



Your invitation to invest in our Community Share Offer

Share offer target £200,000

Min target £120,000 Max target £250,000

Min share investment £250 Max share investment £10,000

Share offer extended

The Blue Bell Community Hub Limited Registered No. 7991



The Blue Bell

A 1635 Cowdray map shows a building on the current site of the Blue Bell at the crossroads in the middle of Cocking village. Sadly, the map does not say what that building was used for. However, it is reasonable to think that Cocking has had a pub at its heart for many centuries. Cocking is situated at the lowest crossing point of the Downs so people travelling from Chichester to London or London to the coast would have passed through Cocking since Saxon times. These people would have needed refreshment and accommodation before or after the strenuous climb and descent; and Cocking would have been the natural choice for a hostelry, inn or ale house.

Hard evidence does not present itself until 1804 (the year before the Battle of Trafalgar) when a Mr Weller posted a Notice for Sale by Auction of the Bell Inn, Cocking and described the building as "A long accustomed Public House known by the sign of The Bell." "Long accustomed" implying that it had been in existence for some considerable time in 1804.

When Jean and I came to Cocking some 32 years ago, there were two pubs in the village: The Blue Bell and the Richard Cobden or as it was originally known The Cobden Arms. We know that in 1867 the Cobden Arms applied for a licence, but was turned down by the Magistrate following an objection by the Bell Inn claiming that the Cobden only sold 30 gallons of ale a year. The Cobden Arms persisted and eventually gained a licence and remained in business until eventually closing its doors some 20 years ago when the building was converted into a private house.

With the opening of the railways in the area and the anticipation of increased business around 1887, the old Bell Inn with its thatched roof was rebuilt in its current form and the exterior has remained substantially unchanged since then. For a short period during the 1980's and 1990's it was known as the Potter and Vine after which it again became the Bluebell Inn; the sign board displaying the flower rather than the church bell and as such it remained until it closed. It will now revert to the Blue Bell with the church bell logo.



The Blue Bell

It is my contention that the bell, that the Bell Inn was named after, is the rare and very beautiful medieval bell that hangs in the bell tower of Cocking church. Cast in 1420 and named 'Sancte Johannis Ora Pro Nobis', it is as perfect today as the day it was cast and hauled up the tower where it has sounded over the village for the last 600 years. In medieval times the word blue signified truth, strength and faith.

Two years ago, Simon, the last landlord, gave up the pub and after a passage of time the building was bought by a developer whose intention was to turn the property into two houses. It was at this stage that some of us in the village woke up to the fact that if this happened, we would probably never have a pub in the village again. After well over 200 years this pub would disappear and it would disappear on our watch. We strongly felt that something had to be done.

Paul and Linda have been talking for some time of retiring from the shop/PO so the chances were that we would lose not only the pub, but also the shop and the Post Office and thus become just a collection of houses divided by a main road. We risked losing our sense of community; the very thing that many of us value about living in a village. Experts who have consulted about this predicament warned that losing these services would devalue village properties by about 10%.

The Steering group formed to save the Blue Bell and create the Blue Bell Hub are incredibly impressive in the enthusiasm, expertise and knowledge they bring to the task and by the hard work they are putting in to ensure that the Blue Bell lives on in the heart of the village and its community.

Philip Jackson
Cocking 2019





The Share Offer at a glance

The sale of The Bluebell Inn, Cocking, is a once in a lifetime chance to buy the pub and to secure its future as a community hub providing essential services to the thriving village of Cocking.

We would like as many people as possible to invest to make it a truly community venture.

This page provides a brief summary but you are strongly advised to read the entire document before reaching your decision to invest.

The Blue Bell Community Hub Limited is a Community Benefit Society (CBS) registered with The Financial Conduct Authority (FCA) Register No. 7991. The Society was formed with the purpose of purchasing the Bluebell Inn and developing it as a hub, including a Visitors' Gateway for the South Downs National Park, and Post Office and shop (currently run as a separate business) to secure its long-term future for the benefit of the community. This Share Offer is aimed at residents of Cocking and surrounding area who will become owners and beneficiaries of a thriving business.

The project and later oversight of the operation will be undertaken by a management committee. The Management Committee will, as obliged under the constitution of the CBS all stand down at the first Annual General Meeting (AGM) when individuals may offer themselves for re-election. The committee will then be selected by members' votes at the AGM each year. It shall provide an annual report of activities and finances to all members and annual return to the FCA. It will carry out monitoring of the tenant.

