

COMMUNITY SHARE OFFER



**BROCKWEIR INN COMMUNITY
BENEFIT SOCIETY LIMITED**

FCA Registration number 9278

SHARE APPLICATION LAUNCH DATE - 1 JUNE 2024

SHARE APPLICATION CLOSING DATE - 30 JUNE 2024



Community
Shares

STANDARD

If you are considering buying shares, it is important that you read the whole document.

“When you have lost your inns, drown your empty selves, for you will have lost the last of England.”

Hilaire Belloc (1870-1953)
writer and historian



BROCKWEIR INN
Save our Pub!



The Dibden family owned the pub for several generations during the late 1800s and early 1900s.

Once home to at least 17 pubs, The Brockweir Inn is the last of its kind in the village. The building has been a pub since at least 1793.

By investing in our project, you are also preserving a piece of our history and heritage.

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SUMMARY

OF OFFER AND OBJECTIVES

Our Objective: The primary objective of this Share Offer is to raise funds to buy The Brockweir Inn. We also hope to raise sufficient funds to renovate the pub and then install a tenant. The pub will be run as a community venture.

Summary of Offer: This Document outlines a Community Share Offer by Brockweir Inn Community Benefit Society Limited (BICBS), registered Address: Manor House, Brockweir, Chepstow, Monmouthshire, NP16 7NG. The Society is a Community Benefit Society, registered by the Financial Conduct Authority, registration number 9278.

If you are considering buying shares, it is important that you read the whole of this document and the accompanying Business Plan and Society Rules on our [website](https://thebrockweirinn.com) (<https://thebrockweirinn.com>)

Community Share Offerings are not covered by the Financial Services Compensation Scheme and investors have no recourse to the Ombudsman. You could lose some or all of the money you invest.

The Offer's Main Terms:

Minimum Target: £250,000

Optimum Target: £400,000

Maximum Target: £600,000

Price per Share: £1

Minimum Share investment: £250

Maximum Share investment for individuals: £60,000 if the maximum target is reached or 10% of the total capital raised (whichever is the lower)*

*This will be assessed upon closure of the Share Offer, and your final share holding will be confirmed.

Our Share Offer opens on 1 June 2024 and closes on 30 June 2024 unless the maximum target is achieved earlier. The Management Committee reserves the right to extend the offer period if it believes it will help achieve the funds required.

We are seeking to raise as much as possible, up to a maximum of £600,000, from this Share Offer, which is open to the community and general public alike. We will use the money raised, alongside grant funding to buy, renovate and re-open The Brockweir Inn. The total cost is estimated to be in the region of £695,000.

Buying shares makes you a Member of the Society and gives you a say in how it is run. Each member has one vote, no matter how many shares he or she buys. Each share will cost £1, and will be sold in increments of 250 (250, 500, 750 etc). The minimum shareholding is £250 and the maximum £60,000 (the latter subject to the total amount raised, as outlined above).

Your Investment: If you choose to invest, you should consider it a social and a community-minded investment. It is our intention to redeem the shares in the long term, but you are unlikely to get back your investment in the short term. There is no guarantee of interest payments or return of your investment.

This document:

- Describes the project, its benefits for Members and the community
- Explains about the Society and how the Share Offer will work
- Contains information about how to apply for shares



We have been awarded The Community Shares Standard Mark. This is awarded by the Community Shares Unit to those offers that meet national standards of good practice.

For more information about the community shares, the Community Shares Standard Mark and the Community Shares Unit go to: communityshares.org.uk

Dear friends,

The purpose of this document is not just to save a pub, fabulously worthy cause though it is. It is far more important, even than that. Save the pub and we also preserve the heritage and history of one of the oldest, most beloved villages in the area. We want to invest in the local community to ensure Brockweir and its pub remains for generations to come what it has been for centuries: a place where locals and visitors alike come together to be among like-minded people, to relax, have a drink, a meal and soak up the irreplaceable atmosphere of our unique location in the Wye Valley AONB. But we cannot do it without your help.

Which is why we're inviting everyone - our friends, families as well as local businesses to invest in The Brockweir Inn Community Benefit Society (BICBS). Whilst we anticipate support will come from the immediate community of Brockweir and Hewelsfield, given the location of the pub we also invite those from the surrounding communities, and regular visitors from further afield, to take part.

BICBS is already a fully registered, legal entity, set up with the specific intention of securing the long-term future of the historic Brockweir Inn, not as an overpriced gastro-house with an over-inflated sense of its own importance, but as a community pub. A pub bought by us, so it can remain a pub enjoyed by us. It really is as simple as that.

The only practical way this can be achieved with openness, transparency, accountability and professionalism is through a Community Share Offer (CSO). This will allow you to buy shares in the BICBS which, when sufficient funds are raised, will buy, renovate and re-open the pub on behalf of everyone who has bought shares.

Timeline for the Share Offer



Important decisions will be put to a shareholders' vote on a 'one person, one vote' basis, meaning we all get the same say in the pub's future, regardless of the amount invested.

