



Wigtown Community Inn

Community Benefit Society

Share Offer Document



Dear Supporter,

We are delighted that the Wigtown Community Inn Community Benefit Society Ltd (hereafter called 'the CBS') has recently been awarded funding from the South of Scotland Enterprise (SOSE) to purchase the Plough Inn (which will be known as The Wigtown Ploughman on completion of purchase) in Wigtown. This enables us to secure and preserve this historic inn for the benefit of the community. Our aim is to redevelop the inn into a vibrant, community-owned hub, creating a warm environment for locals and visitors alike.

The shares application form should come with this Share Offer Document, but is also available on our website (wigtown-cbs.co.uk) and from:

Craig Hamnett, Chairperson, Wigtown Community Inn CBS,
c/o 15 South Main Street, Wigtown, Dumfries & Galloway, DG8 9EH



However, we are at a crucial junction and we need your help.

The CBS is planning a phased opening starting with modest resources but we intend to raise £92,000 to fully equip the inn so we can launch the business. Our aim is that 50% of that (£46,000) will come through community shares, and the remainder through other fundraising.

We are inviting you to become a community shareholder and contribute to fully securing this amazing facility for the local community of Wigtown and the surrounding area. The minimum shareholding is £25 and the maximum is £13,800. By purchasing a community share you will become a member of the CBS and have a say in the development and future direction of the community-owned business.

This Share Offer Document lays out the background to the purchase, explains what community shares are, and what benefits they give you, the vision we have for The Wigtown Ploughman, and how you can inform that vision.

About Community Shares

Community shares are a form of investment crowdfunding that allows people to come together to raise the finance for a shared community venture that they care deeply about and do not want to lose. As an investor, you will become a Member of Wigtown Community Inn Community Benefit Society Ltd, the organisation that will run the enterprise, giving you a vote and therefore a say in how the business is run and the election of the Management Committee. Residents of Wigtown and the surrounding area will always make up the majority of shareholders and **each Member has an equal vote regardless of the number of shares held.**

Community shares are withdrawable after a 5 year period, meaning a shareholder can request to withdraw their money once the society has built reserves. While shareholders may (although this can never be guaranteed) also benefit from modest interest payments in due course, community shares are a social investment and wider community benefit is prioritised over private financial gain.



Share Offer Target Raise

Minimum

£5,000

Target

£46,000

Stretch

£92,000

Individual investment limits **£25 – £13,800**

Organisation investment limits **£250 – £13,800**

Target interest rate **2% – 5%**

Target withdrawal terms **After 5 years**

Share offer opening date **20th January 2025**

Share offer closing date **3rd March 2025**

Shareholder eligibility **Anyone 16 or over**

RISK WARNING - Wigtown Community Inn Community Benefit Society Limited is registered with the Financial Conduct Authority but community shares are fully at risk. You could lose some or all of the money you invest. You have no right to compensation from the Financial Services Compensation Scheme, nor any right of complaint to the Financial Ombudsman Service.

PLEASE DON'T INVEST ANY MONEY YOU CAN'T AFFORD TO LOSE

The Benefits of being a Community Shareholder

By investing in Community Shares with the CBS, you will be supporting the long-term viability of our local inn, our community, and Wigtown and the Machars as a whole.

Community ownership of The Wigtown Ploughman will bring forth huge benefits and increased value to our community. You will have the opportunity to shape it's future, and return it to the heart of the community once more, providing another attraction to the town and creating jobs.

As a Shareholder of the CBS, you will have a direct say in the future operations of The Wigtown Ploughman. You will choose the team who will oversee the management of the business by voting at the annual general meetings. You will also have the opportunity to stand for the Management Committee. As a Member, you'll receive regular updates.

The Community Benefit Society model was chosen as it ensures that the business will be run by and for the community. One-member, one-vote gives everyone an equal say, regardless of how much they have invested, so no one person can steer the direction of the business. No one Shareholder will be able to take control, and cannot make money from selling shares due to them having a fixed value and being non-transferable.

Profits made by the CBS will be reinvested into the building and for other local projects in Wigtown chosen by the Members.

What we want The Wigtown Ploughman to offer

Phase 1: Providing a warm community space

Opening up as a warm space, 7 days a week, supported by a volunteer rota. There will be a tea and coffee station to provide low cost refreshments, and usage by small groups will be encouraged. A community fridge/freezer/pantry can be installed. Free-to-use WiFi in the building.

