

Guilden Morden Community Pub Ltd Second Share Offer



A CHANCE TO SHARE IN YOUR LOCAL COMMUNITY

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 PURCHASED 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

* *Interest on capital is unlikely to be paid in the next 2 years*

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

Our original business plan and model rules can be found on our website – www.gmcpltd.com

Updated Financial Projections - Cash Flow

Guilden Morden Community Pub Limited Cash Flow Forecast

	2021 / 22	2022 / 23	2023/24	2024/25
	£	£	£	£
Inflows				
Share capital	35,000	0	0	0
Grant receipts	0	0	0	0
Rental income	38,723	38,824	38,928	42,702
VAT refunds	99	0	0	0
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	73,822	38,824	38,928	42,702
Outflows				
Capital projects / spend	9,000	0	0	0
Fixtures, fittings & equipment additions	0	0	0	0
Insurance	2,650	2,745	2,850	3,000
Maintenance / repairs	4,800	4,920	5,000	5,200
Sundries	240	252	260	270
Plunkett loan repayments	38,659	0	0	0
Mortgage repayments	6,110	6,110	36,110	29,488
Repay tenant's deposit	0	0	0	0
VAT payments	3,854	5,610	5,499	6,081
Corporation tax	0	619	4,085	4,268
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	65,313	20,256	53,805	48,308
Net surplus / deficit	8,509	18,568	-14,877	-5,606
Opening balance	34,361	42,870	61,437	46,561
Closing balance	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	42,870	61,437	46,561	40,955

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

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)

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)

Guilden Morden Community Pub Limited Income and Expenditure Forecast

	2021 / 22	2022 / 23	2023/24	2024/25
	£	£	£	£
Income				
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
Expenditure				
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	7,830
Depreciation of fixtures, fittings & equipment	5,376	5,376	5,376	5,376
Interest on Plunkett loan	1,205	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	2,024	4,866	5,338
Retained surplus	8,735	5,185	3,123	6,484

Costs exclude VAT that GMCP can reclaim

If we can pay off the Plunkett loan in November ...

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

Updated Financial Projections - Balance sheet

Guilden Morden Community Pub Limited Balance Sheet Forecast

	At 30 June	At 30 June			
	2021	2022	2023	2024	2025
	£	£	£	£	£
Fixed Assets					
Freehold investment property	368,538	368,221	360,391	352,561	344,731
Fixtures, fittings & equipment	24,468	19,092	13,716	8,340	2,964
	393,006	387,313	374,107	360,901	347,695
Current Assets					
Bank balance	31,861	42,870	61,437	46,561	40,955
Bank deposit (restricted)	10,000	7,500	7,500	7,500	7,500
VAT refunds due	0	0	0	0	0
	41,861	50,370	68,937	54,061	48,455
Current Liabilities					
Plunkett loan	7,987	0	0	0	0
Mortgage	2,178	2,313	33,367	28,656	0
Tenant deposit	7,500	7,500	7,500	7,500	7,500
VAT payments due	1,046	1,405	1,404	1,516	1,640
Corporation tax	-3,235	619	4,085	4,268	5,167
	15,476	11,837	46,356	41,940	14,307
Long Term Liabilities					
Plunkett loan	29,467	0	0	0	0
Mortgage	64,337	62,023	28,656	0	0
	93,804	62,023	28,656	0	0
	325,587	363,822	368,031	373,021	381,842
Capital & Reserves					
Share capital	281,000	316,000	316,000	316,000	316,000
Grant reserve	56,496	50,996	47,996	44,996	41,996
Future refurbishment reserve	0	0	2,024	6,890	12,228
Retained surplus income	-11,909	-3,174	2,011	5,135	11,618
	325,587	363,822	368,031	373,021	381,842

GMCP's total debt is now over £100k

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

An extra £35,000 in share capital