The project will cost approximately £637,000 to purchase the pub and cover the associated costs, in order to be 'tenant-ready', and over £150,000 has already been pledged in donations and loans. The details of project costing and finance are given in the business plan which can be found on www.bluebellhub.org

It is the intention to finance the purchase as far as possible through a combination of grants (£200,000), donations (£117,000), private loans (£160,000) and a community share offer starting in mid February and ending on 31 March 2019. The Society will extend the share issue for a further 4 weeks if it believes that by so doing the targets will be hit.

The target for the share offer is to raise a minimum of £120,000 with a target of £200,000 and a maximum of £250,000. In the event of a funding shortfall a commercial mortgage will be taken out.

Shares will be priced at £50 each, and the minimum shareholding will be five shares (i.e. £250 minimum investment). The maximum shareholding will be set at £10,000 per private investor and £100,000 for institutional investors. Interest will be paid to shareholders at 3% per annum after a qualifying period and when the Society has sufficient sustainable income as described further in the offer.

Purchase of the minimum number of shares will confer membership of the Society, giving members control over the business through the annual election of a Management Committee and voting rights on significant issues at regular meetings. Community Benefit Societies are by law intended to be democratic organisations, and all members will have an equal vote, regardless of the size of their shareholding, and will have the protection of limited liability. The Society's rules contain a statutory asset lock. This is a constitutional device that prevents the distribution of residual assets to members.

Introduction

Our vision is to buy The Bluebell Inn, Cocking, for the benefit of the community and to secure its future as a thriving community hub.

This community share offer invites you to invest in The Society so that we can buy the building known as The Bluebell Inn and carry out renovations and conversions to provide several different functions for the benefit of the community. The hub will be known as The Blue Bell and will be operated by an experienced tenant who will pay a rental based on turnover, and he will be responsible for the profit and loss of the whole hub operation including pub, shop, B&B and visitor centre. The Post Office will be run by a postmaster who will be salaried by Post Office Ltd. It is the intention that the current post office opposite the hub will move across when the postmaster retires in the near future.

A purchase price of £470,000 has been agreed with Wand Estate, the current owner, and assumes an Exchange of Contracts date of 31 March 2019 and Completion of Sale by 30 April 2019. The Society has paid a reservation fee of £5,000 to secure the sale. As part of the agreement, the current owners will carry out repairs to the building to bring it up to a basic serviceable state including works to the roof and chimneys and certification of the electrical and fire alarm installations. Additional costs associated with the purchase, together with refurbishment, working capital and contingencies, brings the total cost of the project to £637,000. This will be funded by grants, donations and loans amounting to £517,000, with the balance of £120,000 coming by way of share capital to be raised from this offer. If share applications exceed £120,000 the loans will be reduced accordingly.

The price per share is **£50** and the minimum shareholding will be five shares (i.e. £250 minimum investment and the maximum for private individuals will be 200 shares (i.e. £10,000 maximum investment) or 2,000 shares for institutional investors.

We aim to attract investment mainly from residents of Cocking and the surrounding area, but anyone with an interest in the village or the future of The Blue Bell is welcome to invest.

Important information

This document details and contains an invitation to subscribe for shares in The Blue Bell Community Hub Limited ("The Society"), which exists for the benefit of the community. The Society will generate income by receiving rent from the Tenant of The Blue Bell in Cocking. All financial assumptions made are detailed in the business plan on the Society's website www.bluebellhub.org.

The document should be read in its entirety. If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice.

Nothing in this document constitutes investment, tax, legal or other advice by the society, its members forming the current Management Committee or their advisers.

This document is important and requires your careful attention.



Proposal



The village is confronted with the potential permanent closure of their only pub and when the current owner retires, the only shop and Post Office. Combining the Blue Bell (pub, restaurant and B&B), post office and shop could, through its economies of scale, make a viable 'Hub'. It would provide a valuable 7-day a week sustainable asset to the village, whilst also attracting tourists to the area. It would also provide local employment.

For most villages a pub is an important service; it is a meeting place, communication centre and an important lynchpin of village life. A shop and post office can be a vital lifeline, especially for those without transport, and an important connection with the world beyond their front door. Much of the appeal of our village rests on its sense of community. It is the reason many people have moved here and remain here. The presence of a community hub with pub, shop and eventually post office would, we feel, greatly enhance that community spirit and give Cocking a stronger sense of place.