If we raise

£5,000

Timescale

~ 2 weeks (approx)

Phase 2: Opening the bar and offering a basic menu

This will require all of the licenses, inspections, suppliers, tables and chairs, glasses, washers, till systems, coffee machine, basic kitchen equipment and more to be in place. The cellar and lines need minor upgrades. The bar will also require staffing: recruitment and training of staff takes time, together with HMRC registration for payroll/VAT.

If we raise

£20,000

Timescale

~ 3 months (approx)

Phase 3: Opening up the accommodation

This requires beds and furnishings and enough self-catering equipment until there is a fully operational catering kitchen. We will liase with local breakfast providers to offer breakfast vouchers. A booking system will be set up via a website which will integrate with third party systems.

If we raise

£40,000

Timescale

~ 3 months (approx)

Phase 4: Fully opening the restaurant

This will involve refurbishing the kitchen and creating a suitable menu using locally sourced ingredients where possible. It requires an excellent chef, ideally with the appropriate training and experience to support internships. An alternative option would be to lease the kitchen out via a fixed-term contract. Any such decision could be put to a Member vote.

If we raise

£92,000

Timescale

~ 6 months (approx)

The Financials

5-year financial projections have been prepared for the operation of The Wigtown Ploughman as a bar, restaurant, and hotel. The projections demonstrate that The Wigtown Ploughman could be successfully run as a financially viable operation. The projections can be summarised as follows:

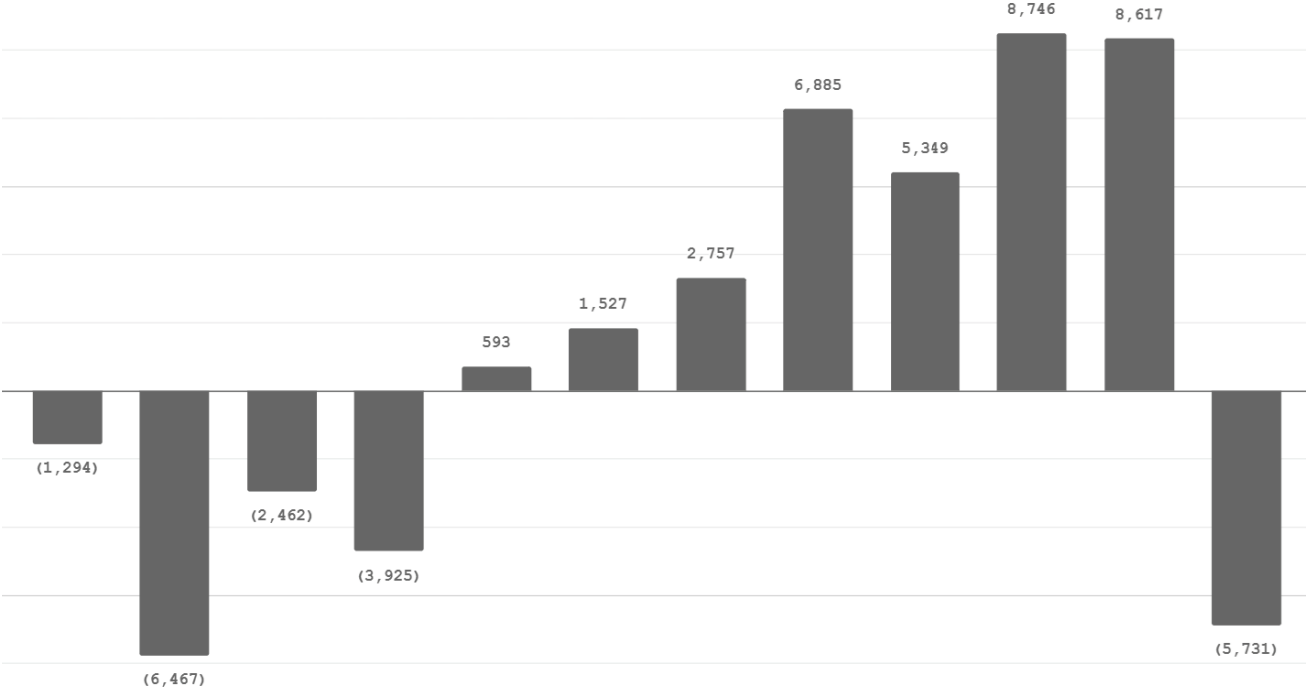
	Year 1	Year 2	Year 3	Year 4	Year 5
	£'s	£'s	£'s	£'s	£'s
TOTAL SALES	281,584	292,847	302,218	319,747	328,380
LESS COST OF GOODS	222,293	230,629	239,421	248,854	258,793
LESS MISC COSTS	41,270	41,889	42,559	43,368	44,235
LESS TAXATION	3,424	3,863	3,845	5,230	4,817
NET INCOME	14,597	16,467	16,393	22,296	20,535

Cumulative 5-year profit forecast: £90,287

This is based on the building being fully open, with an average 61% occupancy rate, around 4,500 meals sold a year and taking £280 a day in wet sales.

