

# **A COMMUNITY SHARE OFFER FROM OAKLEY VILLAGE PUB LTD**

**Enabling the long-term survival and success of  
the Chandos Arms - our Grade 2 Listed 17<sup>th</sup>  
Century country pub.**

## **Executive Summary:**

You are invited to invest in Oakley Village Pub Limited, a Community Benefit Society established to manage the community interest in the Chandos Arms Oakley. This includes the appointment of tenants, defining community objectives and renovations of the pub.

This share offer is intended to raise funds to complete required heritage work to protect the pub, as well as substantial reconfiguration work to improve facilities.

Share offer Period: 15<sup>th</sup> May 2023 – 31<sup>st</sup> July 2023

Individual Share Price: £25, minimum investment 1 shares (£25)

Maximum Investment: Lower of £25,000 or 10% of total raised.

Minimum Share Offer Target: £50,000

Maximum Share Offer Target: £300,000

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**Risk Statement:**

Investing in community shares is fully at your own risk. Investors could lose some or all the money they invest. Investors are not protected by the Financial Services Compensation Scheme nor any right of complaint to the Finance Ombudsman Service. It is not part of the Financial Services and Markets Act (2003) covering the sale of securities.

## **THE STORY SO FAR...**

### ***The purchase of the Chandos Arms***

In April 2021, Punch Taverns (who at that time owned the Chandos Arms) informed Oakley Parish Council of their intention to apply to close the pub.

This became the catalyst for village consultation and a deep exploration of the ways in which the village could find ways to finance the purchase of the pub – therefore ensuring its long-term survival for our community.

With support from the Plunkett Foundation, Oakley Parish Council applied for and successfully achieved a Public Works Loan – enabling them to buy the pub on behalf of the village in September 2021.

During the purchase process, the Council defined different potential operating models, and it was through this that Oakley Village Pub Limited (OVPL) was born.

### ***The creation of OVPL***

Oakley Village Pub Ltd (OVPL) is a Community Benefit Society (CBS), registered with and regulated by the Financial Conduct Authority.

Community Benefit Societies are organisations founded and run expressly to support the needs of the community, rather than specific shareholders. Members purchase shares in the society and have a say in the running of the society on a one-member-one-vote basis.

OVPL was registered on 14<sup>th</sup> February 2022 and has agreed a 50-year lease on the Chandos Arms with Oakley Parish Council.

Under this lease, OVPL assumes all responsibility for ensuring the pub is run for community benefit, including appointing tenants or managers to do this on their behalf.

### ***Why the success of The Chandos Arms is important for our village.***

Over the last 50 years, Oakley has lost many of its amenities. As working patterns, family life and village demographics have changed we have lost shops, pubs, hairdressers and laundrettes!

We know that once something is lost, it is very hard to re-create. As the village showed during the consultation to support the Public Works Loan – Oakley does not want to lose its pub!

As we talk to residents, there are a wide range of reasons that we hear about why the pub is important. These include:

- Our village will continue to enjoy a welcoming and thriving pub and having a local social hub that welcomes individuals, families, and village teams is important to us.
- We can reduce loneliness & isolation, particularly for the elderly, disabled and those with young families or working from home.
- We support the local economy through a local supply chain and by bringing in money from outside of the community.
- We create temporary and full-time employment within the village.
- We know that research shows house prices are negatively impacted in communities whose pubs close down – so a thriving pub has benefit for homeowners.

### ***OVPL Management Committee***

Oakley Village Pub Limited is currently run by an interim Management Committee, following the rules and principles established within the constitution.

Through this share offer, we will create the membership of the Society. All members will then be invited to the first Annual General Meeting of OVPL at which the Interim Management Committee will stand down and elections will take place for the full Management Committee.

We hope to see support for the share issue from across the breadth and depth of our diverse community, and for volunteers to step forward with energy to form the new Management Committee.

## **THE OVPL INTERIM MANAGEMENT COMMITTEE**

### **David Cherry** – Chair of the Interim Management Committee

Dave has lived in Oakley for seventy years. He's a past Chairman of Oakley football club, Churchwarden of St Mary's Oakley and current Vice Chairman of Oakley Parish Council. He has spent a good deal of his disposable income in the Chandos over the years!

