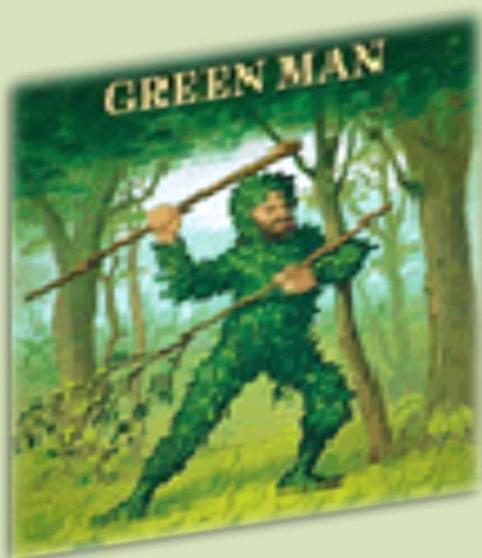


PROSPECTUS

Toppesfield Community Pub Limited



Community Share Offer

You are invited to invest in Toppesfield Community Pub Limited, the community enterprise which owns The Green Man public house in Toppesfield.

The aim of the share offer is to raise new capital to assist in the planned substantial renovations and improvements to the Green Man.

Toppesfield Community Pub Limited is a not-for-profit Community Benefit Society established and managed by the community for the benefit of the community. The society is registered at the Financial Conduct Authority. Its Register Number is 31691R.

This share offer is open to both existing members and those who wish to become new members.

This document:

- Describes the planned project and its benefits;
- Explains about the society and how the share offer would work; and
- Invites you to help us realise this project.

Launch Date:

Closing Date:

[xx September 2015]

[xx October 2015]

(Unless extended by the Management Committee)

What is Toppesfield Community Pub Limited?

Toppesfield Community Pub Limited ('TCP') was established in July 2012 to enable the people and friends of Toppesfield to secure and safeguard the future of the Green Man public house, an amenity of prime importance to the village. The Green Man was subsequently acquired by TCP in December 2012 when it became only the 14th community owned pub in the country.

TCP is a not-for-profit Community Benefit Society (formally known as an Industrial & Provident Society) and its activities are covered by the Co-operative and Community Benefit Societies Act 2014. TCP has adopted the model rules developed by the Plunkett Foundation and is registered with the Financial Conduct Authority ('FCA'). In its rules is embedded the principle that if the Society has a surplus, this may be made available for distribution to other community or charitable projects, after providing for the present or future needs of the Society. TCP has operated profitably since its inception and copies of its Annual Report for the year ending 31 January 2015 are available on request.

A copy of the rules of Toppesfield Community Pub Limited is available and can be requested from any member of the Management Committee.



Toppesfield Community Pub Limited

Our vision and the benefits to the community

The Green Man in Toppesfield was purchased by TCP in December 2012 and has since traded profitably and successfully. The first objective of the society was to secure the future of this valuable village amenity for the community by the community and to avoid the fate that has befallen so many villages – the closure and loss of the village ‘local’. The society sees the continuing existence of the Green Man as a vital means of maintaining community cohesion, providing a focal point to the village, supporting a wide range of groups and activities in the village and addressing the challenge of rural isolation.

Having successfully achieved the first objective, TCP is now ready to progress to the second stage of its ownership – to make the Green Man ‘more than a pub’. The Management Committee has developed a transformational plan to make our village local more relevant to the needs of the community and to address the key rural challenges we face, those of relative isolation and maintaining community cohesion.

When the society purchased the pub in 2012, it was clear that there had been little investment in the building and its facilities for decades. Our first acts on buying the pub were to redress some of the clear and potentially dangerous defects. However, the fundamental shortcomings of the facility are increasingly apparent and the Management Committee has decided, based on the feedback received from customers and members, to undertake a substantial refurbishment and renovation of the Green Man.

The proposed work will include a redesign of the interior layout, a more welcoming entrance and frontage, fully accessible and modern toilet facilities, the provision of discrete space to attract more community groups, a new and relocated kitchen and a range of environmentally focussed improvements to make the building more energy efficient.