To provide this service our annual salary bill would be around £147,000, but to minimise risk as we start up, it will be prudent to utilise a mix of staff and volunteers. Once profitability is proven we will move to a fully staffed and managed model.

Projected Net Income by Month



We know that businesses in rural locations experience seasonal peaks and troughs. Knowing this will allow us to manage our expenditure throughout the year and ensure that profits from the high season are used to support the low and shoulder seasons.

We will endeavour to seek, wherever possible, any additional community project funding we are eligible to apply for, to ensure we keep delivering our stated objectives of providing apprenticeships with local education providers, along with developing additional employment opportunities.

Frequently Asked Questions

How much can I invest?

The minimum investment for individuals is £25. The minimum investment for organisations is £250. The maximum investment during this share offer period is £13,800. Regardless of the level of investment, each shareholder receives one vote.

Who can buy the community shares?

Anyone aged 16+ can invest. Organisations can also invest, although a representative of that organisation will need to become a member of the CBS as the designated nominee for their organisation or business.

Resident members from Wigtown and the surrounding area (DG8 postcode) must always comprise at least 51% of the total membership and also 51% of the Management Committee, thus ensuring that the local community always holds majority control.

What will happen with my personal information?

All members will be added to the CBS's GDPR-compliant Member register, which will include their name and contact details. This is required in Society law to facilitate member communication. The value of your shares will only be known to essential members of the management committee i.e. the office bearers.

Will I get a share certificate?

Physical share certificates will be issued after the share offer has closed.

What if the CBS becomes insolvent?

The CBS has an asset lock which means that in the event of its insolvency or winding-up, the proceeds from the sale of assets and our cash would first pay off all our creditors. Any leftover funds would then be used to pay back shareholders' investments on a pro rata basis. If there is any surplus after returning funds to creditors and investors, this would be given to another asset-locked community body within the defined area of community benefit. Note that shareholder personal liability is restricted to the value of your shares.

Can I sell my shares?

No, community shares are non-transferable. You can only withdraw your shares from the CBS. Withdrawals can only be requested after Year 5.

Can my shares increase in value?

No, community shares do not increase in value.

Will I get interest on my shares?

As with withdrawals, interest payments will be at the discretion of the Management Committee, with regard to the long-term interest of the CBS. Our aim is to pay between 2% and 5% from Year 5.

Will tax relief on share investment be available?

Any investment in shares will NOT be eligible for Social Investment Tax Relief because this scheme was withdrawn by the UK Government in March 2023. Furthermore, due to the type of business, investors will not be able to claim Enterprise Investment Scheme (EIS) tax relief.

About the Management Committee

Craig Hamnett

Chairperson

George Moore

Treasurer

Tracey Warman

Secretary

Pennie Cumming

Fundraising Co-ordinator

David Cannon

Bar Co-ordinator

Julie Willan

Membership Co-ordinator

Peter Dobson

Funding Co-ordinator

Nadine McGaw

Fundraising & Bar subcommittee

Gill Wray

Bar subcommittee

Kate Brown

Fundraising subcommittee

If you're interested in our backgrounds and why we're part of this project, you can find this information online in the CBS business plan.

We are always keen to hear from Members wishing to have a more active role in the CBS. We have a number of subcommittees that research, propose ideas, and implement approved suggestions. The subcommittees are full of passionate volunteers who really drive the project forward. Please get in touch if you'd like to know more.

Thank you for investing in the community and putting your trust in the Management Committee.

It means the world to us.

Wigtown Community Inn Community Benefit Society Limited was registered with the Financial Conduct Authority on 17 May 2024 (registration number 9294). Our governing document, the “Rules of Wigtown Community Inn Community Benefit Society Ltd”, is available to download at wigtown-cbs.co.uk and explains member rights as well as the management and constitution. Other relevant background documents related to this share offer can also be found on our website.

Prepared by
Wigtown Community Inn Community Benefit Society Limited

January 2025