

Proposal to merge of the Old Ship Inn and The Peninsula Trust

Briefing for members / investors

Dear investor in the Old Ship,

This is to provide you with details about the proposed merger between the Old Ship Inn and The Peninsula Trust.

The merger is on the Agenda for the Annual General Meeting of the Old Ship, which as previously notified will be held next **Monday 20th Sept, 7pm, at the Old Ship in Cawsand.**

If you can attend in person, please do – we will also try streaming the meeting on Zoom, so if you'd like to join that way, please use this link:

[LINK DETAIL](#)

We cannot guarantee high quality, but will do our best! Those on Zoom will be able to ask questions using the chat function.

The proposal

The Board of Directors for the Old Ship is proposing a merger with The Peninsula Trust, to bring the two organisations together as one. This briefing explains our reasoning and forms our request to the members.

Why merge?

An eventual merger was our intention from the start of the Ship project.

We were unable to merge before this summer. This is because HMRC granted us Tax Relief to incentivise the Ship community shares, with a three-year timetable that expires this August – so we are free to act from this month.

There are several good reasons to merge, described below. The main one is that we can't start the application for housing grants at the Ship until it is part of the Trust, which has the Registered Provider status needed for the funding.

The effect on your individual investment

All of the investments in the Old Ship would transfer to the Trust, with no changes at all to the conditions, rights or interest payable on the shares. In fact, your investment would be more secure, as the Trust has a bigger asset base and a stronger operation.

Reasons to merge:

- The first phase at the Ship is done, and the Community Café is a great success – we are planning to expand it steadily towards the full pub/café service. However, as matters stand at the moment, we can't start the effort to build housing on the upper floors, because that is reliant on Government grant money – which is only available to an organisation that has "Registered Provider" status. The Trust has finally achieved that status, after a very long and difficult process. It makes no sense to register a second organisation, so we can begin the grant work once the Ship is part of the Trust.
- The Ship will be an income-generating operation once the pub/café is fully open, but that won't happen till next Easter - and in the meantime, the Ship has only limited income. Merger with the Trust makes sense to safeguard the work done so far, and in particular to strengthen the likelihood that investors will receive their interest every year.
- Running two parallel organisations makes no sense operationally – we have double the amount of work on accountancy, bank accounts, insurance etc, for no long-term benefit and considerable extra cost in professional fees and staff time.
- We want to increase the amount of community activity at the Ship, generally under the Trust banner – Local Support work, fundraising/donations and so on. It makes life easier if there is just one organisation.

Continuation of Cawsand village control

The Ship is fast becoming a central point in the community life of Cawsand village. That will not be affected by the proposed merger, as the volunteers and everyone involved are very much Cawsand based – there will be no change to that.

The timetable and process

The rules for carrying out the merger oblige us to organise two separate General Meetings for the Old Ship members, within a month of each other.

These will take place as follows:

- First meeting of Ship members. This will be the Annual General Meeting, taking place on **Monday 20th September** as already announced. The meeting will be at the Old Ship Inn.

- Second meeting of Ship members. This will be a special meeting just to confirm the merger, to be held on **Monday 4th October at 7pm**, again in the Old Ship.

What happens next

Following approval by the members, our solicitor will make the necessary changes at the Land Registry, and we will then confirm to the members that the merger is complete and that all community shares are now in the name of The Peninsula Trust. This should happen in November / December this year, subject to waiting times at the FCA / Land Registry.

Once the merger is completed, we can start work on raising the money to build the flats at the Ship.

Questions and clarifications

If you have any questions, please reply to this email and we will try to help. We will bring any questions raised to the AGM.