This Prospectus (technically a Share Offer document) is an invitation to you from the BICBS to help us buy The Brockweir Inn on behalf of the community. Its primary purpose is to answer all and any questions and concerns that you may have, in a concise, easily understood way.

In short, we have formed the BICBS to secure the long-term future of the pub. BICBS will sell shares to the community and also apply for grant funding. All money raised from both sources will then be used to buy and renovate the pub. It is our intention to appoint a tenant to rent the pub from the BICBS and for him or her to retain the net profits. Unlike a commercial landlord, the BICBS does not need to make a big profit: we believe it is enough for us to have the pub back and flourishing. This is why it is easier for a community pub to succeed compared to one run on a purely commercial basis.

WHAT'S IN IT

FOR YOU ?

- This is a once-in-a lifetime chance to own a share in your local community pub, The Brockweir Inn
- With your help we will reclaim our pub, five years after the last pint was pulled. We will transform it and return it to its rightful place at the heart of our community, serving you, your family and friends and preserving it for generations to come.
- We will restore The Brockweir Inn back to the village to give us:
 - a community focal point where we can build village cohesion and meet with our neighbours
 - a meeting place to enjoy a drink and a meal with friends
- A local pub situated in the community will help sustain and may even increase house prices; this is especially true in rural areas*

KEY POINTS

- Time is short - if we don't buy the pub now, it is very possible the building will be sold as a private residence and lost to the community forever
- Our target is to raise as much capital as possible (up to a maximum of £600,000) by selling shares to support the purchase, renovation and re-opening of The Brockweir Inn.
- If we cannot raise £450,000 through this Share Offer and grant funding to purchase the pub, as well as covering ancillary purchase costs, the project will not be viable and your investment will be returned.
- Any amount raised above £450,000 will be put towards the renovation and re-opening of the pub. Should we have any additional capital needs, Members will decide whether to seek additional funding, which might include alternative grant applications, a further Share Offer or commercial finance.
- The Management Committee recognises that we are in a position of trust and therefore we will always seek to represent the best interests of the community as a whole.
- The Management Committee's objective is to ensure that we treat shareholder funds responsibly, seeking the most cost-effective means of financing while reducing risk and delivering the outcome that the village deserves.
- All shareholders will become members of the BICBS and own a share of The Brockweir Inn. Each shareholder receives one vote regardless of the amount invested, meaning all votes carry equal weight.

[*Source: Northumbria University, February 2020.](#)

- Your shares will give you a say in the management and running of the BICBS. This will allow you to vote on how the organisation is run, and the selection of the Management Committee. The Management Committee will be in regular liaison with the Tenant and help ensure the pub continues to deliver on its community purpose.
- If we are successful in purchasing the pub, any rent the BICBS charges the Tenant will belong to the community, so after covering our costs and building up a contingency fund, we should have a surplus for our Members to decide how best it can be used for the community.

If you want to invest, the best way is to visit our [website](https://thebrockweirinn.com) (https://thebrockweirinn.com) where you can find the application form and information about the application process, or you can complete and return the application form at the back of this document.



“A village pub is the heart of any community. Without it there is no local focal point.”

**Brockweir Resident
Community Survey March 2024**

HOW WILL

THE COMMUNITY BENEFIT SOCIETY WORK?

We have formed The Brockweir Inn Community Benefit Society (BICBS) so that we can raise funds from, and be accountable to our members.

The BICBS is not just about a pub - it's about preserving the history of Brockweir and the Lower Wye Valley and investing in its future. We want to ensure The Brockweir Inn continues to be run for the good of the community, both now and for future generations.

Community Benefit Societies are registered by The Financial Conduct Authority (FCA) and are democratically run by their members. Every member will have one vote on decisions affecting the running of the Society, regardless of how much they invest.

The purpose of a Community Benefit Society is to serve the broader interests of the community. Informed and shaped by community engagement, the BICBS initiative is centred on the core values of heritage, community cohesion, consultation and collaboration, sound governance, and sustainability.

The primary objective of your investment will be the purchase of the pub. The secondary objective will be the renovation of the building, transforming it into the welcoming village pub we all remember and a warm feeling that you've helped make this happen!

Once the pub has opened with a tenant in place, the BICBS will receive an agreed rental from the tenant as its income. This income will be used for the maintenance of the physical asset, being the pub, and where possible this money will be reinvested in our local community.

Your shares will make you a Member of the BICBS with an equal vote regardless of the size of your shareholding. As a Member, you can participate as much (or as little) as you like in our work. You can vote at Annual Members' Meetings, stand for election on the Management Committee, volunteer your skills - or just give The Brockweir Inn your custom (but of course you don't need to be a Member to do that!).

We intend to offer a modest interest rate on your investment, and this will be determined on an annual basis, based on affordability and our policies. However, given the number of variables in fund raising and level of renovation works, it is not possible to confirm when this will happen. It may be the situation where this is never possible or not possible for many years, although the Management Committee will work in your best interests to keep the acquisition costs down, use the cheapest funds possible and provide a specification for the renovations that we believe the community deserve.