The Steering Committee, with backing from villagers and our Parish Council has assessed the feasibility of the village purchasing the Blue Bell as a community asset, bringing the property up to standard, at the appropriate time moving the shop and post office into the Blue Bell building and finding tenants alongside volunteers to run the day to day business within guidelines set by ourselves. We have carefully considered how the hub should be run and have concluded that because we need to hit the road up and running quickly, we would want to attract a tenant who would share our vision and would be incentivised by reaping the benefit of operating a successful business.

The CBS would also benefit two ways: firstly, the long-term future would be more secure if it was operated on a commercial basis by an experienced person or persons, and secondly good performance would result in higher rental income to the Society. In other words, the venture would be less risky to both the funders and the Society. There would still be valuable opportunities for volunteers but the commercial viability would not be dependent on such input. We are currently in discussion with a number of promising potential candidates.

The Blue Bell has been a viable business over the years with the most recent tenant only giving up due to an increase in rates (this has now been reduced in the recent Budget) and an extreme rise in rent.

We feel that this proposal best supports the SDNP Local Plan in that it seeks to foster the economic and social well-being of the village and protects existing community facilities that serve the local communities of the National Park. The vision is fully supported by the South Downs National Park Authority and they will be supporting the project through provision of a Visitor Gateway.



Proposal



The proposal will:

- Create opportunities for local employment
- Inject money into the local economy
- Provide a hospitality venue and information point for local groups, tourists, walkers, cyclists and passers-by
- Help to sustain local property prices
- Potentially provide additional community services
- Provide scope for volunteer contributions from residents of Cocking and the surrounding area.

There has been significant interest from local people in the proposal as witnessed by the very large turnout at the project launch event in January, which is in line with government and district council policy to extend the range of amenities offered by the community pub. By investing in this, services could be provided to the community which will enable fuller use to be made of the community-owned pub building and garden, to reduce journeys to Chichester and Midhurst, and thereby to improve local resources and support environmental sustainability.



Taking the proposed amenities in turn:

1. Pub and Café

There has long been interest from local residents and passers-by (especially walkers, cyclists, and visitors to the South Downs Way) in a more extensive pub/café facility at the pub with an internet facility. The pub would serve reasonably-priced but wholesome pub-grub type food. We want the pub to embrace the community and therefore provide food and facilities for the whole family. Themed nights would help to harness the talents in the village including music and folk nights, book nights, poetry evenings, themed food nights and guest speakers. Re-establishing a regular quiz night would also help to engage the community.

A morning coffee club (with or without knitting or other activities) could provide an inclusive amenity for people who live locally and are restricted by lack of transport or reduced mobility. The pub/café area will provide a place where people can buy drinks and food and will provide a much-needed social hub for the village with the shop and pub/café generally increasing social engagement between different age groups and social groupings within the village and reducing social isolation. We intend to work in partnership with the Chicken Shed cafe; our belief is that the two amenities can and should complement one another to the overall benefit of the community.



Proposal



2. Shop and Post Office

Many people have expressed interest in having a local shop facility within the hub to sell daily essentials such as bread, milk, butter, eggs, tea, coffee, etc. and offering a wider range of goods, newspapers, cash point etc. The store will stock everyday essentials at affordable prices. The initial hub store will provide a range of locally sourced produce including meat and fruit and vegetables and local crafts. By providing local produce and crafts we can support local businesses. The current Post Office and shop will move across the road when the current postmaster retires in the near future and will be integrated with the initial hub shop.

The shop and Post Office will then have step free access for all and will have car parking available. Shop opening hours can be maximised.

The store will also provide:

- Postal services (recorded delivery and special delivery services, national and international post and parcels, parcel drop off and collection point)
- National Lottery
- Local notice board to advertise jobs, items for sale and items wanted, information about local events and ticket sales
- Information about the local area and a visitors gateway to the South Downs National Park, Weald & Downland Museum, West Dean College and Goodwood events.
- Display for local artists, potters, etc.

As member-owned organisations, community hubs are more likely to listen to and respond to the needs of their members and of their wider community. They are therefore more likely to stock and sell products and services that their customers want.



3. B&B accommodation

The Blue Bell can provide three rooms all en-suite for bed and breakfast. They will be reasonably priced in line with similar establishments in the area and will provide a regular income for the hub throughout the year.

4. Additional amenities

A community pub can offer simple but valuable amenities such as a collection and delivery point for a range of retailers, pub sports such as darts and dominoes, a book exchange, and occasional wine, ale and food tastings. We would encourage regular folk and jazz evenings, and a bike parking and repair station catering for the ever-increasing number of cyclist groups and the future connection to the Centurion Way.

