both currently at University. We actually started using The Three Tuns regularly shortly before it closed but that was sufficient time to realise how much we now miss having a pub of that type in the village. I am a late addition to the Committee but I welcome the opportunity to assist with the brilliant work done so far by the other members.

Supporters

TTCG is very grateful to all those in the community who wrote to SCDC to object to the planning application for the change of use and to those who attended the public hearings. It is especially grateful to those in the community who gave it financial help and to the Parish Council for its generous matched funding to have legal support at the SCDC's Planning Committee Meeting in March 2016 and at the Planning Inspectorate's public hearings in June and July 2016.

TTCG is particularly grateful for the robust and continued support given to it by our local elected representatives on the Parish Council (without whose help The Three Tuns would not have been listed as an ACV), the District Council, the County Council and in Parliament.

TTCG is extremely grateful to the Plunkett Foundation for its continued support throughout the recent arduous periods in getting this project off the ground and also to all those mentioned previously in the Sources of Advice section.

Conclusion

The Three Tuns has played an important role in the social life of Guilden Morden for generations and its closure since 2013 has been keenly felt. The owner's decision to sell the property to the community provides a once in a lifetime opportunity for the village to acquire the Pub and secure its long-term future.

This Business Plan demonstrates how this can be achieved. The assumptions used are prudent, both in terms of the costs of buying and reopening the Pub and in the level of turnover and rent it would generate. Nonetheless the Business Plan shows that the pub would be viable and that the loans required could be repaid from the income generated.

Our vision is to create More Than a Pub to add to the social fabric of the village, enabling new residents to integrate more quickly and addressing isolation and loneliness. The Three Tuns would be a key community hub offering services and facilities that the village does not have at present.

At the same time, we would be careful to avoid direct competition with the village's existing pub, the Edward VII. The focus would be on a daytime café, food and the Pub garden.

This vision will only be achieved if village residents are willing to provide financial support initially through pledges to invest and subsequently through the Share Offer. Raising share capital is critical to our ability to secure grants and loans.

The opportunity is now.

Appendix 01: GMCPL's FCA Registration

Form B
R/IP/RA/2



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CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014

The FCA acknowledges the registration of the following society under the Co-operative and Community Benefit Societies Act 2014 as a **Community Benefit Society**:

Society name: **Guilden Morden Community Pub Limited**

Registration number: **7583**

Registration date: **21 June 2017**



Appendix 02: Statements of Support

District Councillor

Cllr Cicely Murfitt



Party: Independent Group (SCDC)

Political grouping: Independent Group

Ward: The Mordens

Parish: Abington Pigotts ; Guilden Morden ; Steeple Morden ; Tadlow

“I would not wish to make it easy for anyone to consume alcohol. However, something needs to be done with the Tuns as it is steadily deteriorating and needs to be cared for. I see its future as an informal social hub, open throughout the day, where people can meet and newcomers can get to know their neighbours. Having a baby and toddlers can be very lonely for young mums as can being without transport in the day. A rejuvenated Tuns could help to ease loneliness and isolation.”

County Councillor

Cllr Sebastian Kindersley



Party: Liberal Democrat

Political grouping: Liberal Democrat Group

Ward: Gamlingay

Other councillors representing this Ward:

- [Cllr Bridget Smith](#)

Parish: Arrington ; Croydon ; Gamlingay ; Hatley ; Little Gransden ; Longstowe

“I am delighted to support the campaign to Save the Three Tuns. Pubs have been at the heart of our communities for generations and today they still perform a vital community function – not only food and drink but also as an anchor point for village groups, clubs and residents. They are welcoming places where the fabric of our Parishes is woven with relationships, friendships and sometimes just a friendly ‘hello’ making a difference to people’s lives. Not only do I offer what help I can in keeping the Three Tuns in Guilden Morden but I also wish the campaign the very best of luck. The village and the wider community will benefit enormously from the re-opening of the pub and I for one cannot wait to see that first pint pulled and passed across the bar.”

“The Three Tuns is an Asset of Community Value.

The Three Tuns has now been listed twice by the Parish Council, who were concerned that the village would lose such a valuable asset. Both times the decision to apply for listing was taken by the full Parish Council, at a main meeting and was voted on by all councilors. The result in both cases was an overwhelming unanimous vote to endorse the proposal that The Three Tuns be included as an Asset of Community Value.

The Parish Council was pleased to hear that the Planning Inspector’s report when it was published, agreed with our decision that the The Three Tuns public house and its garden should stay as a Public House in its entirety.