In addition, a Community Benefit Society can only use its assets for the benefit of the community it represents. Our Society has a statutory asset lock meaning that if it is dissolved, any assets left over when it has paid off its debts and returned capital to its shareholders must go to another organisation which exists for community benefit (and which has the same asset lock). Asset locks are a defining feature of community shares, because they remove the scope for members to make speculative capital gains resulting from the dissolution, disposal or conversion of the Society into a company.

SHARE OFFER

AT A GLANCE

The Brockweir Inn Community Benefit Society (BICBS) has been set up to enable shares in the pub to be issued in order to fund the purchase, renovation and reopening of The Brockweir Inn.

The Share Offer details are summarised below:

Share Application Launch Date	1 June 2024
Share Application Closing date (or when the maximum number of shares are sold, if earlier, see note below)	30 June 2024
Minimum Target*	£250,000*
Optimum Target	£400,000
Maximum Target	£600,000
Minimum Investment	£250 (250 shares at £1)
Maximum Individual Investment	£60,000 or 10% of the maximum share capital raised, whichever is the lower (for a single shareholder)

*If we do not raise the minimum amount we may seek alternate funding with the consent of the existing shareholders. At this stage we will have three options:

1. we access other funding streams, for example grant funding; and / or:
2. we could extend the period of the share offer; or:
3. we close the offer and refund everyone's money in full. Of course, in this event the BICBS will not be able to buy The Brockweir Inn and will probably have to disband if we cannot raise adequate funds.

The most likely option in this scenario is that we'd extend our Share Offer for a set period of time or until our minimum share investment threshold is met. Further, if our applications for grant funding are unsuccessful, we will consider launching an additional share offer with an increased maximum share threshold. We would seek to complement a larger share investment with smaller grants from several sources and are already investigating these avenues and submitting applications where appropriate.

Debts: No member will be liable for any further investments or cash to service any debts. Members should be aware that if the pub should fail leaving unpaid debts, you could lose some or all of the money you have invested to cover unpaid debts.

The Brockweir Inn Community Benefit Society Limited is registered with the Financial Conduct Authority (FCA) under registration number 9278. Website: <https://thebrockweirinn.com/>

OUR COMMUNITY

PURPOSE

We have all felt the loss of our 'local' in Brockweir and recognise the negative impact this has had on the local community. The pub goes far beyond being merely a place to enjoy a pint - it is the cornerstone of our community, a place for animated conversations, and a venue to meet friends, old and new. A pub is a hub with the ability to anchor the community, increase social resilience and community cohesion.

Our aim is to return it to its position at the centre of community life. The Management Committee has undertaken significant research across the local community to assess and encourage interest in the restoration of The Brockweir Inn by way of public meetings, focus groups and engagement with local community groups. Our purpose has been to understand their aspirations for the pub and how it can be used for wider community use, not just as a pub, but also for other community-led initiatives. Smaller focus groups have allowed the Management Team to canvass the views of residents to ensure that their voices are heard and acted upon.

As a result of this **community engagement** over the past few months, the immense support we have had from locals demonstrates how keenly the loss of the pub has been felt and the strength of the collective desire to restore it to its rightful place as the hub of village life.

This is supported by evidence from the Plunkett Foundation, a charity working with rural communities to set up and run successful businesses in community ownership. Their reports show that **community owned pubs not only survive, but thrive**, in a time when many other establishments are forced to close their doors. Their latest published report on community pubs (2021) show that no community pubs ceased trading.

Even if the most negative projections expressed in the Business Plan are borne out, the Management Committee is confident that The Brockweir Inn will be a success thanks to the **strength of the local community** that supports it.

“The overall survival rate remains high at 99%”

Plunkett Foundation in
“Community Pubs - a better form of business” (2022)

OUR VISION

FOR THE FUTURE

Our vision is to purchase The Brockweir Inn for the benefit of the community and to secure its future as a thriving pub for locals and visitors alike.

Our aims are to:

- **Secure community ownership**
- **Refurbish and reopen in line with community objectives**
- **Provide a space where everyone feels welcome and valued**
- **Recruit and retain a professional experienced tenant**
- **Offer excellent food and drink**
- **Be a true community space**



To paint a picture

by Henry Morland, Chair of The Brockweir Inn CBS

In the eyes of our minds, we all have an image of what we want our pub to be.

It is of a thriving business positioned right in the heart of the community; a place beloved by locals and a destination in its own right for people coming to the Lower Wye Valley from further afield. It is not merely somewhere you chance across, but a pub with a fantastic reputation and glowing reviews for its location, its beauty and friendliness, as well as the quality of its almost exclusively locally sourced product. It is also a piece of history, the last pub in Brockweir, the sole survivor to bear witness to a time when Brockweir was awash with pubs and houses of considerably lesser repute.

You feel the warm and welcoming atmosphere the moment the old oak door opens in front of you. It reveals locals at the bar, nursing a pint or two of Tewdric's Tipple. A group of walkers are tucking into a well-earned meal while their damp dogs dry off in front of the fire. From the room at the back, you can hear children playing.