### **Joanne Grey** – Treasurer of the Interim Management Committee

Jo moved back to Oakley in 2020, having been born and brought up here. She is a freelance Career & Leadership Coach and Management Accountant, with nearly 20 years' experience in finance leadership in the technology sector. Jo is committed to improving the community facilities and opportunities within Oakley. Jo has been a Parish Councillor since May 2021.

### **Mick Moignard** – Secretary of the Interim Management Committee

Mick has lived in Oakley for 30 years and seen the village lose amenities and didn't want to see another one lost. Mick has a long record of volunteering in various fields. He is now retired from a long career in business systems development, but still runs a small hobby business.

### **Hannah Curzon-Tackley**

Hannah moved to Oakley in February 2021. New to this area of Buckinghamshire and the village she has fallen in love with Oakley and all it has to offer for the community and the families that live here. She has 10 years' experience in Marketing and works at an agency in Oxfordshire.

### **Byrone Carter-Heywood**

Byrone is a high voltage electrical engineer and has lived in the village for a little over 7 years. He is very passionate about the village. As a Governor of Oakley School, he has taken on roles such as chair of the curriculum committee as well as helping in various local events.

### **Thushara Madurasinghe**

Thushara moved to Oakley in 2020 and is keen to see the village prosper and contribute his knowledge, expertise and time whenever possible. A management accountant by profession, he is currently a Business Manager within the Department of Health and Social Care and President of a UK registered Charity, the Association of Professional Sri Lankans in the UK.

### **Adrian Tatum**

Adrian has lived in Oakley for the last 18 years. He is currently Managing Director of a Digital Marketing company, prior to this he ran divisions of a computer services business, he was previously IT Director of British Railways prior to its privatisation. Adrian joined the committee of OVPL to help ensure the Chandos Arms would continue to be a central part of village life.

### **George Earp**

George moved to Oakley from Thame during the pandemic with his wife and daughter. He is the Chief Commercial Officer of a software and data engineering business that is head quartered out of the UK and operates across Europe with global customers. He has spent 15 years in commercial roles in technology businesses. George is passionate about having a pub in the village that residents are proud of and enjoy.

## **THE OVPL BUSINESS PLAN**

The financial planning assumptions are built by the OVPL Interim Management Committee on the following assumptions:

- We have a fully operational pub, trading successfully – mitigating the major concern that our pub could close forever.
- We have a 5-year lease with our tenants, with an expectation of renewal at the end of that period.
- We have known required works, as defined in the survey undertaken at the time of purchase, that need to be carried out within the next 5-6 years.
- We have a Chandos Arms 2025/6 vision – with the aspiration to reconfigure the pub to achieve the desired goals of:
  - o Increasing the capacity for food covers to develop the financial viability of the pub
  - o Develop the bar into a more dedicated drinking area to support the desires of the community
  - o Create accessible facilities, including disabled toilets, to ensure the whole community can enjoy the pub.
- The Chandos 2025/6 vision would require OVPL to:
  - o Create a new kitchen area outside of the current footprint of the building
  - o Transform the existing kitchens into toilet facilities, fully accessible for disabled guests
  - o Extend the dining capacity utilising the area currently used as ladies' toilets and storage rooms.
- Financial prudence is a priority within the current economic uncertainty.

## FINANCIAL PROJECTIONS ON OPERATIONS

These financial forecasts are based on normal operations under the proposed agreements.

They do not reflect any significant reconfiguration work on the pub (which form part of the Chandos 2025/26 aspirations).

	<b>2023 (part year)</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Turnover	13,250	26,500	27,560	28,662	29,809	31,001
Costs (incl Lease, Insurances, Admin, Maintenance)	12,500	24,605	25,231	25,883	26,562	27,270
Gross Profit	750	1,895	2,329	2,779	3,246	3,731
Profit/Los Post Tax	608	1,535	1,886	2,251	2,630	3,022
Cumulative P/L post tax	608	2,142	4,029	6,280	8,910	11,932

## WHAT ARE COMMUNITY SHARES?

Community shares allow ordinary people to invest and take ownership in organisations and services that they care about, whilst giving them the opportunity for a small financial return and a **big social return**.