We also thanked the unanimous support of South Cambridgeshire District Council Planning Committee and our elected Parliamentary, County and District Council representatives.

Considerable numbers of parishioners have shown support for our decision, attending Parish Council Meetings and the Annual Parish Meeting, and the many who have written personally to SCDC supporting The Three Tuns in Guilden Morden remaining as a Public House.

The Three Tuns was purchased with an ACV in place at a price reflecting that it was a Public House, and as such it should remain so.

It would be good to see the current owner bow out gracefully and let the villagers return The Three Tuns Public House to just that and serve as a thriving hub of the village.”

Barry Holme

Appendix 03: Individual Survey Responses

The full results of the 181 returned questionnaires are set out below:

1	Many pubs in the UK have been lost over recent years. We should save The Three Tuns.			
	Strongly agree	137	76.54%	
	Agree	23	12.26%	
	Neither agree or disagree	13	7.26%	
	Disagree	1	0.56%	
	Strongly disagree	5	2.79%	Total 179
2	The pub should be the hub where we can enjoy chance meetings, have a drink or a meal, meet up with friends or take the family or our visitors out. How important to you would it be to reopen the Three Tuns in Guilden Morden?			
	Very important	133	74.30%	
	Important	30	16.76%	
	Not very important	9	5.03%	
	Not important at all	7	3.91%	Total 179
3	What would you use The Three Tuns for? (Select up to 5)			
	Home-cooked, traditional pub food	161	90.45%	
	Quiet drink	113	63.48%	
	Dinner with friends	120	67.42%	
	Pub Garden	100	56.18%	
	Sunday lunch	85	47.75%	
	Cafe during the day	70	39.33%	
	Play area for families	31	17.42%	
	Live music	30	16.85%	
	Event evening	50	28.09%	
	TV where you can watch sporting/other events	18	10.11%	
	Pub games	9	5.06%	
	Dog friendly	63	35.39%	
	Guest Ales/Microbrewery	71	39.89%	
	Wifi	23	12.92%	
	Other	11	6.18%	Total 178
4	When would you use The Three Tuns?			
		Yes	Maybe	No
	Lunch Pub	107	54	9
		62.94%	31.76%	5.29%
	Evening Pub	142	19	7
		84.52%	11.31%	4.17%
	Morning Cafe	47	61	40
		31.76%	41.22%	27.03%
	Afternoon Cafe	43	68	35
		29.45%	46.58%	23.97%

5 **Would you consider financially supporting this community ownership project (shares and loans may be eligible for tax relief, subject to HMRC approval*). Your answer does not commit you to anything at this stage. Tick all that you might consider.**

Purchasing shares	100	75.76%	
Making a donation	52	39.39%	
Making a loan	30	22.73%	Total 132

6 **Which village/town do you live in?** Total 178

7 **What is your gender?**

Female	86	50.29%	
Male	85	49.71%	Total 171

8 **What is your age?**

Under 18	2	1.14%	
18-29	10	5.68%	
30-49	49	27.84%	
50-69	83	47.16%	
70+	32	18.18%	Total 176

9 **What forms of social media do you use?**

Facebook	98	56.32%	
Twitter	32	18.32%	
Instagram	26	14.94%	
Snapchat	14	8.05%	
WhatsApp	107	61.49%	
Other	17	9.77%	
None	39	22.41%	Total 174

Q10 **The Three Tuns Community Group would like to keep you up to date with progress. How would you like us to contact you? Please provide an email and/or home address and state your preference. Any information provided will remain confidential. THANK YOU FOR RESPONDING.**

***** **Tax relief is not available on share purchases**

Total 136

THE THREE TUNS SURVEY

Your views on a community pub

The Three Tuns Community Group will use the survey results in its Business Plan

EACH member of a family should complete a separate survey

Survey deadline - **SUNDAY 8th OCTOBER 2017**

① Many pubs in the UK have been lost over recent years. We should save The Three Tuns.

- Strongly agree Disagree
 Agree Strongly disagree
 Neither agree or disagree

② The pub should be the hub where we can enjoy chance meetings, have a drink or a meal, meet up with friends or take the family or our visitors out. How important to you would it be to re-open the Three Tuns in Guilden Morden?

- Very important
 Important
 Not very important
 Not important at all

③ What would you use The Three Tuns for? (Select up to 5)

- Home-cooked, traditional pub food
 Quiet drink
 Dinner with friends
 Pub Garden
 Sunday lunch
 Cafe during the day
 Play area for families
 Live music
 Event evening
 TV where you can watch sporting/other events
 Pub games
 Dog friendly
 Guest Ales/Microbrewery
 ...