A notice board previews upcoming events. A quiz night on Tuesday, local climbers meeting on Wednesday. It's cheese and honey tasting on Thursday and a folk band on Saturday afternoon. There are notices for other local businesses too: yoga at Mackenzie Hall, volunteers wanted at the Village Shop and so on.

Upstairs in the Devil's Pulpit the local book club is packing up. An elderly gentleman is greeted by his young neighbour. Muddy cyclists are ordering food and drink at the bar before repairing to the large, characterful beer garden at the back. A couple come down from their room upstairs, already smitten by the beauty of the area. The landlady tells them they can get all they need for their picnic from the shop while locals provide conflicting advice on the best walks.

You pick up your drink, pull up a chair and settle in. At least in here, all is well with the world.

This is no pipe dream. It is not a deep-sea exploration station, a Michelin-starred restaurant or a boutique hotel. It is the Brock, revived, refurbished but not reinvented. It is our reborn community pub and, between us, we can make it happen.

WHAT WE HOPE

TO GIVE BACK

We aim to purchase the freehold of the building, and refurbish it as a community pub and meeting place. This will require the completion of the renovation works already started as the pub is currently not in a suitable state to fulfil its purpose. We will not run the business ourselves, as the evidence shows it is far more likely to be sustainable in the long term if it's run by an experienced publican. However, the terms of any lease we create would oblige the new tenant to run the pub in the interests of the local community.

Our goals are to:

- Serve food and drink at a variety of price points
- Open for a minimum of six days per week
- Host community events and workshops, as well as live music and quiz nights, etc
- Provide a base for local community groups to meet, at low or no cost.
- Support the Lower Wye Valley and its local businesses as part of the pub's supply chain.

The pub will encourage community cohesion by providing a reasonably priced, easily accessible and community-driven space for all. It would be far more than a pub or restaurant; it would be a valuable community hub.

If we are successful in purchasing the pub, any rent the BICBS charges the tenant will belong to the community, so after covering our costs and building up a contingency fund, we should have a surplus for our members to decide how best it can be used for the community.

Any operating profits generated by the tenant after paying rent to the BICBS as a result of running the pub will, of course, belong to the tenant.

“The Committee members were very positive about the proposal to restore a pub in Brockweir and we identified opportunities for the pub and shop to benefit by working together.”

Mike Weeks, Treasurer
Brockweir Shop and Cafe

BUSINESS PLAN

IN SUMMARY

The complete Business Plan is available to read on the [website](https://thebrockweirinn.com) (<https://thebrockweirinn.com>) and potential investors are encouraged to read this in detail.

In summary:

Stage 1: Buy the pub (August - October 2024)

Obtain valuations, community share offer; make grant applications; make an offer to the owner; purchase the freehold of the pub.

Stage 2 - Renovate the pub (October 2024 - Summer 2025)

Complete work required to make the building function as a pub as it is not currently fit for purpose; respond to community feedback, while retaining its wonderful character and enhancing it as a heritage asset, whilst increasing its sustainability.

Stage 3 - Re-open and run the pub (Summer 2025 onwards)

Find a great tenant, bring in the community to enjoy the pub; develop local activities and initiatives held in the pub

Key points of the Business Plan:

- An estimate of £695,000 will ensure that we can buy, renovate and re-open the pub to a suitable standard which will be funded through a combination of share capital and grant applications.
- This sum reflects the completion of all planned works. Three scenarios have been developed in the event that we do not reach this challenging target and these are outlined in the accompanying tables below.
- Should we have any additional capital needs, Members will decide whether to seek additional funding which might include alternative grant applications, a further Share Offer or commercial finance.
- If we have not raised £450,000 within six months of the close of our share offer, a full Members' meeting will be called, and a vote taken on how to proceed. Members will have the right to withdraw their share investment at this point.
- If we need to seek commercial finance it will only be deployed for the renovation of the pub and will not be used for its acquisition.

- Commercial finance may negatively affect the returns to investors, so BICBS' preference will always be to raise the necessary funds through alternative non-interest bearing means.
- The Tenant model has been selected because it has the greatest chance of success.
- Community-owned pubs are more likely to succeed than standard commercial operations, with a 99% survival rate (based on reports from the Plunkett Foundation).

We are confident of finding a suitable tenant due to the backing of the community, our ability to offer an attractive rent and not being tied to a brewery. In addition, the pub is located in a very popular and attractive location with a high level of seasonal tourism and plenty of local holiday accommodation.

The previous owners and tenants of the pub have, even in the bad times, run a successful and profitable businesses. The pub closed due to improvement works being undertaken by a new owner, which have yet to be completed, and therefore its closure over the last 5 years should not be seen as in any way indicative of its future success.

Project Costs

The following excerpts provide a summary of the Business Plan, but the full Business Plan can be viewed online at <https://thebrockweirinn.com>.

