



Share Offer – Issue Two

Continuing Community Ownership of **THE DROVERS INN**

OPENING DATE: 22nd August 2016
CLOSING DATE: Open until notified
Minimum Investment £300

GUSSAGE COMMUNITY BENEFIT SOCIETY LIMITED Reg. No. 7116

Our aim is to secure the long term future of The Drovers Inn as a flourishing pub for the benefit of the community, by vesting ownership in a society controlled by the community and by leasing the pub profitably.

The Society raised the funds to purchase and re-furbish The Drovers Inn which they lease to a professional tenant who is responsible for the operation of the public house. The Drovers re-opened under Community Ownership on 9th July 2016.

“You are invited to invest in this community enterprise set up to secure the future of The Drovers Inn, Gussage All Saints”

Current Scenario

The Gussage Community Benefit Society Limited (“GCBS”) is a Community Benefit Society established and managed by and for the benefit of the community. GCBS Purchased the Drovers Inn on 11th March 2016 with the assistance of money raised by an initial share offer and commercial funding. The pub is let to a professional tenant who is responsible for operating the pub business. The purpose of this current share offer is to:

- (a) enable people who wish to become involved or increase their investment in this community enterprise to buy shares;
- (b) provide liquidity and a thriving Membership over the long term; and
- (c) raise further funds to carry out improvements to the existing facilities. You can join the society by becoming a Member through the purchase of a minimum of 300 shares. This is an open offer.

This document:

- Outlines the project and its benefits for members and the community;
- Explains about the society and how the share offer works; and
- Invites you to become part of this community enterprise.

Strategic Plan and Benefits to the Community

Our belief is that the Drovers Inn and the site it occupies are vital amenities for Gussage All Saints and nearby villages and that the best interests of the community are served by the community ownership of the pub through the limited liability Gussage Community Benefit Society Limited which was established for this purpose in April 2015. This legal structure is explained in detail in this document.

This will enable the village to secure and safe guard the pub for the community and for generations to come.

Acquisition and subsequent refurbishment of the pub was funded, with an initial community share offer, commercial and benefactor loans, fund raising events and a small amount of grant funding. Any funds we raise from the new share offer will be used to improve facilities, reduce reliance on commercial loans and enable new Members to replace those who may pass away, move or wish to reduce their shareholding. It is our intention to prepare detailed plans and costings for the addition of easy access toilet facilities at the premises for the benefit of all customers and this will be a primary focus for fund raising activity until this goal is achieved. Grant funding will also be pursued for this improvement but timescales for grant funding are notoriously uncertain and competition for such funds is fierce.

This represents a fantastic opportunity to become involved in a community enterprise that benefits Gussage All Saints and nearby villages and which will continue to strengthen the vibrancy and sustainability of our community. The community ownership of the Drovers brings many benefits, including:

- Maintaining a place to meet friends and neighbours and improving the sense of community;
- Providing a central point for information on community events and local issues;
- Securing the central part of the village by and for the community;
- Improvements to the fabric of the building;
- Creating opportunities for employment;
- Injecting money into the local economy and supporting sustainable tourism
- Providing a hospitality venue and access to bridleways for recreational pursuits;
- Helping to sustain our property prices.

Business Model and Finance

If you invest in this scheme you will essentially be investing in a property. The property (the Drovers Inn) has been let to a tenant and GCBS charges rent sufficient to repay the mortgage, pay ordinary running costs and we anticipate paying interest to shareholders in later years in line with the rules of the Society.

Following the closure of the Drovers in November 2014, GCBS was established to raise funds to buy and refurbish the pub and let it to a professional tenant making it a long-term viable and sustainable community facility.

We now aim to carry out important improvements to add easy access toilet facilities to the premises. It is anticipated that the funds raised by this share offer will help to commence this work in the medium term.

GCBS also encourages new members of the community and customers to buy shares so that they are also part of the venture to maintain the Drovers Inn at the heart of the community. Existing members may increase their holding if they wish. The continuing open share offer will also help to increase liquidity should individuals need to redeem their shares in future years.

The original and detailed business plan is available for you to view from any of the Management Committee or online via www.droversinngussage.com and this is augmented by the Management Committee Report on Accounts submitted at the Annual Members Meetings that take place in August each year. As with any business plans will continue to evolve over time.

The key factors contributing to a successfully run Drovers Inn are:

- Freehold ownership of the pub through the Gussage Community Benefits Society Limited (GCBS), a community owned and run society that encourages community support and input to the future success of the pub;
- Affordable rents with no beer ties;
- Letting the Drovers Inn to a professional tenant who will control costs and maximise revenue for a sustainable business;
- Refurbishing the pub in stages to provide improved facilities.