4) When would you use The Three Tuns?

	Yes	Maybe	No
Lunch Pub	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Evening Pub	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Morning Cafe	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Afternoon Cafe	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5) Would you consider financially supporting this community ownership project (shares and loans may be eligible for tax relief, subject to HMRC approval). Your answer does not commit you to anything at this stage. Tick all that you might consider.

- Purchasing shares
- Making a donation
- Making a loan

6) Which village/town do you live in?

7) What is your gender?

- Female
- Male

8) What is your age?

- Under 18
- 18-29
- 30-49
- 50-69
- 70+

9) What forms of social media do you use?

- Facebook
- Twitter
- Instagram
- Snapchat
- WhatsApp
- Other
- None

10) The Three Tuns Community Group would like to keep you up to date with progress. How would you like us to contact you? Please provide an email and/or home address and state your preference. Any information provided will remain confidential. THANK YOU FOR RESPONDING.

Appendix 04: Group Survey Responses



I hope very much that the group working hard to make "The Three Tuns" a community owned pub is successful. Loneliness in our villages is a somewhat hidden issue, and all places where people can meet can assist in reducing this. Although churches used to brew their own beer, we don't currently usually offer this, but like pubs, we try to provide a service to the whole community, and so I warm to places like pubs where people can enjoy family or community celebrations, and they are surely worthy therefore of support and encouragement, particularly in small communities.

Canon Shamus Williams
Vicar of St Mary's Church Guilden Morden



Parent Teachers Association

I feel parents would use The Three Tuns to meet for coffee and cake and let younger siblings run around in a safe garden. I envisage the PTA using the pub for meetings and also for events such as cocktail making classes (a little optimistic perhaps?!) or specialised cooking classes depending on what the new owners offer. In terms of teachers I know they would appreciate somewhere where they could grab a quick bite to eat before evening meetings.

GUILDEN MORDEN SCHOOL PTA
Danni Hall - Co-Chair



St. Mary's

Church Restoration Committee

The Church Restoration Committee (part of St Mary's Parochial Church Council)

1. Where does your club/group currently meet? **Members' homes**
2. What day and at what time does it usually meet? **Evenings, 6 times a year**
3. Would your group consider using The Three Tuns for (tick as appropriate)?
 - Regular meetings - **Yes**
 - Social events e.g. Christmas lunch - **Yes**
 - Skills-sharing with other groups - **Unlikely**
 - Workshops - **Unlikely**
 - Coffee mornings – **Maybe**
4. How many people from your group regularly meet? **6**
5. What facilities would you like The Three Tuns to offer?
 - **A quiet area in the pub where we could hold a meeting.**

Prior to The Three Tuns closing, CRC committee meetings were held at The Three Tuns and there's no reason why we wouldn't go back to that arrangement if it were to reopen. We used to have a drink and a bite to eat together, as well as bigger social events/dinners to include partners.

It may be possible to arrange events to share costs of a marquee in the garden.



Guilden Morden Monday Bridge

Up to 16 people currently meet in Guilden Morden School on Monday evenings, between 7.30-9.30. We could meet at The Three Tuns if they could provide 4 card tables and 16 suitable chairs. If we need to provide card tables ourselves we will require secure storage. Alternatively, dining tables would be quite adequate if they are of suitable size and reasonably square. We would need a room which is separate from the bar area so that players are not distracted by background conversation. This could be a section of the dining area screened off during low demand days of Monday to Thursday, if that is possible.

Currently we do not provide any refreshment so it is hard to anticipate demand for bar drinks but it would probably need to include tea and coffee. Being able to have a social drink (after the Club session) or a meal in the village (Christmas lunch/dinner) would be a real advantage.



The Mordens Branch of the Royal British Legion

The local group currently meets once a month at The Jester pub in Odsey but if The Three Tuns were to reopen, we could alternate our meetings between the two pubs. We would need a quiet corner to accommodate up to 12 people to hold our meetings.

Our annual lunch is for 60-70 people so The Tuns probably couldn't accommodate that number. However, a planning application to demolish The Jester and build houses in its place has recently been submitted, which reinforces the need to reopen The Tuns. It's a local facility that has been missed.

Ray Leach

THE GULDEN MORDEN
BRANCH OF THE



Usually meet at GM school.

TT would be an excellent alternative for regular meetings plus - space allowing - their one day courses. For the latter, they would need space for approximately 20 people and the ability for the pub to provide lunch would be well received. The fact that the pub has plenty of parking is a great asset. Courses could be 2 to 3 times a year.