	£
Building purchase	400,000
Stamp duty	7,500
Refurbishment and fitting out	205,000
Purchase and renovation contingency	40,000
Total Capital costs	£652,500
Start up costs	36,933
Start-up cost contingency	7,387
Total Start-up costs	£44,320
Total Capital	£696,820

Financial Projections

We have compiled three example scenarios to demonstrate the effect of mixed funding success:

	Share Capital	Grant funding	Loan	TOTAL
1	£250,000	£150,000	£150,000	£550,000
2	£300,000	£250,000	£150,000	£700,000
3	£500,000	£200,000	-	£700,000

Notes

In order to demonstrate the effect of commercial borrowing on the project, the following amounts would be available for renovation in each scenario:

- Scenario 1: £100,000 (enabling initial renovations)
- Scenario 2: £205,000 (enabling final renovations, commercial loan needed)
- Scenario 3: £205,000 (enabling final renovations, commercial loan not needed)

Scenario 1: Minimum Share and Grant success

	Year 1	Year 2	Year 3	Year 4	Year 5
	£	£	£	£	£
Profit & Loss					
Income	9,200	25,000	25,000	25,900	38,900
Expenditure	43,560	45,296	26,950	26,640	26,403
Taxation	-	-	-	-	-
PROFIT/(LOSS)	(34,360)	(20,296)	(1,950)	(740)	12,497
Cash Flow					
Inflow	559,200	25,000	25,000	25,900	38,900
Outflow	547,011	41,511	23,451	23,451	23,551
NET IN (OUT) FLOW	12,189	(16,511)	1,549	2,449	15,349
BALANCE CARRIED FORWARD	12,189	(4,322)	(2,773)	(324)	15,025

Scenario 2: Medium Share and Grant success

	Year 1	Year 2	Year 3	Year 4	Year 5
	£	£	£	£	£
Profit & Loss					
Income	9,200	25,000	25,000	25,900	38,900
Expenditure	44,460	46,196	27,850	27,540	27,303
Taxation	-	-	-	-	-
PROFIT/(LOSS)	(35,260)	(21,196)	(2,850)	(1,640)	11,597
Cash Flow					
Inflow	709,200	25,000	25,000	25,900	38,900
Outflow	692,011	41,511	23,451	23,451	23,551
NET IN (OUT) FLOW	17,189	(16,511)	1,549	2,449	15,349
BALANCE CARRIED FORWARD	17,189	678	2,227	4,676	20,025

Scenario 3: Maximum Share and Grant success

	Year 1	Year 2	Year 3	Year 4	Year 5
	£	£	£	£	£
Profit & Loss					
Income	9,200	25,000	25,000	25,900	38,900
Expenditure	32,710	34,710	16,650	16,650	16,750
Taxation	-	-	433	3,477	5,928
PROFIT/(LOSS)	(23,510)	(9,710)	7,917	5,773	16,222
Cash Flow					
Inflow	709,200	25,000	25,000	25,900	38,900
Outflow	676,160	25,660	7,600	8,033	11,177
NET IN (OUT) FLOW	33,040	(660)	17,400	17,867	27,723
BALANCE CARRIED FORWARD	33,040	32,380	49,780	67,647	95,370

THE MANAGEMENT

COMMITTEE

We have built a Management Committee that covers the skills needed to bring The Brockweir Inn into community ownership. Following an initial, well attended Parish Council meeting, the community unanimously decided they wished to pursue community ownership. A small initial group was formed but this group did not contain all the requisite skills, and so we invited people to join the effort in our questionnaire and in our further public meetings.

During this period, we have also received financial support in excess of £7,000 from the Parish Council, Brockweir Community Interest Company and from fundraising events that will cover our initial costs such as organisation membership, this share launch, valuations and surveys.

We are pleased to confirm that we now have a Management Committee that covers all of the important identified skills to take the project forward. This group will stand until the first AGM, when there will be an election. Don't forget that you as a member can stand for election to the Management Committee!



HENRY MORLAND (CHAIR)

Henry Morland has lived in the Lower Wye Valley for nearly twenty years. Having enjoyed many happy times in the lovely Brockweir pub, he and his family moved to the village in 2011 with their three sons, who've grown up in Brockweir. Professionally, Henry has extensive commercial experience, including as a board director, focused on building effective teams and establishing sound governance in fast-growing businesses. A passionate believer in the role of enterprise in sustaining local culture and identity.



ADAM SINFIELD (COMPANY SECRETARY)

Adam Sinfield grew up in Brockweir and returned to live here in 2012. As a lawyer, specialising in employment and related matters, Adam bring his legal skills to the project. However, he also holds other roles of use including being the elected Chair of Hewelsfield and Brockweir Parish Council, a Director of Brockweir CIC as well as several other Directorships of non-profits. Adam is also an alcohol licence holder, so brings a wealth of community experience to the project above his legal expertise.



ALISON CRAWSHAW (COMMUNITY ENGAGEMENT)

Before moving to Hewelsfield Alison lived in the Brecon Beacons where she initially managed Youth Hostels for the YHA. After the YHA, she set-up her own business working with local community groups. Since moving to Hewelsfield 12 years ago she has set up her own business working with tourism in the area and freelanced with Lydney Town Council on project work, fundraising and grant applications. Alison therefore brings significant experience in community engagement work and an in depth knowledge of local tourism.