5. Aspirational future amenities

When the core pub business and extended amenities are established successfully, interest has been expressed in providing facilities on site for a pizza oven. The pub kitchen may also be able to assist by providing catering for large-scale events at the village hall. This will need to be developed with the appointed tenant.

From existing feedback, we are exploring the possibility of including a village defibrillator and a visitor experience of Philip Jackson's works including the Cocking Column. We have also approached the various local attractions to become an information centre for tourists and visitors including the South Downs Way, Weald and Downland Museum and West Dean College who are currently starting a new outreach programme. There are also opportunities to link with the Goodwood Estate to find synergies with the major annual events they hold attracting a national and international clientele.

We will only act with the backing of the village. It is our intention to fully engage with the villagers through public meetings at the appropriate times. Initial findings on gauging opinion are described on the web site www.bluebellhub.org

Funding

The financial plan for the project comprises a number of components:

Firstly, there is the CBS financing of the acquisition and project development cost.

Secondly, there is the on-going finance of the CBS debts and liabilities consisting of loans, shareholding and CBS running costs over time.

Thirdly, there is the forecast of how a tenanted business might perform to underpin the viability of the assumed continuous rental income streams to the CBS.

The projections are necessarily based on a number of assumptions. Where possible we have used figures based on or derived from what has been achieved in the past for the pub and B&B operation and separately of the shop. This has been sense-tested by comparison of figures of similar operations such as the Abingdon Arms PH, Beckley, Oxfordshire, Old House at Home PH, Newnham, The Anglers Rest, Bamford, Derbyshire and The Crown, South Morton Oxfordshire.

We have also taken advice from professional organisations with long experience in this type of business notably Mike Hughes Ltd (Valuer of the Blue Bell business), Anthony Miller of Pub is the Hub and last but not least Mark McTaggart of the Plunkett Foundation.

In addition, this financial plan has been independently peer-reviewed by a number of professionals with business and management consultancy expertise.

Costs		Funding		pledged	outstanding
Acquisition cost	470,000	Grants	200,000	0	200,000
Stamp duty	13,000	Shareholdings	120,000	24,500	95,500
Legal fees	2,000	Donations	*117,000	20,000	97,000
Misc project costs	3,000	Loans – private	160,000	130,000	30,000
		Bank loan	40,000	0	40,000
Refurbishment	87,000				
Contingency (30%)	26,000				
Working capital**	36,000				
Total project cost	637,000	Total funds	637,000	174,500	462,500

**includes goodwill and stock existing shop

*10 x £10,000 plus multiple smaller amounts



Funding

Costs

The purchase price has been agreed with Wand Estates and assumes an Exchange of Contracts date of 31 March 2019 and Completion of Sale by 30 April 2019. The CBS has paid a reservation fee of £5,000 to secure the sale. As part of the agreement, Wand Estates will carry out repairs to the building to bring it up to a basic serviceable state including works to the roof and chimneys and certification of the electrical and fire alarm installations.

The refurbishment budget of £87,000 plus 30% contingency allows for upgrading works to be carried out over and above the Wand Estate repairs. It also includes for the moving of the Post Office and shop. This budget has been set by a consulting engineer on the management team and has necessarily a substantial contingency at this stage as builders' quotes are still to be obtained.

A separate line has been included in the start-up cost for working capital. This allows for buying out the goodwill of the existing shop and taking over of stock. It also provides the bridging capital for monthly loan repayments from acquisition completion scheduled in April and opening in August 2019.

Sources of funding

The assumptions on funding sources are based on a comparison with other CBS enterprises and experience with finding grants for the Village Hall in Cocking. It is considered realistic based on that experience that £200,000 can be raised through grants. It is expected that the grants may not be made immediately but over six to twelve months.

The whole premise of the community hub is that there is support from the locals and other interested parties, and that there is an opportunity to participate in its long-term financial success. This takes the form of being members of the CBS through shareholding. We have deliberately limited the size of each private member's shareholding to £10,000 although under CBS rules this could be £100,000 which has been set as the limit for institutional investors. The reasons are twofold: if we had large investments from a single source, we would have to cater for the eventuality that a number of shareholders may simultaneously wish to withdraw their investments. Although the rules of the CBS clearly set out that any repayments would be at the discretion of the management committee and could only be made if the business balance sheet would allow this, we would like to adopt the policy that we would strive to repay the investment when requested.

