



**Beeston  
Community  
Enterprises Ltd.**

**The Ploughshare Pub  
The Street, Beeston  
King's Lynn  
Norfolk  
PE32 2NF**

**Community  
Share Offer**

**Launch Date: 17/08/2016  
Closing Date: 16/10/2016**



You are invited to invest in a community enterprise in order to secure and safeguard the long term future of The Ploughshare Public House in Beeston.

The aim of the share offer is to raise our optimal target of £350,000 which, with other funding will enable the freehold of The Ploughshare to be purchased and the premises to be refurbished, though the minimum we are seeking is £250,000 and the maximum is £450,000.

Beeston Community Enterprises Ltd. is a not-for-profit Community Benefit Society established by the community for the benefit of the community.

Buying shares makes you a member of the society. Each member has 1 vote irrespective of shareholding. The minimum investment per person is £50 and the maximum is £20,000

This document:

- Outlines the project and its benefits for members and the community.
- Explains about the society and how the share offer will work.
- Invites you to help us realise this project.

## What is Beeston Community Enterprises Ltd.?

**Beeston Community Enterprises Limited** is the company established to enable the people and friends of Beeston coupled with the wider community to secure and safeguard the future of The Ploughshare Public House, an amenity of prime importance to the village and surrounding community.

It is a not-for-profit Community Benefit Society using model rules (its constitution) developed by the Plunkett Foundation and registered with the Financial Conduct Authority (FCA). A Community Benefit Society is run for the benefit of the community, not for the benefit of its members who may or may not be part of the community. In the constitution is embedded the principle that if the Society has a surplus, this may be available for distribution to other community or charitable projects. Copies of the constitution and Business Plan of Beeston Community Enterprises Ltd. can be found on our website [www.BeestonPloughshare.com](http://www.BeestonPloughshare.com) or can be requested from a member of the Management Committee.

## Our Vision and the Benefits to the Community

**The Ploughshare Pub** closed in January 2016 and is currently owned by a property developer. His intention is to obtain planning permission to change the pub into two dwellings and build a terrace of houses on the carpark. He is willing to sell the pub to us instead.

We are resolute in our determination to purchase The Ploughshare and run it 'For The Community By The Community'. The intention is to ensure the pub appeals to all walks of life within the community and in time to develop a café and small shop on the premises. Our belief is that the pub serves as a vital community asset which can provide a central hub for services and activities and these will be best delivered by a Community Benefit Society.

The purchase price is currently £350,000 and we have budgeted for a further £75,000 for refurbishment and £25,000 for working capital. We have applied for a loan of £50,000 and grant funding of £50,000 which means our minimum target is £250,000 to ensure that we can at least buy the pub. We are confident from our financial projections that we can service loan repayments of this size. Our maximum target is £450,000 as we would then have enough both to buy the pub and to refurbish it without having recourse to loans or grants.

If we fail to raise enough funds from the community share issue to buy the pub, we will seek to source additional grant funding to address any shortfall. If this is not successful, we will call a meeting of all shareholders to gain approval for a way forward which could mean abandoning the project but also the possibility of raising loans from shareholders which would also attract tax relief. It will be the responsibility of the management team to propose a number of options. If the project were to be abandoned any funds already received would be returned in full.

We have seen the impact that village pub closures have on communities. Pub closures not only threaten the social cohesion of a community but also increase the negative impact of rural isolation. By acquiring The Ploughshare our community will be able to protect the heart of social activity in Beeston and the surrounding area.

We intend to finance the acquisition, subsequent refurbishment and development of additional facilities such as a café and shop through a mixture of local authority, national and European grants, independent trusts, private donations and most importantly through support from the community in the form of community shares. This re-enforces our statement 'For The Community By The Community' as we believe that members who have both a financial and emotional commitment will be more predisposed to use the pub and volunteer to help run it.

### **Our Business Plan**

Our business plan includes a forecast for the first three years of trading. We have been cautious in approach, both on the income and expenditures sides. We have had our figures vetted by 'The Pub is The Hub' and they are in line with other pub businesses and communities of our size. We have forecast modest growth which should generate a profit or surplus in each of the three years. Our direction would be to continue in the same vein for years four and five with the addition of being able to pay interest (if prudent to do so) to members. This approach is based on organically growing the business and is aimed at ensuring the safety of members' share investments.

### **Summary**

This a unique opportunity for Beeston to strengthen what is already a very vibrant and sustainable village. There are many benefits including:

- ✓ Guaranteeing a place to meet friends and neighbours and improve the sense of wellbeing and community.
- ✓ Providing a central hub for information for community events and local issues
- ✓ Securing this vital village asset for the future
- ✓ Improvements to the fabric of the building
- ✓ Creating opportunities for employment
- ✓ Helping to sustain property prices
- ✓ Protecting the heritage of the Pub and its connection to the Church, World Champion Boxer Jem Mace and The USAAF 392<sup>nd</sup> Bombardment group during WWII
- ✓ Ensuring the future of Beeston with a school, pub, shop and café.

