

Dear Friends,

This is a summary of the update meeting held in the Village Hall on Saturday 18th February.

A big thank you to all those that came along, again a very encouraging turn out.

Matt Porter covered the following points.

The Property:

We have had sufficient expressions of interest to make an offer for the pub to Punch Taverns.

Our initial "ideal" bid was rejected by the agent, and we put in an increased offer of £390,000 which was accepted by Drakes and has been approved by the Board at Punch Taverns. This price includes the fixture and fittings.

We have signed a lock out agreement with Punch Taverns to stop "gazumping" between the bid being accepted and the exchange of contracts. We now have a maximum of 6 weeks to exchange contracts.

The pub has had structural and valuation surveys. Whilst there are some significant refurbishments to be addressed, these are not show stoppers and are allowed for in the business plan. This has been validated by some local experts in the village. We have enough pledges to cover the essential refurbishment but we still need additional funds to significantly improve the customer experience inside and outside the premises. A number of you have indicated that you may be able to pledge additional funds, on top of your current pledge – please could you now let us know if you wish to increase your bid?

We have approached some people from the village for help, who are experts in their field. However we are looking for further local expertise and skills to help with the management and execution of this work. In particular we need electricians, builders, drainage, carpenters, decorators and a buildings project manager.

The Company

"The Russell Arms Pub Company Limited" has been registered with Companies House: Co. No. 7928241. There are five directors: Matt Porter is Managing Director, Matt Glover is Company Secretary and Jamie Renison, Graeme Finch and Richard Jennings make up the rest of the Board. VAT Registration is being applied for. A company bank account has been set up, with a mandate that requires two signatures.

We have had generous offerings of risk money to cover the set up costs, which will form part of the individual's investment once the transaction completes. The accountant and solicitors are also working at risk at this stage.

The business plan has been written. This is under constant review.

We shall submit a grant application for LEADER funding for a £50k grant, and it looks promising that this will be enacted.

We may need to take a short term loan to cover cash flow issues, such as VAT on the purchase, but it is forecast that any short term loan will be repaid in the first year.

It was confirmed that in principle the shares in the company can be included in a SIPP or an ISA, but each individual should check with their own financial advisor. If you would like to speak to an independent financial advisor we can provide the contact details for one that is known to us.

We ask that those who have expressed interest in investing in the company now please transfer their funds to The Russell Arms Pub Company Limited as soon as reasonably possible. Each investor will receive a formal receipt once the funds have cleared in the account. The early transfer will enable us to de-risk any shortfall between the monies expected and those actually received. Bank details are given at the bottom this note.

The Tenancy

We have discussed an outline structure for the tenancy with an expert (local) from Enterprise Inns. This will be used to further develop the business plan and input to a Request for Proposal for selecting the tenant.

We have some promising suggestions for prospective tenants put forward already, but we intend to invite a range of candidates to choose from.

In the last 24h we have learnt that the current tenant is planning to leave the premises in the immediate future. We are looking at short term options that we will progress with Punch Taverns to keep the pub open until we conclude the purchase.

Matt thanked again all those who have supported this enterprise, a true community project.

The bank details are: "The Russell Arms Pub Company Ltd", HSBC Sort Code 40 08 41 Acc Number 51517139.

Please identify transaction details with your name, and confirm by email to friendsoftherussell@gmail.com

Cheques should be made payable to The Russell Arms Pub Co Ltd, and sent to c/o Mr M Porter, Carron House, 21 Chalkshire Road, Butlers Cross, HP17 0TS.

A group photograph was taken of all those that could brave the cold, and will be appearing on the facebook and twitter sites...

With best regards

Matt Porter, Matt Glover, Graeme Finch, Richard Jennings, Jamie Renison.

On behalf of "*The Friends Of The Russell Arms*"

Twitter: @RussellFriends

Facebook: [Friends of the Russell Arms](#)