The Drovers Inn was purchased on 11th March 2016 for £365,000 excluding tax and fees. The primary refurbishment programme was completed in early July 2016. The Society has put in place a nine-year fully insuring and repairing lease with a professional tenant who runs the separate licensed business selling food and drink in our premises and pays rent to the Society. The rental income is the sole source of income for the Society and will provide the revenue required to cover:

- loan interest, capital repayment (over 20 years) and meet any corporation tax liabilities;
- repayment of the short-term benefactor loan;
- enhance the facilities (e.g. easy access toilet facilities);
- build up share redemption and loan interest reserves;
- enable share interest payment to be considered in later years;

We firmly believe that the business will be profitable, but if it is not, the Society owns a valuable asset – the building and land associated with it – which can be sold in order to return funds to investors. Your investment is in the building and land – the bricks and mortar, not the licensed business. This is a great opportunity to invest in a worthwhile community enterprise that will provide a valuable service to its members, users and future generations.

The business plan will evolve as the business matures. The costs can be broken down into categories and these are detailed within the Report and Accounts submitted at the Annual Members Meetings and available from the Management Committee.

- Financing costs
- Operational costs and expenses (e.g. Buildings Insurance, professional fees, tax etc.)
- Facility improvement projects
- Reserves

Share Issue Two

This share issue has been designed to give you an opportunity to contribute financially, on a long-term basis, to the Gussage Community Benefit Society Limited (Reg. No. 7116). Please see the Society's rules of incorporation at www.droversinnqussage.com. The rules follow the Model Rules recommended by The Plunkett Foundation and are approved by the Financial Conduct Authority.

Individuals (aged 18 years and over) and organisations can apply for membership by buying shares at a cost of £1.00 per share, with the minimum investment £300.00 per person or organisation. You can apply for and pay for shares via Paper application form and cheque made payable to Gussage Community Benefit Society Limited.

Cheques are banked upon receipt and share certificates issued to the individual applicant. Joint ownership of shares is not available. Each shareholder is a member of the Society and as such has one vote regardless of the level of investment.

Interest may be payable on shareholdings in future years at an interest rate proposed by the Management Committee, based on the performance of the society. In the early years the business needs to become established and interest may not be paid. This will be reviewed annually. Once sufficiently profitable, the society aims to pay an annual interest as defined within the Society rules.

It is important to note that the value of shares will not increase. The benefits for members are the social benefit of retaining this important community facility and any annual interest that may be paid in future years.

Shares are not transferable (except on death or bankruptcy) and cannot be sold. The only way to recover the value of the shares purchased is to give three months' written notice of withdrawal to the Management Committee and the shareholder will then receive the amount they paid for the shares subject to the Society rules and financial position. Shares cannot be withdrawn until at least three years have elapsed from the date of the share issue and then only at the discretion of the Management Committee, who must at all times prioritise the ongoing sustainability of the enterprise.

The amount available to be withdrawn by shareholders in any one financial year will be set by the Management Committee and limited to a maximum of 10% of the total shares outstanding, with withdrawals funded from trading surplus or new share capital. The Management Committee will have the authority to refuse a withdrawal request if it would endanger the business. The full details of share ownership and the terms of withdrawal can be found in our Gussage Community Benefit Society Limited Rules which are located on our website www.droversinnqussage.com.

In the event The Drovers Inn is sold, the shareholders would be repaid their investment after repayment of any outstanding debts. Any surplus will be paid to a charitable or community body.

As the Gussage Community Benefit Society confers limited liability, the most you could lose due to business failure would be the price you have paid for your share(s).

The Legal Model

The model we have chosen for our society is a Community Benefit Society registered under The Plunkett Foundation's Model Rules. The model gives its members and directors the protection of limited liability. The model provides a guarantee that the assets of the society will be used for the benefit of the community and cannot be disposed of for private profit.

The Management Committee comprises between 4-10 elected members none of whom will ever have a personal financial interest in the project above and beyond their own personal investment in community shares, declared loans which will be provided on no less favourable terms than any other private lender or charges made by their businesses which will have to be approved by the committee and the committee member will have to declare their interest in the business concerned prior to any approval. The committee is accountable to the membership and committee members will be elected by a vote at the AMM. The committee will keep members updated via newsletters, the website and at AMMs at which members will be provided with an annual report including a report on accounts.

The Management Committee

Here is some information about the current Management Committee of Gussage Community Benefit Society Limited.