- Shares are 'withdrawable shares' that cannot be sold, traded, or transferred between members, unlike shares in typical companies.
- All Members, regardless of how many shares they hold, have ONE vote. This includes investments from larger organisations or businesses.
- To purchase shares and make an investment you will need to be 18 years of age and over.
- Other than the age stipulation, investment is open to all, including residents, people who lived in the area but have now moved away, people working in the area, businesses, visitors, clubs, and charities.

## MEMBER BENEFITS INCLUDE:

- The opportunity to make an investment in your community.
- The right to attend the Annual General Meeting and other key members' meetings to have your say.
- The right to elect the Management Committee at the Annual General Meeting
- The right to stand for election to the Management Committee
- The right to be informed about the project through our members communications.
- The right to input into the future plans for the Chandos Arms

We are delivering our share offer in line with the Community Shares Standard Mark best practise, although are not applying for the Standard Mark itself.



## **THE SHARE OFFER PROPOSAL**

### **Preserving heritage and preparing for the future.**

Oakley Parish Council's purchase of the Chandos Arms enabled us to avoid the immediate threat of closure and the permanent loss of our only village pub. We have already seen how our newly revitalised pub is bringing the community together in new and exciting ways.

The funds available in the Public Works Loan were always intended to enable purchase and initial key repair works.

They were never going to be sufficient to preserve the heritage for the long term, nor complete significant refurbishment works. It was always anticipated that funds through the share issue and grant applications would be required to do this.

### **This Share Issue is critical to ensuring that The Chandos enjoys an exciting and successful long-term future.**

If the share offer does not achieve the minimum target, we may not be able to undertake vital & necessary heritage works, including replacement of the thatch roof.

If we reach the higher targets, the additional investment raised will enable improvement of accessibility – including disabled toilet facilities - and a reconfiguration of the layout to increase capacity for a thriving food business, whilst enabling a true “drinking” area within the pub.

### **The share offer is time limited:**

<b>Opens:</b>	<b>Closes:</b>
15th May 2023	31st July 2023

*The closing date for the share offer may be extended at the discretion of the Management Committee but will be no later than 31<sup>st</sup> August 2023.*

*The Management Committee may choose to release subsequent share issues, following the rules set out in the constitution of the Society.*

### **Price of shares:**

Individual Share price	£25
Minimum Investment	£25 (1 share)
Maximum Investment	Lower of £25,000 or 10% of total raised

## Our targets:

Minimum target	£50,000
Optimum target	£250,000
Maximum target	£300,000

*Institutions can invest more than the maximum, please contact us for more information.*

## YOU SHOULD CONSIDER INVESTING IF YOU:

- Want to ensure Oakley can preserve and retain a thriving village pub at its heart.
- Want to be a part of a community where you know and are known by your neighbours.
- Are concerned about loneliness and isolation for people living within rural areas.
- Have birthdays and family celebrations – and want to have a great place to celebrate them.
- Want to support the preservation of historic buildings.
- Are keen to sustain property prices.
- Want to be part of Oakley’s biggest community project and support the village and surrounding area to thrive and prosper.

According to Co-operatives UK research, 80% of community shares investors do so to support the wider social and environmental benefit and 92% of community businesses that have run a community share offer are still trading.

## INTEREST AND WITHDRAWAL OF SHARES

<b>Investment Type</b>	Withdrawable community shares that cannot be sold, traded, or transferred.  In the event of death, the shares may be transferred to a nominated beneficiary, following the terms and conditions set out in the Oakley Village Pub Ltd rules. Investors will be contacted to appoint their nominated beneficiary.
<b>Interest Offered</b>	Investment in OVPL should be seen as <u>primarily an investment in the community</u> rather than one for financial gain.  However, interest can be paid on the investment in the situation where OVPL generates sufficient cash reserves through operations.  This is capped at the greater of 5% or 2% above the base rate of the Bank of England in line with the rules of the organisation.
<b>Withdrawals</b>	We anticipate allowing investments to be withdrawn five years after share issue.  Withdrawals will be paid in the order in which the notices are received, with a cap on the total withdrawals allowed per year.