DAVID RODNEY (MARKETING)

David Rodney and his wife, Sally, and their two sons moved to St Briavels in 2001. They have enjoyed living in the Wye Valley over this time and have loved going to The Brockweir Inn regularly with family and friends, especially after long walks along the river. David is a professional marketer with extensive experience in retail banking and financial services where he has led and managed teams focused on identifying and delivering solutions for retail consumers. David would love to see The Brockweir Inn reunited with its local people, under a community ownership scheme, to ensure its long-term future.



LISE BREKMOE (HERITAGE)

Lise has lived in Brockweir since 2012, having grown up and studied Archaeology in Norway before moving to the UK in 2006. Lise has worked for several museums and heritage projects and is now the Interpretation and Research Officer for Monlife Museums. Lise brings a wealth of experience in the heritage sector, including a background in managing funding applications and projects, especially those involving large community engagement.



ANDREW PLUMMER (TREASURER)

Andrew has lived in the community since 2002 and has significant experience in community projects, including as a Director of St Briavels Assembly Rooms where he oversaw the £200,000 renovation project between 2008 and 2012. Andrew is a Chartered Accountant by profession. He qualified with Deloitte Haskins & Sells and has worked as Finance Director of several companies including Frenchay Healthcare NHS Trust where he managed a team of 70 staff. Since Frenchay, Andrew has taken on roles as CEO and Executive Chairman of two multi-million pound businesses, before selling the last business and retiring. He now wishes to use his skills to help the community. Andrew's financial experience will ensure that all accounting and financial governance is thoroughly covered.



TOM STARR (BUILDING AND PLANNING)

Tom has enjoyed living in the Wye Valley experiencing both sides of the river since the early 2000s. Tom has extensive professional experience within the building sector as a Chartered Surveyor in cost and project management having been a Senior Practice Partner and Construction Development Director. He has a strong focus on the interface of design and procurement to manage projects (including experience in Pubs and retail). Tom is looking to help develop a scheme that leaves a sustainable Brockweir Inn for the village and all the good people that pass through for generations to come.

THE SHARE OFFER

EXPLAINED

Our optimum target is to raise £400,000 through the Share Offer to buy The Brockweir Inn. If successful, the Share Offer will enable us to turn our vision into reality.

The aim is to raise sufficient funds by the issue of shares and grants received to finance the purchase of the pub. If this is not achieved, the scheme will be deemed to have failed and monies received from share subscribers will be refunded in full.

An estimated £300,000 will then be necessary for the full refurbishment of The Brockweir Inn and if it's not raised through share sales or initial grant funding, alternative funding options will be considered. This may include alternative grant funding sources, potential further share sales or if needed, commercial borrowing.

What are Community Shares?

Community Shares allow local people to come together to raise finance for a shared community venture that they feel strongly about and don't want to lose. Shares are withdrawable, meaning that a Member can request to withdraw their money at a later date (full details on the process are available in the Business Plan).

Our projections currently indicate that we will not be in position to fund withdrawals for a good number of years (if at all) unless our financial performance was better than projected. During these years, the only option would be for the Society to invite new investment (perhaps for people who have moved to village after this share issue and who want to take ownership alongside their friends and neighbours) and use that new investment to allow existing investors to exit. Our focus at this stage has been to raise the funding to enable the pub to be saved. Further decisions regarding Community Shares will need to be taken by the Management Committee at the appropriate time in consultation with Members.

Shareholders will become Members of the BICBS with a vote on the election of the Management Committee and other important issues.

Any interest paid will be out of trading surplus and as a policy, we will only commence paying interest once the Society has paid off any debts we have incurred to execute our plans.

Who can buy Shares?

Anyone over the age of 18 is eligible to buy shares and become a Member of the BICBS. Organisations and companies can also become members if they support the Society and its purpose. Corporate Members must nominate a named representative to act on their behalf. We do not allow applications from joint members or syndicates.

Shares are not transferable after the point of purchase, unless a Member dies or becomes bankrupt. You can tell us in advance to whom you wish to transfer your investment upon your death, and we will contact you as soon as we own the pub and ask for nominations. Please be aware that the nomination only applies to the first £5k of investment, further investments outside of that will rely on the probate process.

How much are we planning to raise?

The aim of the Share Offer is to raise a minimum of £250,000 with an optimum target of £400,000 and a maximum target of £600,000.

Our Shares

Each share costs £1, the minimum investment is £250. Thereafter, the shares will be sold in increments of 250 (250, 500, 750 etc).

Regardless of the size of shareholding, every member has one vote.

Shares cannot increase in value, but can decrease if the Society fails and its liabilities exceed its assets.

Community Shares are withdrawable but cannot be transferred, sold or given to anyone else, except on the Member's death or bankruptcy. Should a Member resign from the Society, the investment will be retained and converted to a loan in accordance with the Society's rules. This loan will then be subject to the same repayment terms as applicable to shares, meaning it will be repayable only when the Society is in a position to allow withdrawals (which as noted elsewhere might never be possible).

Our other sources of funding will be grants and if necessary, a loan, as detailed in the Business Plan. The main factor affecting the success of the Society is the amount of share capital we can raise. The higher the share capital, the lower the amount we have to raise through grant funding and/or loans.