Secondly, private members may be less inclined to invest or may find it hard in practice to accept that a large shareholding would not buy more voting rights. This tension can be minimised by limiting the range of values of shareholding. The assumed shareholding build-up is shown:

Shareholdings	Assumed average*	No. of shareholders	Value (£)
Individuals	1,000	100	100,000
Interest groups	1,000	20	20,000
Total			120,000

*minimum £250; maximum £10,000

It is possible that the amount of money which can be raised through shareholding is underestimated judging by what has been achieved elsewhere. If the shareholding issue is oversubscribed then we may reduce the amount of loans required accordingly.

Donations from private individuals and companies target is £117,000 of which £20,000 has been secured to date. Work is progressing to approach donors through local contacts.

Funding

Loans have been secured by pledges from local interested parties to a value of £160,000 of which £130,000 has been secured to date. These loans will be used to bankroll the acquisition cost but will start demanding interest payments at 3%. The projection assumes the loans to be paid off over 10 years. Depending on timing of grants arriving, the loans may be needed sooner or later than projected. Any pledges

on these loans therefore need to be flexible regarding availability. A few individuals have committed to provide the necessary cashflow as required.

The remaining funding will come from a £40,000 bank loan secured on the property from a commercial bank at 6% APR. If more shareholding can be secured this loan would not be necessary.

Funding source	Interest rate	Amount (£)	Annual cost (£)	Duration
Bank loan	6.00%	40,000	5,328	10 years
Private loans	3.00%	160,000	18,534	10 years
Shareholders	3.00%	120,000	3,600	indefinitely
Total debt servicing charge			27,462	

Cash flow

Projections (details are in the business plan available on our website www.bluebellhub.org) show that with the assumption that grants and donations flow in over a period of twelve months, at the time of sale completion scheduled for April 2019 bridging finance is needed of approximately £75,000. This amount will vary depending on when donations and grants materialise and will be covered by private temporary loans from steering group members. The timing of repayment of these temporary loans would depend on the arrival of grants and donations and availability of the bridging finance has been assured. A further injection of £8,000 may be needed at opening but all temporary loans should be paid once all grants have been received. The plan is that the Blue Bell hub will open for business in August 2019. Prior to this the CBS will need to cover insurance cost and rates. After that, the operating cost will be covered by the tenant. The initial up-front cost is covered by the working capital injected.



Operating performance forecast

The Blue Bell will be operated by a tenant under an agreement to be drawn up by the CBS. The tenant will be responsible for profit and loss of the whole hub operation including pub, shop and B&B. The Post Office will be run by a postmaster who will be salaried by PO Ltd. However, it is assumed that a supplementary payment will be made to the postmaster by the tenant to carry out shop management and staffing duties. Shop and bar/café duties will be interchangeable depending on demand and a flexible attitude of staff is assumed. For busy periods it is assumed that staff will be supported by volunteers. The ethos of required amenities will be set out clearly in a tenancy agreement. The Management Committee will also carefully select the tenant to ensure compatibility with the CBS's vision; a partnership approach will be followed to ensure common objectives are met.

The forecast figures for the operation once established are also calculated showing potential downside (-10% and -20%) and upside (+10% and +20%). Even in the event of a 20% downside the business is still expected to be viable. The forecast has been based on actual figures achieved by the previous owner supplemented by typical industry norms and cross-checked against key performance indicators applied in the industry. It has also been peer-reviewed by specialists with long experience in the trade.

It is assumed the tenant will fit out the premises and an allowance of £4,000/annum has been made for purchases or leasing arrangements.

Membership

Share Ownership

A community share offer provides an opportunity for local people and businesses to buy into the community where the motivation and payback is more social than financial. It helps to ensure a truly local enterprise, accountable to the community whilst serving and benefiting it.

The offer is open to anyone over the age of 16. It is expected that the majority of shareholders will come from Cocking and the surrounding area, but no geographical restrictions will be imposed on eligibility. Individuals with historical connections may wish to support the hub. Nevertheless, if demand for shares warrants, the management committee reserve the right to give preferential treatment to local applications.

Providing you buy at least 5 shares (the minimum requirement) you will become a member of the society. Unlike the situation in a limited company, where large shareholders dominate decision-making, each member of a Community Benefit Society has an equal vote. At members' meetings individual shareholdings are not disclosed.