David Crossley (Chairman)

BA(Hons), MBA, FRSA. David moved to the village in 2014. He led three very different schools and was subsequently a director of a large not for profit where he led a team responsible for major national school improvement programmes with a turnover of around £15million per annum. He has been an Education Consultant for many years, has successfully run his own business since 2008 and is published author who has supported schools and organisations nationally and internationally. His expertise includes leading and managing change, strategic financial management and staff development. He has a particular interest in sustainable quality. Together with his wife David owns and runs Salamander Cookshop in Wimborne. David believes the pub is a key asset that makes an important contribution to the community, making the village more than just a place where people live.

Marilyn Madell (Treasurer)

Mal, with husband Les, has lived in the village since 1985 and remembers how easy it was to settle and feel at home here in Gussage All Saints thanks to the warmth and friendship found in The Drovers Inn, meeting neighbours from a variety of age groups and backgrounds.

Mal's main career was in Banking and Finance, with experience of domestic, commercial and international fields, covering administration, finance and budget control, personal & business lending, managing data operations and reconciliation, project management and marketing. She later ran a Recruitment Business sourcing both temporary and permanent staff from a multi-disciplined agency, a large sector being the Catering and Hospitality Industry. As an active member of the community, she is involved with the Annual Fete organisation, the PCC and is currently a church warden.

Her experience in finance and administration helped understand the legalities and complexities of the acquisition, working closely with our Accountants, who are used to Community Benefit Society's needs. With knowledge of audit control, she maintains accurate records of funds raised, income and expenditure and now Mal has been updating her skills to include the input of our accounts into a new online book keeping system that will simplify our management account reporting and maintenance for the future. Fortunately, she involved herself in the active communication and PR side of the campaign to balance numbers with people. She never doubted for a moment that The Drovers would be saved.

Sally Marlow (Secretary)

Sally has lived in Gussage All Saints since 1989 when she and husband Bob moved into the village and married in the Village Church. Throughout the years they have been regular users of The Drovers Inn even when standards of food and service were at their lowest ebb. It is the place where they caught up with friends and neighbours and made new friends. As a formally trained Marketing Professional (MCIM, FIDM) Sally's career spanned a range of Marketing Management roles for a number of blue chip organisations. The last eight years prior to retirement were spent as a Principle Business Consultant and Resource

Manager for a large American Software Company. It has been an honour to be part of the founding committee that has saved this important village hub and Sally looks forward to working with the committee to ensure that we retain it for generations to come.

Justin Ward

After 42 years in the music profession Justin and his wife chose to move to Dorset, as his first job was in the Bournemouth Symphony Orchestra. He has lived in the village since 2012 having chosen Gussage All Saints because there was a lovely pub situated right in the middle-a social hub for all. It has been very telling that almost everyone you meet, on hearing where you live, mentions "The Drovers" with great affection, testament to the fact that in the right hands, the pub could thrive once again as a real community asset.

Paul Charles Campbell Plumstead

Paul has lived in the local area for over 12 years and moved to Gussage All Saints 2009, he lives with his wife Sue and young son Thomas. He has been visiting the Drovers since 2005 and the pub was a major factor for him moving to the village. Paul runs his own consultancy which focuses on business transformation and change, his historic clients include the Met Office, HQ Land Command, Nutmeg, AJ Bell, James Hay, Old Mutual Wealth, Ascentric and Royal London. Paul's business skills, gained over 20 years, combined with his passion for ale will supplement the existing management committee skillsets, ensuring the Drovers for future generations.

Amanda House

Amanda was born in Christchurch, Dorset and has mostly lived in and around this beautiful county. While her children were growing up, she was a school and then Headteacher's secretary before moving on to run an engineering company's office. In 2005 she moved to Gussage All Saints with her husband where the Drovers played an important part in their decision to choose this particular village to settle in. Together they own an aerospace engineering company. As she likes nothing better than taking her dogs walking in the countryside, she understands how nice it is to have a lovely destination such as the drovers for refreshments and a bite to eat.

Matt Houghton

Matt moved into the village in July 2014, after living overseas in Hong Kong and India for eight years. Matt is married to Amy and they have two young daughters, who love the countryside and animals that live close by. A big draw of moving to Gussage All Saints was not only the stunning setting, but the Drovers Inn, which enabled them to meet regularly with their friendly neighbours and feel part of the community. Matt worked for a global investment bank for 18 years as an Executive Director where he was COO of the Indian Asset Management company, overseeing a large team and various regulatory changes and projects, also facing off to the bank's largest clients at board level. Before this, Matt was also police officer in London for 3 years, where he was uniformed response officer responding to 999 calls, also as a trainee detective in CID, during which time he ran investigations into more serious crimes. Matt also has his PRINCE2 project management practitioner qualification.