Will there be a financial return to shareholders?

Like any business, the BICBS aims to be profitable. Shareholders are eligible to receive interest as a return on capital and shares are withdrawable subject to funds being available and Management Committee approval. Our rules allow us to pay interest on shares, but the rate must be the minimum required to attract and maintain investment. As stated above, given the number of variables it is not possible to confirm when interest will be payable or any loan repayments will be able to be made.

This project is not an exercise in generating large or short-term profits and should be seen as a long-term investment in our community. The main return on your investment will be the preservation of a community asset and a central hub for community social engagement, services and benefits. However, additional benefits are outlined above and within the Business Plan, such as the impact on property values.

Withdrawal of Shares

Under FCA Guidelines, we can only fund withdrawals if we have sufficient retained surpluses; because we will spend a significant amount on start-up costs, we will have trading losses in our first few years which thereafter will depend on our year-end profitability. Although we will always be projected to be solvent and cash rich, once we factor in the costs of finance and depreciation, we may make a year-end accounting loss, and in that event, it may take us many years to be in position to return capital to members, if at all. A future Management Committee might decide to invite new investment, and use that new investment to allow existing investment to be repaid, but that is a decision for others; our focus has solely been on getting the pub into community hands.

When does the Share Offer open and close?

The Share Offer will open on 1 June 2024 and will close on 30 June 2024. The offer may be extended by the Management Committee if deemed necessary to meet our target, or closed early if the maximum is reached.

What happens if the Share Offer is under or over-subscribed?

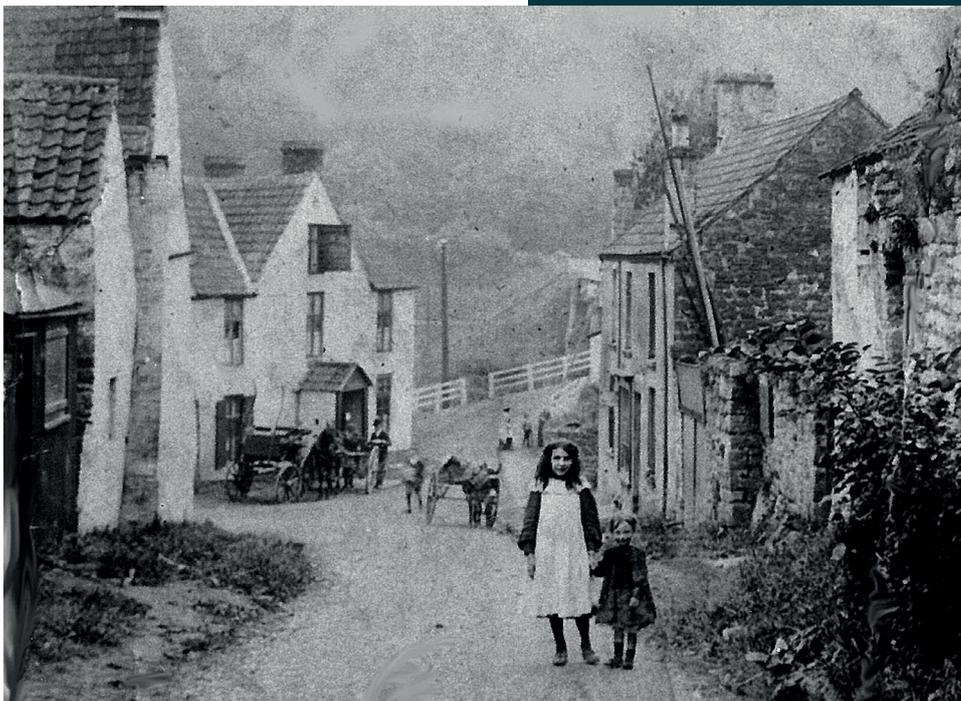
If we do not reach our minimum target, even after an extension period, the Management Committee will consult with Members and search for other sources of finance for a period of no more than six months. Should this be unsuccessful, the project will not go ahead and all share monies will be refunded in full.

If we reach our maximum target, the share issue will close at this point.

Project Risks

If for any reason, we are unable to proceed with the purchase of The Brockweir Inn, all share monies received will be refunded and the project will end.

A glimpse from the past..



..as we look to the future!

THE RISKS

AND YOUR RIGHTS

1. We expect and will require the business to be a profitable venture. We have carefully evaluated its strengths and weaknesses and our projections show that 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 more details about our business case, please read the full Business Plan, which is available on the website. A summary of the Business Plan is on pages 13 to 16.
2. This Share Offer is unregulated, as it 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 Financial Services Compensation Scheme.
3. You cannot sell or transfer your shares, but they can be withdrawn under certain circumstances, provided the Society has sufficient liquidity. The Committee may suspend withdrawals depending on the long-term interests of the Society, the need to maintain adequate reserves, and the commitment to the community we serve.
4. Because our business model involves very high capital asset purchase and development followed by relatively slow, steady and much smaller revenues each year, this means that we will be unlikely to be in a position to fund withdrawals for many years, if at all. This may change depending on our future financial performance, and may also be possible if a future Management Committee decides to raise new share capital to allow existing capital to exit.
5. If the business were to completely fail, all the business assets, including the freehold of the building, would be sold and the proceeds of the sale (after paying any creditors) divided between the shareholders up to the value of their shares. You might receive the full value of your shares back or you might lose part, or all, of your investment.
6. As a Member and shareholder you will have the right to attend AGMs and other members' meetings and have your say on the running of the organisation.