Your involvement thereafter can be as much or as little as you wish. You can vote at annual members meetings, stand for election to the management committee, volunteer your skills or just give The Blue Bell your custom. We will keep the Membership open to newcomers or anybody who would wish to increase their shareholding in the future.



Community Benefit Societies

The key features of a registered Community Benefit Society under the Co-operative and Communities Benefit Societies Act 2014 are that the Society has:

- A written set of rules which governs the way the Society has been set up and operates (available from the Community Hub website, www.bluebellhub.org or on request from the Management Committee)
- The ability to own property
- The ability to enter into contracts
- A more lightweight regulatory regime (as a Community Benefit Society is not subject to company law)
- Limited liability (i.e. members' liability is limited to the value of the shareholding)
- A profit-making ability, which under our rules is either put back into the organisation or to be used in community or charitable projects
- A recognised legal identity for community co-operatives which can issue community shares open to all
- A democratic ownership model with each shareholder having a vote.

The Society will be the vehicle to realise the proposals. It will rent out the hub to an experienced professional tenant who will be responsible for the operation of the hub. Our aim is to secure the future of the Blue Bell for the benefit of Cocking and the wider community as a flourishing friendly and welcoming village hub. The hub will be a free house that serves craft beers and sensibly priced, wholesome food prepared using locally sourced ingredients where possible. It will also serve coffee, teas and soft drinks with cakes and snacks. Limited B&B accommodation will also be available. It will be the heart of the village as a place for informal social gathering, cultural activities, somewhere to meet people and exchange information, and it will promote a cohesive and friendly community in the area. It will be family- and dog-friendly, and welcome locals and visitors, walkers and cyclists.



Risks and Warnings

This is deemed to be a long-term social investment with modest financial returns. After several years when the Hub has established a positive cash flow there will be limited opportunities to withdraw capital but the majority of shareholders will be expected to leave their cash with the Hub for many years.

Restrictions on the withdrawal of your investment

The Rules permit withdrawals after three years (earlier in the case of death or bankruptcy) but this is at the sole discretion of the Management Committee. Thereafter, if a large number of members wanted to withdraw their shares in a particular year, then there may not be sufficient funds available. In that circumstance, withdrawals will be made at the discretion of the Management Committee in the order in which applications are received, and the full amount requested may not be available.

Loss of capital

There is a risk that the value of your investment might fall, although it should be borne in mind that the Hub is investing in a freehold property and not in the business of running a pub. If the society is unable to meet its debts and other liabilities you could, in principle, lose some or all of your investment held in shares. Conversely, there is no possibility of a windfall if the value of the property increases. To deter investors who are simply looking for capital profits there is an asset lock which ensures that any surplus earnings remaining after it has paid interest to its shareholders and repaid any capital which is withdrawn must either be reinvested in the business or used for the benefit of the local community or for another charitable or community cause.

The society is a limited liability entity. The most you could lose is your initial investment (though we believe that this is highly unlikely). You will not be liable for activities of the Tenant – for example, if they run up huge bills and then disappear.

No investment guarantees

Our share offer is exempt from the Financial Services and Markets Act 2000 and subsidiary regulations. This means that there is no right of complaint to an ombudsman. A Community Benefit Society is registered with, but not authorised by, the Financial Conduct Authority and therefore the money paid for shares is not safeguarded by any depositor protection scheme or dispute resolution scheme. As the whole of your investment could carry a risk, please consider it carefully and, if necessary, seek independent financial advice.

Tax relief

Unfortunately, the government's Enterprise Investment Scheme (EIS) and Social Investment Tax Relief (SITR), which give individuals the ability to claim tax relief on qualifying investments, are not applicable as our primary activity (property rental to a tenant) falls outside the list of currently eligible activities.

No financial returns

It is possible that in the event of poor trading performance by the tenant (resulting in lower rent payments than forecast) or unexpected outgoings, the society would not have enough surplus funds to pay interest to members. We think this is a low risk based on our conservative financial planning and advice received on likely turnover of the pub.

The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice. For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit go to communityshares.org.uk

Risks and Warnings

Data protection

As a not-for-profit organisation the society is exempt from registration under the Data Protection Act but will use its best endeavours to safely store, use and process personal data only for the purposes for which it was gathered, and not keep it longer than necessary.

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

Financial fraud

We believe the risk of financial fraud is very low:

- The Society will not itself be trading as a pub
- At least two signatures are required for bank transactions
- We will be taking out Director & Officer insurance to protect The Society

Conflicts of Interest

We are not aware of any conflicts of interest of any member of the management committee.