## **FREQUENTLY ASKED QUESTIONS (as of 23 May 2023)**

*These FAQ's will be updated throughout the share issue period as we receive more questions from the community.*

### ***HOW MUCH CAN I INVEST?***

We have set the value of each share at £25, to try to make the share offer as accessible as possible. You can choose how many shares you wish to buy and to succeed we need most people to put in more than the minimum amount (1share, £25). Please note that there is a maximum individual investment of 10% of the total raised from the community, so if the amount you wish to invest is more than this, we will let you know and adjust your investment in line with the final maximum investment cap.

### ***WHAT RETURN ON MY MONEY WILL I GET***

The primary return on investment is the social return – participating in the village's largest ever social project and supporting the community ownership of our pub.

However, over time we hope interest will be paid on the investment from trading profits. This would be capped at the greater of 5% or 2% above the base rate of the Bank of England in line with the rules of the organisation. It is anticipated that no interest would be paid within the first 5 years.

### ***IS THE INTEREST GUARANTEED?***

No, it is not guaranteed.

### ***HOW SAFE IS MY MONEY REALLY?***

Since community owned pubs began, there has only been one closure. Our pub has a long track record of making a profit year on year and we aim to significantly improve the facilities to enable us to make even more profit. However, no business is a certainty and in the event of The Chandos failing economically your share value can fall and will be dictated by the value of remaining shares. Ultimately, you should not invest if your primary reason is financial return on investment. You are investing in your community.

### ***WHAT HAPPENS IF I WANT TO WITHDRAW MY SHARES?***

We hope that you will want to retain your shares for many years to come. Withdrawal requests can be made in line with the constitution. They will be paid in the order in which the notices are received, with a cap on the total withdrawals allowed per year.

### ***WHAT SAY DO I HAVE IN THE RUNNING OF THE PUB?***

You have the opportunity to be elected to the Management Committee, become an Officer of the Society and be a full part of the decisions!

The Society runs on a one member, one vote principle, meaning each member will have an equal vote regardless of shareholding. The management/tenant of The Chandos will be appointed by, and answerable to, the Management Committee.

***WHAT HAPPENS IF THE BUSINESS FOLDS?***

In the event of this happening, the Society will pay all of its outstanding liabilities. The share issue will then be shared out to shareholders in line with their investment. Responsibility for The Chandos would revert back to the freeholder, Oakley Parish Council.

***WHY SHOULD I INVEST WHEN BRANDON & MATTEO ARE LEAVING?***

OVPL is grateful for the hard work and effort Brandon & Matteo have invested over the last year and we were disappointed that we could not agree lease terms with them.

The Management Committee are already well advanced with new tenant selection, and hope to make an announcement within the coming weeks.

When you buy shares in OVPL, you do not invest in a particular tenant's business – however successful (or not) it is.

What you are investing in is the long-term survival and success of a Grade 2 Listed Pub, and being able to have an active voice in the Society and the Management Committee decision-making.

***WHAT HAPPENS IF THE MONEY IS NOT RAISED?***

The Parish Council still retains funds from the original Public Works Loan – with the intention that this will form part of the grant process.

If the minimum Share Capital is not raised, the monies from the PWL will be held to complete the minimum required upkeep for a Grade 2 listed heritage building like the Chandos Arms.

If we do not achieve the maximum target (or close to it), we will be unable to make improvements to the facilities offered (subject to planning and listed building consent). This means that the current trade-off between drinking and eating space would continue, and we would not be able to increase the capacity of food covers.

Most importantly, not achieving the maximum target would mean that we could not improve the accessibility and introduce disabled toilet facilities, which would enable the Chandos Arms to truly cater for our whole community.

***WHERE CAN I FIND ALL THE SUPPORTING INFORMATION***

You can find all information relating to Oakley Village Pub Limited and the share offer on our website <https://oakleyvillagepub.ltd/>.