QUESTIONS

AND ANSWERS

Why form a community pub, why not allow it to be privately owned and run?

Aside from the obvious benefits of being able to own and run the pub by the community for the community, there is always a risk that private investment may not be forthcoming. Over the last two decades more than 13,000 pubs have closed in the UK, with the land typically being sold for change of use, often ending up as housing. Once local pubs close, they are lost for good. Analysis shows that community-owned pubs are often more successful than commercially-operated businesses.

What are the implications on the Business Plan if the purchase price is higher than budgeted?

As noted in the business plan, to bring in additional capital we could choose to extend the share offer, seek further grant funding or take out a larger commercial mortgage for the purposes of renovation than budgeted or solicit loans at favourable rates from members of the community.

What other forms of financing are we looking at?

We are intending to match the Share Offer using a number of grants to reach the full budgeted cost of the refurbishment of the pub. If we are unsuccessful in securing these grants, we will consider other forms of financing.

Who will run the pub and how will they be selected?

The Management Committee will put together a set of requirements that prospective tenants will be judged against, to make sure that we find one that is the best fit for the community. The Management Committee will interview candidates and assess their business plan against our criteria. We will also carry out due diligence on them.

Who will make the day-to-day decisions about the business?

The Management Committee will work closely with the tenant to ensure that our vision for the pub is delivered, however we will not micro-manage the tenant and ultimately all decisions regarding the operation of the pub and therefore all associated business risks will belong to them.

However, to ensure that there is a single point of contact with the tenant, the Management Committee will appoint one of its number to act as a Liaison Member to work with the Tenant to ensure that the community's needs are being met and satisfied. All community feedback regarding the pub is to be channelled through the Liaison Member.

Should a major structural issue become apparent once the purchase is complete, are the shareholders liable for the cost of repairs?

No, The Brockweir Inn Community Benefit Society is a limited liability entity so the total liability for shareholders is the value of their shares. If there was a catastrophe at a later date, we will have the choice to put in more money to take it forward, or let it fail and recover some, or all, of the capital.

The Management Committee will take out appropriate insurance to cover the risk of structural issues and any other relevant risks.

Are joint applications allowed?

Yes. However, you should note that only the first named investor on the application form will be a member of the Society with voting rights. If, for example, a couple would both like to be members then each person should make a separate application.

Can I invest on behalf of my children or grandchildren?

Yes, provided they are over 18, you can buy shares for them as gifts using the gifting application. They will become members once they have given us their signed consent to becoming a member.

My business is interested, how do I invest?

Businesses can invest in the same way as individuals; however, each business must provide the name of a registered contact and individual who will act on behalf of the businesses. This individual will also be able to vote at BICBS meetings.

If I cannot attend a meeting, am I able to designate a proxy?

Yes. The Society's Rules for BICBS confirm that each Member is entitled to designate a proxy to act on their behalf and vote at meetings. The designated proxy does not themselves need to be a Member of BICBS. This should be communicated in writing, which includes email, to the Company Secretary.

“The pub was the social heart of the community and now there is no equivalent”

Brockweir Resident
Community Survey March 2024

HOW DO I APPLY

FOR SHARES?

The Share Application Process

1. Please read the full Share Offer document and Business Plan to ensure that you are clear on the Share offer and the risks involved.
2. You should then complete the online Share Application with your personal details and your investment amount. You will need to email the completed form using the link provided or to shares@thebrockweirinn.com.
3. Once your share application has been received and processed, you will be contacted with instructions on how to organise payment.
4. If you would rather complete a paper application form, you can complete the attached one or print one at home via our [website](#) and either await payment instructions by BACS or include your cheque made payable to: Brockweir Inn Community Benefit Society Limited.
5. Please return your application form and payment to The Management Committee by post or deliver by hand to Manor House, Brockweir, Chepstow, Monmouthshire, NP16 7NG marking the envelope 'CONFIDENTIAL'

Allocation of your shares

- Once the Share Offer is closed, you will receive notification of your investment and a Share Certificate will be issued to you by 30 July 2024
- There will be a central register of Shareholders held by the Management Committee to ensure all shareholders are communicated with
- Your details will be held securely in line with GDPR guidelines

Keeping you Up to Date

Your contact details will be kept on file and you will receive regular updates. Your contact details will not be used for any other purpose nor shared with third parties.

SAVE OUR BROCK!

You can view and download free copies of the following supporting documents at:

thebrockweirinn.com



- The governing rules of The Brockweir Inn Community Benefit Society Limited
- This Share Offer Document and Business Plan
- An Investment Application Form (electronic submissions are preferred, where possible)