Some other ideas were suggested:

- Wine tasting evenings hosted by the Wine Society or similar
- Off license facility so people could pop into the pub and buy a decent bottle or two for unexpected visitors



STEEPLE MORDEN BOWLS CLUB

The Group meets at the Bowl's Pavilion in Steeple Morden and play matches evenings and afternoons. Teams consist of 12-24 players. We would use The Tuns if it were able to offer dining and function room facilities. If the Tuns could provide outside catering, this could be a service we would use. Members are unlikely to use The Tuns for drinking as we have a bar and kitchen facilities at the club.



GULDEN MORDEN BELL RINGERS

Where does your group meet? - *St Mary's Church*

What day and time does it meet? - *Mondays, 7.45-9.15*

Would your group consider using The Three Tuns? - *Yes for a drink after practice nights and for Christmas lunch/dinner*

How many people regularly meet? - *6 (Guilden only) up to 16 once a month with visitors*

What facilities would you like The Three Tuns to offer? *Good beer and a cosy bar*

Other comments: We would also direct visiting ringers to use the pub for drink/lunches. Bellringers are always up for good food and good beer.

LITLINGTON BELL RINGERS

We meet once a month at St Mary's in Guilden Morden. If The Three Tuns were open, we would use it for social events and skills sharing with other groups. Visiting ringers (6-10) like to have a meal on Saturdays and some weekdays. It would be ideal if the Tuns could offer meals, beer and coffee.

Appendix 05: Business Survey Responses



Brilliant Lawns would regularly use The Tuns for the team to drop in for lunch and it would also offer us a chance to chat to locals about our business. There's nowhere open in Guilden Morden during the day since the village shop closed. We wear a corporate T-shirt and that makes people approach us all the time, so a pub open in the village during the day could be good for business. We would also be keen to join any village Business Club and to talk about lawn care in a coffee morning setting.

On a personal level, we are really keen to see the Tuns reopen, we miss it and we would help wherever we can and definitely to get the pub garden lawn back.

Tim & Jane Hector - Owners & Directors



As the nearest pharmacist to the village of Guilden Morden, I provide medical advice and medication to many residents from the village. Ashwell Pharmacy is in Phase 2 of becoming a 'HEALTHY LIVING' Pharmacy (universally recognized as centres of wellness). As part of this initiative, we have already done presentations within Ashwell and the surrounding villages (WI's, schools, Foreign Legion) and many more.

We also have Patient Awareness Days, coinciding with NHS national campaigns, which focus on diseases such as diabetes. If the Three Tuns reopened as a Community Pub, I would be delighted to offer monthly or bi-monthly advisory sessions there to the community on health, wellbeing, treatments etc.

Brian Deal - Owner Pharmacist

Ashwell Pharmacy- INDEPENDENT COMMUNITY PHARMACY



I have no doubt that if The Three Tuns sold good quality take away coffee at a reasonable price that we would all drop in for this.

Workshops are something that we absolutely would do. We have talked about this for some time. For us it is important to position ourselves as experts in our area and if there was a forum or a place to do this such as the pub we would happily make ourselves available.

Fred Burkitt BA, ND Arb, TechArborA – Director The Blue Tree Company



The Three Tuns would be a great benefit for our business and us. We work from home so we try not to have meetings with clients here; for one thing our cats tend to join in - not very businesslike.

Also we don't like to mix business and pleasure too much and meetings in our home feel too personal. A pleasant, quiet, meeting space would enable meetings to be held there maybe with a spot of lunch too. We could hold our Christmas lunch there - lovely idea!



B .K. Services Ltd

Furniture fittings and architectural ironmongery

We are a small local business that started in my home in Guilden Morden and used the Three Tuns in the village on many occasions for business, when a quiet place was needed for meetings with clients and suppliers away from the office. The option of having a coffee, lunch or a drink in a warm and welcoming atmosphere made doing business most convivial and pleasant.

Now located in Bygrave 5.6 miles away we continued to use the Three Tuns for meetings until its closure, we would welcome the opportunity to use it again.

On a purely personal note I used to drop in for a quick pint and chat two or three evenings a week as I passed the Three Tuns on my way home. I miss being able to do that and I miss the company of a wide variety of friends and acquaintances I would regularly meet there.

Nick Buckland
Proprietor

B .K. Services Ltd, Manor Farm Mews, Church Lane, Bygrave, Baldock, Herts. SG7 5EE
Registered in England No: 05419275



My office is based locally, so it would be useful to have somewhere to take clients for lunch. We have meeting rooms in the office but sometimes it's nice to get out of the office and have a coffee with either colleagues or clients. If The Three Tuns were to reopen, I can see LIRIC using it for social events, birthday drinks and Christmas lunches.