Rules

The society is governed by rules approved as suitable for a Community Benefit Society. A copy of the rules can be found on our website www.bluebellhub.org or they can be requested from the Treasurer.

Accuracy of information

The Society and its Management Committee accepts responsibility for the information contained in this document. We have taken all reasonable care to ensure that the information contained in this document:

- is in accordance with the facts; and
- where based on assumptions and estimates such assumptions and estimates have been tested and found reasonable; and
- contains no omission likely to affect its substance.





Frequently asked questions

Q. What will you do if you don't raise sufficient finance through the community share offer?

A. Depending on the size of any shortfall, we will consider covering any shortfall by additional borrowings. Once the Society closes the share issue, it will move to complete the purchase of the property. If for whatever reason this is not possible, money will be returned to shareholders (minus administration costs) within 2 months of the Society establishing definitively that it is not able to secure the property. If it has not completed the purchase within 6 months but the board believe there is good reason to continue to hold invested funds, then the board shall seek Members' consent to retain the funds in pursuit of this endeavour.

Q. Does the current owner have to sell The Blue Bell to us if we raise enough money?

A. Yes, providing we raise enough money soon enough. The purchase price has been agreed with the Current Owner and assumes an Exchange of Contracts date of 31 March 2019 and Completion of Sale by 30 April 2019. The Society has paid a reservation fee of £5,000 to secure the sale. So if you wish to invest, please do so promptly!

Q. What happens to my investment if the purchase doesn't happen?

A. All money received for shares will be returned promptly. Please make sure you provide your bank account details on the application form!

Q. Are joint applications allowed?

A. 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.

Q. Can I invest on behalf of my children or grandchildren?

A. Yes, so long as they are over 16 years of age, you can buy shares on their behalf. As they will be the legal named shareholder in their own right, they will have to consent to becoming a shareholder.

Q. What happens to my shares if I die?

A. Your shares will form part of your inheritance and can be transferred under the terms of your will. The Rules allow a person to nominate a beneficiary who can receive the shares (up to £5,000 and the Society holds the nominations list); anything above that is dealt with via probate.

Q. What are the minimum and maximum investment amounts?

A. The minimum that you can invest is £250 (i.e. five shares at £50 each) although we hope that most investors will invest considerably more than the minimum. The maximum has been set by The Management Committee at £10,000 per private investor and £100,000 for institutional investors.

Q. What happens if the Share Offer is under-subscribed?

A. If the minimum target of £120,000 is not achieved, we will review whether to proceed. If the Society receives less than the minimum, the share offer will be deemed to have failed unless the board can find alternative financing to make the deal work, and in this event, all shareholders will be contacted to gain their assent. If we consider the financial model would not be viable we will refund all share applications in full (minus any administration charges incurred). For the protection of investor funds from all share applications will be kept in an escrow (protected) bank account until such time as the decision is taken to proceed with the acquisition.



Frequently asked questions

Q. What happens if the funding target is reached?

A. If the total funding target is reached within the initial share offering timescale, we may still accept any further applications if it means we can reduce our commercial borrowing. The scheme will also remain open for any newcomers to the village. Share capital will be allocated on a first-come-first-served basis. The offer remains open until the closing date and applications will then be accepted or rejected on the basis of geographic proximity to the Society and if over-subscribed the amount of share capital allocated to individual applicants will be capped or reduced.

Q. When will I start receiving interest payments?

A. The Society can only pay interest out of trading surplus. We will start paying 3% interest as soon as The Society has sufficient surplus funds available, i.e. once we have met our other obligations (such as loan payments and other overheads) and have built up adequate reserves to ensure we can maintain the property. We anticipate this will be four years after the share offer closes, but if we can make earlier payments we will do so. Members should note that since our source of income will be a lease with the operator of the hub and the income is a direct proportion of total turnover, the more trade that they transact with the hub the greater the income the Society will have. This in turn means that the Society would be sooner in a position to make interest payments, and ultimately, withdraw their capital.

Q. What happens if I don't want to receive interest on my shares?

A. Members can if they wish waive their rights to interest, either permanently or on a year-by-year basis. In this case, the interest waived will be retained in the Society.

Q. Can I sell my Shares?

A. No. The legislation for community benefit societies is very clear that shares cannot be traded or transferred. The statutory asset lock is designed to ensure that any increase in share value is only used for community benefit.