We believe that by enhancing this valuable amenity, benefits will accrue financially to TCP thereby further underpinning the security of the pub over the longer term. Additionally, this project will provide improved facilities for a wide range of village groups and organisations which currently have no suitable location to meet.

Ultimately our goal is to make the Green Man truly the ‘hub’ of the community and to work together with other community enterprises in the village – Toppesfield Community Stores and Pumphouse Community Brewery – to ensure not only that Toppesfield maintains its vital enterprises but that they flourish and the community with them.

In the 2012 Share Prospectus we wrote:

‘Toppesfield has long had a reputation for ‘community activism’. Fifty years ago the village built its own village hall; in 2002 we completed one of the first community stores in England; now we have the opportunity to secure and safeguard our ‘local’.

Three years on, we have bought our pub and now is the time to take it to a new level. This share issue will support the cost of the proposed work and help realise this transformational project.

How is Toppesfield Community Pub Limited managed?

The current Management Committee is made up of ten Shareholders who have been elected by the members of the society. They are: James Blackie, Alan Collard (Treasurer), Dave Dyson (Vice Chair), Andy Howells (Chair), Mike James, John Levick, Brian Moody, Peter Moore, Steve Preston and Mary-Ann Stevenson. Mary James is Company Secretary.

How is Toppesfield Community Pub Limited regulated?

Toppesfield Community Pub Limited is registered with the Financial Conduct Authority (‘FCA’) and is required to provide the FCA with an annual return. However, as community share investors are deemed to invest for social returns and not for financial gain, the share issue does not fall within the scope of the Financial Services and Markets Act (‘FSMA’) and the sale of community shares is not regulated by the FSA. There is no right of complaint to the Financial Ombudsman Service and nor can investors apply to the Financial Services Compensation Scheme.



Toppesfield Community Pub Limited

The Community Share Issue

The share issue has been designed to raise capital towards meeting the cost of the renovation and refurbishment works at the Green Man.

It is estimated that the project will cost in the order of £400,000. Financing for this work is being sought from a variety of sources including grant funding, TCP's own reserves and through the value placed on work-in-kind (including but not limited to design and site management work), as well as from this Community Share Issue. Our target is to raise a minimum of £100,000 from this issue. Our original share issue in 2012 raised £156,350 to help finance the purchase of the pub.

Individuals, organizations or companies are entitled to apply for membership by buying shares at a cost of £50 per share with a minimum investment of one share (£50). The maximum that can be invested is capped by legislation at £100,000 (2,000 shares) per investor. Each member will be limited to one vote at any General Meeting, irrespective of the number of shares purchased. Existing members may apply for additional shares but their total holding should not exceed the maximum.

The shares are not transferable and cannot be sold but may be withdrawn by giving three months' notice of withdrawal to the Management Committee. Shares cannot be withdrawn until at least three years have elapsed from the date of the share issue and then only at the discretion of the Management Committee.

The amount available to be withdrawn by shareholders in any one financial year will be 10% of the total value of shares outstanding. Should withdrawal requests exceed the 10% figure, investors would receive a pro rata payment based on their original investment. All withdrawals will be paid from trading surpluses or new share capital.

The Management Committee will have the authority to refuse a withdrawal request if it would endanger the business.

Interest will be paid to shareholders subscribing to this issue at the rate of 3% per annum for the current year. Interest will start to accrue from the date of the completion of the work by the Society. The interest rate for each subsequent year will be proposed by the Management Committee and put to a vote at the Annual General Meeting. The proposed interest rate will be based on the performance of the company and will be paid from either surpluses generated by trading or by new share sale proceeds. Interest will be paid gross to members.

Interest will be paid by the society to the investor. It is each member's responsibility to declare such earnings to HMRC if appropriate.

It is important to note that the value of the shares will not increase. The only financial benefit for members is the interest dividend paid annually. It is our intention to maintain a competitive and attractive interest rate and we hope this will increase with the success of the business.

In the event that the Green Man is ever sold, for whatever reason, the shareholders would be repaid their investment from the proceeds of such sale, after repayment of any debts. Any surplus would have to be paid to a charitable or community body in line with the rules of the society.