I would welcome a skills-sharing opportunity with other local businesses and also the chance to give coffee morning talks on areas of my business.

Lisa Compton - Chartered Accountant and Chartered Tax Adviser
Business Owner

Appendix 06: SWOT Analysis and Mitigations

The **Strengths**, **Weaknesses**, **Opportunities** and **Threats** regarding the reopening of The Three Tuns are summarised below.

Strengths

The Three Tuns is in rural south west Cambridgeshire within a conservation area at the centre of Guilden Morden village. The pub is a Grade II listed 18th century building with 19th and 20th century additions and alterations. The oldest part is timber frame and roughcast. In that regard, it looks the quintessential English village pub. The property features a garden area and has off road parking.

In addition to a large number of previously regular local customers, whom it is anticipated will quickly return to a well-run and welcoming pub, The Three Tuns had also attracted walkers and cyclists and there is no reason why this should not be repeated when the pub is reopened. Indeed, such passing trade in particular may be attracted by the provision of morning coffee and afternoon tea in addition to the usual pub lunch.

The CBS will own the freehold and the tenant will not be tied to any particular brewery or supplier and therefore will be free to negotiate the best deals for supply of food and drink. The CBS will appoint a suitable tenant to run the business who will take all the business risk. The CBS will have the secure income of rent from the tenant to support GMCP's needs for the upkeep of the pub.

Weaknesses

Considerable refurbishment will be required, which adds uncertainty to the cost and will delay reopening.

The pub has been closed for nearly five years. In February 2015, a survey commissioned by the owner reported persistent damp in the base walls and in the cellar where there was also mould growing (*source: South Cambs planning reference S/1527/15/FL*). In September 2015, the owner stated it was "in a neglected state and in need of considerable refurbishment internally and externally" (*source: South Cambs planning reference S/1527/15/FL*). The cost of refurbishment needs to be determined.

Opportunities

The closure of the pub for such a long period has, if anything, increased the desire of village residents for it to reopen. Community share ownership in the pub will increase its attraction both to residents and to visitors – walkers, cyclists and tourists as well as those in neighbouring villages.

A new tenant offering good locally sourced food and beers in an attractive village location has every chance of re-establishing the business quickly. We would also expect strong support for the pub to offer additional community amenities, including providing a base for local businesses to promote their goods and services.

Threats

The main short-term threats are the need to agree a suitable price with the owner and raising the share capital to finance the purchase.

Once these issues have been addressed GMCP will need to find and retain a suitable tenant who is attuned to the needs of the local community. This will be a critical decision for the long-term success of the business.

On an ongoing basis, the threats are those facing all pubs – generating revenue in a competitive market. The Three Tuns will need to ensure that it lives up to its status as a community owned pub serving the whole community.

Mitigating the Weaknesses and Threats

The level of support within the village is a key mitigating factor for all of the threats listed above. We are expecting between 200 and 300 investors, with 235 individuals having already made pledges to invest.

Widespread community ownership will ensure that local residents have a vested interest in using the pub and encouraging their friends to do so. It will provide both consistent demand and will keep the cost of capital down, enabling the pub to thrive in all economic environments.

Gaining access to the property to undertake a survey will mitigate the risks associated with the refurbishment. We would commission a full schedule of works which would be agreed in respect of the pub's Grade 2 listing with the Enforcement team at SCDC. We would also seek additional grants from heritage bodies to minimise the potential cost to GMCP.

Ultimately, investors can take comfort in the asset base underlying the business. The Three Tuns stands on a large plot in an attractive village. While we firmly believe the pub has an attractive future as a pub, if it did fail the asset value of the site would be considerable, which would limit the potential loss for investors. It is worth remembering, though, that as a CBS, investors are not able to make capital profits and any surplus would have to be applied to other community or charitable purposes.

Appendix 07: Data Protection Act

The CBS adheres to the principles of the Data Protection Act, even though it is exempt from registration with the Information Commissioner as a not-for-profit organisation, and will use and process personal data only for the purposes of the CBS.

It will keep personal information that it holds secure and up to date, and will only use it for the purposes for which it was gathered, and not keep it longer than necessary.

Personal data will be used solely for the purpose of maintaining a register of members and potential members as required by the rules of the CBS, and for communicating with members. It will not share any members' personal information (name, address, phone numbers) with third parties.

Members' financial information, such as amounts invested, shares purchased and interest paid, will be treated as confidential.