Tracy Fanner

Tracy moved to the village in 2017 with Lewis and they married four months after moving in. They were looking for a traditional village with a pub as a hub of the community and stumbled across Gussage All Saints. They have been regulars at the pub since moving in and love the community spirit. Tracy used to work as a PA at B&Q's head office in Southampton, having then opted to take redundancy, she now works with Lewis at their offices which are based in Gussage St Michael. They both really appreciate the very short commute to work. Tracy is also Secretary of the GAS Village Hall Committee.

James Stallard

James moved to the Village with his wife Katie and three sons Danny, Joe and Sam in 2006. He has worked as a consultant psychiatrist throughout that time, first in the NHS in Wimborne and then at the Royal Bournemouth Hospital. Since 2019 he has worked for the priory in Southampton. James is an enthusiastic pub goer and was thrilled when the Drovers was saved by the hard work of the committee and others. He is keen to help keep the Drovers thriving for years to come.

Oliver Blagden

Oliver moved to Gussage All Saints in 2012 with his wife Vicky and three daughters and has very much enjoyed visiting the Drovers Inn over the years. Oliver is an Executive Director at a global investment bank and has spent over 20 years specialising in providing Trustee services for collective investment funds including unit trusts, private equity funds and hedge funds. Oliver currently works in Product Development delivering software development changes for the Trustee business across 14 countries. Oliver also holds a position as a Non-executive Director on the Board for a Guernsey Company. Oliver believes the pub is a vital part of the community, providing a place for friends and neighbours to meetup and is very keen to contribute to the future prosperity of the pub.

PLEASE READ THESE KEY POINTS BEFORE DECIDING WHETHER TO INVEST IN THIS OFFER AND TAKE INDEPENDENT TAX/FINANCIAL/LEGAL ADVICE

1. This is a social investment not an investment designed to generate large profits and should be regarded as a long-term social investment in your community.
2. The return on your investment will be through a 'social dividend' i.e. the preservation of a local asset servicing the community and through a possible modest interest on your shareholding in future years, at the discretion of the Management Committee.
3. All shareholdings of £300 or more will be eligible to receive interest only if the Management Committee determine that the business performance justifies the payment of interest for a particular year and if this is approved at the AMM. Therefore, you should not invest in the expectation of direct financial return, as this is not a conventional investment.
4. The minimum investment is £300 (300 shares). There is no concept of joint ownership.
5. You must be aged 18 or over to become a member.
6. You cannot sell your shares, except back to the Society itself.
7. The value of shares cannot increase and their value may be reduced if the business fails and its liabilities exceed its assets.
8. The only way to recover the sum you initially invested (or any reduced value) is to give written notice of your investment withdrawal to the Management Committee. You cannot do so for the first three years after the date of this share issue.
9. Subject to point (7), you will be required to give three months' notice in writing of your intention to withdraw your shares to the Management Committee. All withdrawals will be at the sole discretion of the Management Committee and must be funded out of either trading surpluses or new share capital.
10. Total withdrawals in any year will be limited to a maximum of 10% of the current value of the shares issue.
11. Funds invested in Gussage Community Benefit Society will be used for the purpose of acquiring, refurbishing, improving and owning The Drovers Inn and other activities may additionally be undertaken at the discretion of The Management Committee for the benefit of the community.
12. Any trading surplus, after payment of any interest to shareholders and repayment of loan and share capital, must be reinvested in the business or used for community purposes. The Society is registered with but not regulated by the Financial Conduct Authority (FCA, previously the Financial Services Authority), so members cannot apply to the Financial Services Compensation Scheme (FSCS) and have no right of complaint to the Financial Ombudsman. Before deciding to invest, you may want to seek independent advice.

QUESTIONS YOU MAY HAVE REGARDING BUYING SHARES IN THE GUSSAGE COMMUNITY BENEFIT SOCIETY LIMITED.

How can I find out more about the project?

You can find our Rules for our Society and Annual Report & Accounts at www.droversinngussage.com . You can email us at secretary@gussagecbs.org.uk or lesandmalmadell@btinternet.com or telephone Sally on 01258 840531 or Mal on 01258 840058. We will be happy to answer any questions you may have.

Why should I buy community shares?

Your investment is important to help us retain and improve the facilities of the Drovers Inn, Gussage All Saints.

Who will benefit from this project?

The residents of Gussage All Saints and surrounding community, visitors, tourists and local business will benefit directly by preserving this vital village hub. By investing you will be ensuring The Drovers Inn re-establishes itself as a central landmark and facility helping to build a more vibrant village and area which can be enjoyed by future generations.

Is this a good business proposition?