Q. When can I withdraw my Shares?

A. According to the Rules of The Society, shares cannot be withdrawn for at least three years (except in exceptional circumstances such as death or bankruptcy), and then only if The Society has sufficient reserves to do so without jeopardising the business.

Q. Can I get tax relief on my investment?

A. The government's tax relief schemes such as EIS and SITR exclude property rental as an eligible business activity, so investment in The Society will not be eligible for tax relief under these schemes. However, the Personal Savings Allowance introduced in April 2016 does mean that interest received is not taxable (up to a certain threshold that is determined by your tax rate).

Q. Will my personal information be secure and kept confidential?

A. Personal data will be used solely for the purpose of maintaining a register of members and potential members as required by the rules of the society, and for communicating with members. We will not share any members' personal information (names, addresses, phone numbers, etc.) with third parties.

Q. Who should I speak to if I have any further questions?

A. Please contact any member of the Management Team

Steering committee



President: Philip Jackson CVO DL MA FRBS

Philip Jackson is a renowned sculptor with an outstanding international reputation. He has lived in the village for 32 years.



Chairman: Peter Gibbon

Former Chairman and founder of the MGA Group a marketing and communications business with a 25-year track record. Also a Director of the Midhurst Community Land Trust. He has lived in the village for 17 years.

Committee members:



Vice Chairman: Nico Dekker

Director RSC Ltd- public transport consultancy. 38 years experience in project planning, definition, feasibility, finance and management of multi-million pound projects in the UK, Continent and Far East. Previously Trustee responsible for business plan and implementation of Cowdray Heritage Trust attracting £3.8M of grants for consolidation of Cowdray Ruins. Has lived in the village for 19 years.



Alan Massey

ONC in engineering but moved into software development working with major companies here and abroad. Setup AJM Computer Services 15 years ago. He has lived in the Village for 13 years.

Steering committee



Frances Russell

Worked for NHS latterly as Chief Executive of a West Sussex NHS Trust retiring in 2002. Currently Chair of Healthwatch West Sussex Community Interest Company and Chair of Trustees at Aldingbourne Trust. Councillor on Cocking Parish Council. She has lived in the village for 22 years.



Sally Kayworth

A teacher for 22 years but currently project managing their self-build in Cocking. Sally, her husband Nick and two girls moved to the village 18 months ago.



Jonathan Harvey

Jonathan Harvey was a barrister in private practice in London for more than 40 years doing almost exclusively a variety of non-criminal work. He retired from practice during 2018. He has been connected with West Sussex for over 20 years having rented a house near Chichester for 15 years before moving to Cocking in 2011.



Gill Buchanan

A Cocking resident for 20 years, Gill has been on both the Parish Council and Village Hall Committee over the years. She manages a shopping centre in Horsham and is keen to use her skills to support the introduction of this new village asset.

Application for shares



- Each share costs £50. Minimum Investment is £250.
- You can buy in batches of 5. Maximum investment is £10,000.
- Shareholders must be aged 16 or over.
- By investing you are applying for Society membership.

Payment by Cheque or Bank Transfer

To invest via cheque or bank transfer, complete and return this form to:
Blue Bell Community Hub Ltd, c/o Crypt Farm, Crypt Lane,
Cocking, Midhurst, W Sussex GU29 0HP.

Bank details: Account Name: Blue Bell Community Hub Limited
Sort Code: 16-58-10 Account: No 21046115

Acceptance will be notified by email or post.

Contact Details

Full name (Including Middle Name)

Address

Postcode

Date of Birth

Email

Telephone

Mobile

I agree to the conditions as set out in the share offer and the rules of the Society:
(Please refer to the website or request a copy)

Signed

Date

I, as signed above, wish to buy the following number of shares to the value of: (Please tick a box)

- ☐ £250 ☐ £500 ☐ £1,000
- ☐ £2,000 ☐ £5,000 ☐ £10,000
- ☐ Other £ _____

- ☐ I have enclosed a CHEQUE
Please make cheques payable to
Blue Bell Community Hub Ltd
- ☐ I have paid by BANK TRANSFER




The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice. For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit go to: communityshares.org.uk



Go to our website to register
and to get further information
www.bluebellhub.org

 info@bluebellhub.org

 www.facebook.com/BlueBellCommunityHub

 twitter.com/BluebellHub

SOUTH DOWNS NATIONAL PARK

The South Downs National Park has been shaped by the people who have worked, lived and visited here over centuries. Cultivated farmlands, managed forests and the villages built into hillsides. We are proud to be at its heart.