**Beeston is already a very dynamic vibrant village with several local clubs including an award winning Cricket Club, Clay Pigeon Club, Just-a-Jive dance group and Good Neighbours Club.**

## The Community Share Issue

**The Share Issue** has been designed to give local people and organisations the opportunity to contribute financially, on a long term basis, to the business of Beeston Community Enterprises Ltd. Our expectation is that shareholder members will come from the local community but we would also welcome and encourage contributors from further afield.

You are entitled to apply for shares at an investment of £10 per share with a minimum investment of £50 and a maximum of £20,000 per person or organisation. Ownership of shares makes you a member of the society and each member has one vote, irrespective of the number of shares purchased.

The shares are not transferable and cannot be sold. The only way to recover the value of the shares purchased is to give 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 were considered to destabilise the business.

Interest will not be paid to shareholders until our third trading year is complete and only after the Management Committee have agreed that it is affordable and does not jeopardise the financial safety of the business. Interest would be paid at not more than 2% above Bank of England base rate.

Interest will be paid by the society to members and it is the members' responsibility to declare such earnings to HMRC if appropriate.

It is important to understand that the value of the shares will not increase. The only financial benefit for members is the interest paid annually (if agreed by the Management Committee) after the first 3 years of operation have been completed.

In the event that The Beeston Ploughshare is ever sold, for whatever reason, the shareholders will be repaid their investment from the proceeds of the sale, after repayment of any debts. Any surplus would have to be paid to local community organisations or charitable bodies in line with the society rules.

## How will Beeston Community Enterprises Ltd. be Managed?

The current Management Committee is made up of seven Beeston residents who believe that it is vital to secure the future of The Ploughshare for the community. They are:

- Chair – Henry Dennett: Henry is a local businessman who currently runs a training and business consultancy company specialising in Customer Service, Sales, Business Management and Leadership. He is a Fellow of The Chartered Management Institute (CMI) and has two other business interests.
- Treasurer – Fiona Crump: Fiona is recently retired with 14 years of experience in retail banking. In 1997 she qualified as a member of the Association of Accounting Technicians and since has been running her own business providing services in bookkeeping, VAT, payroll & management accounts. She is also Treasurer for the Village Hall & Beeston Parochial Church Council.
- Secretary – Julie Lawrence: Julie is a recently retired college manager and teacher with administrative experience.
- Communications, Public Relations and Marketing – Sara Mills: Sara is Chartered Institute of Marketing qualified and has been working within marketing for over twenty years, focusing for the last nine years on Marketing, Communications, Event Management and PR within the leisure market, especially pubs and restaurants.
- Fundraising / Events – Kim Wheeler; Kim is a local businessman who has a real talent for organising events. Prior to The Ploughshare closing he was instrumental in organising Burns Nights, St. Georges Day parties and everything in between.
- Village Liaison – Robert Wall: Robert is a founder member of the Beeston Cricket Club and a well-known local businessman. His contacts and influence in the village and wider community are essential.
- Company Secretary – Geoff Sorrell: Geoff is a retired senior manager. As MD of a services company he has substantial experience of running HR, Finance, administration, property portfolios, IT systems, marketing, professional compliance and of setting up new businesses.

Other members may join the Management Committee subject to a maximum membership of nine.

The committee will stand down en-bloc at the first Annual General Meeting (AGM) and individuals may offer themselves for re-election. The new committee will be elected by members' votes at the first AGM and, depending on number of votes received, committee members will have terms of office of between one, two and three years in length. This means that in subsequent years at least two committee members will be elected at each AGM, creating the opportunity for new blood and new ideas on a regular basis.

Annually the Management Committee will provide all members with an annual report which will set out financial statements and a report of the society's activities during the previous financial year. These financial statements will be made available to the public on the society's website, [www.BeestonPloughshare.com](http://www.BeestonPloughshare.com).

Beeston Community Enterprises Ltd. is registered with the Financial Conduct Authority (FCA) and will be required to provide the FCA with an annual return.

**However, 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 FCA. There is no right of complaint to the Financial Ombudsman Service, nor can investors apply to the Financial Services Compensation Scheme.**

## **Seed Enterprise Investment Scheme (SEIS) and Enterprise Investment Scheme (EIS)**

We have gained advance assurance from HMRC that this Community Share Offer will qualify for tax relief under either of the above schemes.

**SEIS** is a Government scheme devised to encourage investment in new enterprises.

This means that the first £150,000 of eligible shares purchased will attract tax relief at 50% of the amount invested by an individual or an organisation. £150,000 is the maximum amount set by HMRC to which this level of tax relief can be applied.

**EIS** is a Government scheme designed to help smaller companies raise finance by offering tax relief to investors who purchase new shares in those companies. In our case it is available on those shares purchased after the first £150,000 of SEIS-eligible shares have been purchased. The upper limit for EIS is £5 million. Funds raised that fall within this category will be eligible for income tax relief equal to 30% of the amount invested by an individual or an organisation.

In both cases (SEIS and EIS) shares must be held for a minimum of 3 years to be eligible for tax relief. After 4 months' trading, the society will issue each eligible investor with the appropriate form (EIS3) to enable them to claim tax relief. Please be sure to tick the box relating to tax relief on the Application Form (online and paper) to make sure you receive your EIS3 form.

The share sale will be treated as one issue and to comply with HMRC rules the SEIS tranche will be issued first followed shortly afterwards by the EIS tranche. In the first instance, the SEIS tranche will be ring-fenced to local investors to ensure that they have the best opportunity to benefit from the 50% tax relief. When this initial period is over or when the sale of shares attracting tax relief reaches £150,000, whichever is the sooner, the remaining shares will be made available to all potential investors.

**Please note: The society and members of the Management Committee are not able to advise on tax issues and it is the responsibility of investors to make their own enquiries and to satisfy themselves as to their own eligibility to claim such tax relief.**



## Important Notice

### **You must read the following points about the Community Share Offer before deciding whether you wish to participate**

- I. When you are considering taking part 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.
- II. It is intended to build on our social infrastructure – the village hall, the school, the church local clubs and organisations – and help to create an ever more thriving and sustainable community. It is not a conventional investment with an expectation of high and direct financial returns. Full information is set out in the society's rules.

#### **Please note:**

- III. The minimum shareholding is 5 shares. Each share has a value of £10. The maximum number of shares that can be purchased is 2,000. Members must be over 18 and shares must be paid in full on application.
- IV. Shares are not transferable except on death or bankruptcy and they cannot be sold except on application, to the society itself for the original value of £10 per share.
- V. The value of shares cannot increase beyond their nominal value of £10. **You should be aware that the value of shares may be reduced if the business is unsuccessful.**
- VI. 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.
- VII. Currently the society plans to pay interest on shares after the third year of trading has been completed. The shareholding should be viewed as a social investment. The rules of the society allow for interest payments to be suspended if the financial performance of the society does not justify such a payment. Financial projections for the society's performance are included in the Business Plan accompanying this offer.
- VIII. The only way in which investments can be recovered (whether the initial sum or any reduced value) is to give the society notice of withdrawal. This cannot happen during the first three years after the date of this share issue.
- IX. 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 repayable each year is limited to a maximum of 10% of the current value of the share issue.
  - c) Three months' notice must be given.
- X. All funds invested in this Community Share Offer will be held in the bank account of Beeston Community Enterprises Ltd. and used only for the purposes of purchasing The Ploughshare Pub, for renovation of the pub facilities and for working capital. In the event that the purchase does not proceed all contributions will be repaid in full.
- XI. Although Beeston Community Enterprises Ltd. is registered as a society with The Financial Conduct Authority (FCA), the sale of community shares is not regulated by the FCA. Like many investments, community shares are at risk and you could lose some or all of the money you invest. Unlike deposits with high street banks, community shares are not covered by the Financial Services Compensation Scheme, nor is there any right of complaint to the Financial Ombudsman Service. If you are considering investing a significant amount then you may wish to seek independent financial advice before doing so.

## **Notes Page**



## How to apply to join Beeston Community Enterprises Ltd.

If you wish to become a member of Beeston Community Enterprises Ltd. and invest in our venture (you must be at least 18 years old), please go to our website [www.BeestonPloughshare.com](http://www.BeestonPloughshare.com) and click on the link to Crowdfunder, an online platform tailored specifically to the purchase of our shares, or go directly to [www.crowdfunder.co.uk](http://www.crowdfunder.co.uk) and look for our share offer.

You can also buy shares by completing the form below and returning it to the following address:

Beeston Community Enterprises Ltd., Tawny Lodge, Dereham Road, Beeston, Norfolk,  
PE32 2NQ

If possible, please use Crowdfunder as it reduces our administration and costs.

Name.....Date.....

Full address including postcode.....

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Email address.....

Phone number (s).....

Number of shares you wish to acquire (minimum 5 maximum 2,000). Shares cost £10 each.

Please tick this box if you want us to send you an EIS3 form for tax relief:

Please tick this box to indicate that you have read this Share Offer document:

**Please enclose with this completed form a cheque for the correct amount payable to Beeston Community Enterprises Ltd.**

Receipts will be issued by email wherever possible to reduce administration costs.

By requesting that I become an investing member of Beeston Community Enterprises Ltd. I agree to my name, address, phone number(s), email address and the number of shares I 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 the Community Benefit Society, for the posting of notices regarding the activities of Beeston Community Enterprises Ltd. and will not be passed to third parties.