We expect and will require the business to be a profitable venture. We have carefully evaluated its strengths and weaknesses and our projections show we can establish it as a successful business. It is well proven that communities that work together to set up such an enterprise will support it in the future. For the initial business plan and subsequent Report on Accounts please ask a member of the Management Committee for a copy or refer to www.droversinngussage.com.

Who are the people behind this project? Do they have a personal interest?

The Management Committee consists of a group of local residents who care passionately about The Drovers Inn and its position in the future heritage of Gussage All Saints and surrounding area. They will have no personal financial interest in the project, above and beyond their own investment in community shares and charges their business might make but they will be approved by the committee and the members will have to declare their interest before the approval. Their personal profiles have been outlined in this document.

They voluntarily contribute a large amount of time to the GCBS and this is supplemented with professional expertise.

Who will run The Drovers Inn and make the day-to-day decisions about the business?

The Management Committee oversee the freehold property ownership and let the premises to a professional tenant to run the separate operational business.

Only Members may be elected to serve on the Management Committee. Members of the Management Committee elected by the Members shall hold office (unless vacated beforehand) until the conclusion of the third Annual Members' Meeting after their appointment. There are elections each year, governed by the rules of the Society, by the Members at the Annual Members' Meeting. The Committee may co-opt other Members onto the Management Committee but these appointments are only valid until the next Annual Members' Meeting.

Further information regarding the Management Committee (its composition, the appointment of its members and the regulation of its meetings etc) is set out in the Rules which can be found on our website www.droversinngussage.com

Do my shares give me voting rights?

Yes, this is a democratic structure based on one member one vote, regardless of the size of your investment.

How do I get my money back?

You will not be able to withdraw your money during the first three years. After that, you will need to give at least three months' written notice. You cannot sell or transfer your shares, and withdrawals must be funded from surpluses or new capital raised from members. The Committee may limit or suspend withdrawals depending on the long-term interests of the Society, the need to maintain adequate reserves, and the commitment to the community.

Can I transfer my shares to someone else?

No, unless you die or become bankrupt. There is no facility for joint ownership.

Will I get my investment back if The Drovers Inn fails?

All the business' assets, including the freehold of the building, would be sold and the proceeds of the sale (after paying any loans) divided between the shareholders up to the value of their shares. You might receive the full value of your share back or you might receive less than this.

What is my liability should I invest?

Your liability does not exceed the price of your shares.

What redress do I have if the business fails and I lose the value of my shares?

The share offer is exempt from the Financial Services and Markets Act 2000 or subsidiary regulations, which means there is no right of complaint to the Financial Ombudsman, nor can you apply to the FSCS.

Will I receive interest from my shares?

We aim to pay interest in later years and this will be subject to the provisions and limits specified within the society's rules and will reflect the performance of the business, but we believe it is not wise to commit to interest payments during the early years of community ownership. Interest will be paid gross and it is each member's responsibility to declare such earnings to HMRC if appropriate.

How do I buy shares?

You can apply for and pay for shares via paper application form and cheque made payable to Gussage Community Benefit Society Limited.

IMPORTANT PLEASE CONSIDER CAREFULLY THE TERMS ABOVE AND TAKE INDEPENDENT ADVICE

Application to Join the Gussage Community Benefit Society Limited

To become a member of Gussage Community Benefit Society Limited and invest in our venture, you need to complete this application form and send it, with a cheque made payable to Gussage Community Benefit Society Limited to the address below.

Please complete this form (NB you must be 18 years of age or over to be eligible to become a member). Each individual must complete a separate form. There is no joint ownership.

Shares are available at £1 each minimum 300 shares. Above this you may buy as many as you like to a maximum of £25,000.

I am over 18 years of age

I wish to purchase shares (minimum 300, maximum 25,000) at £1 each to the value of £.....

Name:

Address:

Postcode:

Tel No:

Email:

I confirm that I have read the Community Share Offer document, including the summary points on page 8.

Signature.....

Date:

Please complete and return with your cheque made payable Gussage Community Benefit Society Limited

To: Mrs Mal Madell (The Treasurer), Teachers, Gussage All Saints, Wimborne, Dorset BH21 5ET

Mal on 01258 840058 or Sally on 01258 840531 or email lesandmalmadell@btinternet.com or secretary@gussagecbs.org.uk .

Please note: by requesting that I become a member of Gussage Community Benefit Society Limited, I agree to my name, address, phone numbers, email address and the number of shares I wish to purchase being held on a computer database. This information will only be used for the purpose of maintaining a register of members, providing news updates and for posting notices regarding the activities of Gussage Community Benefit Society Limited. This information will not be passed to third parties. The Privacy Policies can be viewed at www.droversinngussage.com.