Enterprise Investment Scheme ('EIS')

The EIS is a Government scheme devised to encourage investment in new enterprises. Following an application by TCP, HMRC has issued advance authorization for the proposed share sale to qualify for EIS status.

Having EIS status means that any purchasers of shares for any amount up to the maximum of £100,000 who pay income tax would be eligible for income tax relief equal to 30% of the amount invested.

The society will issue all eligible investors with form EIS3 to enable them to claim tax relief.

Please note, the society is not able to advise members on tax issues and it will be each investor's responsibility to make their own enquiries and to satisfy themselves as to their own eligibility to claim such tax relief.



Toppesfield Community Pub Limited

Important Notice

When you are considering purchasing shares in TCP it is essential that you understand that this is an investment in our community, intended to create a secure and lasting asset for us all.

It is intended to build on to our existing social infrastructure and help to create an ever more thriving and sustainable community. It is not a conventional financial investment with an expectation of high and direct financial returns. Full information is set out in the society's rules.

Please note:

- i. The minimum shareholding is 1 share. Each share has a value of £50. The maximum number of shares that can be held in TCP by any legal entity, whether personal or corporate, is 2,000 shares. Members must be over 18 and shares must be paid for in full on application.
- ii. Shares are not transferable except on death or bankruptcy and they cannot be sold. They may be withdrawn on application to the society itself for the original value of £50 per share.
- iii. The value of each share cannot increase beyond its nominal value of £50. You should be aware that the value of shares may be reduced if the value of the business's assets falls substantially.
- iv. As an investor your liability is restricted to the value of your shares. In the unlikely event that the business fails you would have no further liability.
- v. Currently the society plans to pay interest on shares but the shareholding should be viewed as a social investment. The rules of the society would allow for interest payments to be suspended if the financial performance of the society did not justify such payment.
- vi. The only way in which investments can be recovered (whether the initial sum or any reduced value) is on liquidation of the society or by giving the society notice of withdrawal. Notice of withdrawal may not be made during the first three years after the closing date of this share issue.
- vii. The specific conditions for withdrawal include:
 - a. Withdrawals must be funded from trading surpluses or new share capital and are discretionary, being subject to the Management Committee's satisfaction that withdrawal is consistent with the long term interests of the society;
 - b. The total amount that may be withdrawn each year is limited to a maximum of 10% of the nominal value of the share issue;
 - c. 3 months' notice is given.
- viii. Toppesfield Community Pub Limited is registered with the Financial Conduct Authority. However, as community shareholders, investors are deemed to invest for social returns and not for financial gain. The sale of community shares is not regulated by the FCA. There is no right of complaint to the Financial Ombudsman Service and nor can investors apply to the Financial Services Compensation Scheme.

Before deciding whether to invest please consider taking independent advice. For further information on the project itself please contact any member of the Management Committee.

[xx September 2015]



Toppesfield Community Pub Limited

Application for Membership

If you wish to become a member of Toppesfield Community Pub Limited ('TCP') by investing in the society, please complete the form below and return it together with your cheque to the following address:

Toppesfield Community Pub Limited
Toppesfield Stores, Church Lane, Toppesfield, Essex CO9 4DR

- * I am an existing member of Toppesfield Community Pub Limited
- * I am a new member of Toppesfield Community Pub Limited
(* please delete as applicable)

Name(s):

Address:
.....
.....

Email address:

Phone numbers:

Number of shares I/we wish to purchase (minimum 1, maximum 2,000):

Value of shares you wish to purchase (Shares cost £50.00 each): £.....

Please enclose a cheque with this form, payable to **Toppesfield Community Pub Limited**.
Receipts will be issued by email wherever possible.
Share certificates will be issued as soon as possible after the closing date of the share issue.

By requesting that I become a member of Toppesfield Community Pub Limited ('TCP'), I agree or for existing members, I continue to agree to my name, address, phone number(s), email address (where applicable) and the number of shares wish to purchase being held on a computer database. I understand that this information will be used for the purpose of maintaining a register of members and potential members as required by the rules of TCP and for posting of notices regarding the activities of TCP. **This information will not be passed to third parties.**

I am over 18 years old. I confirm that I have read the Prospectus dated [xx August 2015]

Signed:

Date: