



COCKFIELD
village group

Business Plan

Version 4.0



PlunkettUK

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Details of revisions

Version	Date	Details
1.0	17.04.24	Creation of a business plan for wider circulation
2.0	08.10.24	Amendments and additions made, following Plunkett UK review
3.0	12.11.24	Final CVG sign off for Standard Mark Assessment
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1.1 Introduction

Cockfield is a Suffolk Village lying within the authority of Babergh District Council. The Cockfield Village Group Limited (CVG) Community Benefit Society (FCA Registration No. 8863) is a dedicated team of local residents who banded together in November 2021 with a bold mission: to acquire the Plough and Fleece pub. With the invaluable support of Plunkett UK, a leading organisation in community-owned businesses, the group set up itself as a Community Benefit Society and registered with the Financial Conduct Authority in May 2022.

In January 2024, the group met with the landlord of the pub and enlisted the expertise of a Plunkett UK endorsed surveyor to assess the feasibility of their venture. Based on the results of the valuation and survey, an offer to buy the pub was made in April 2024.

In the summer of 2023, the owners of the local village shop and post office announced their plans to retire. Seizing the opportunity to expand their community footprint, the CVG stepped in and assumed ownership of the shop in November 2023. With the support of the community and the Parish Council, the CVG successfully transitioned into running the village store, ensuring that this essential service remained accessible to the residents of Cockfield and the surrounding villages. Over the thirteen months since taking on the management of the shop, weekly income has averaged £1,700 and after the deduction of purchases and overheads, weekly profits are approximately £200. The small profits recorded have only been achieved through the use of volunteers, as there are no costs associated.

As the group sets its sights on buying the Plough and Fleece pub, their financing strategy includes the recommended combination of grants and community shares, empowering residents to invest in and take ownership of their Community Hub. This Business Plan has been prepared to support the funding to acquire the pub and add additional services that can incorporate the village shop and post office that are on a short lease at their present location.

The Business Plan concerns the proposed purchase of the Plough and Fleece public house in Great Green, Cockfield IP30 0HJ. The document has been prepared by the CVG to meet the requirements of the following groups to support the purchase and running of the Plough and Fleece together with the relocation of the post office, village shop and the creation of a community space incorporating a coffee shop:

- Prospective investors in the CVG
- Prospective awarders of grants/loan funding

All the assumptions in the Business Plan derive from expert input and /or industry-specific data. Prospective investors should read this Business Plan in conjunction with the share prospectus and Society Rules.

2.1 Background

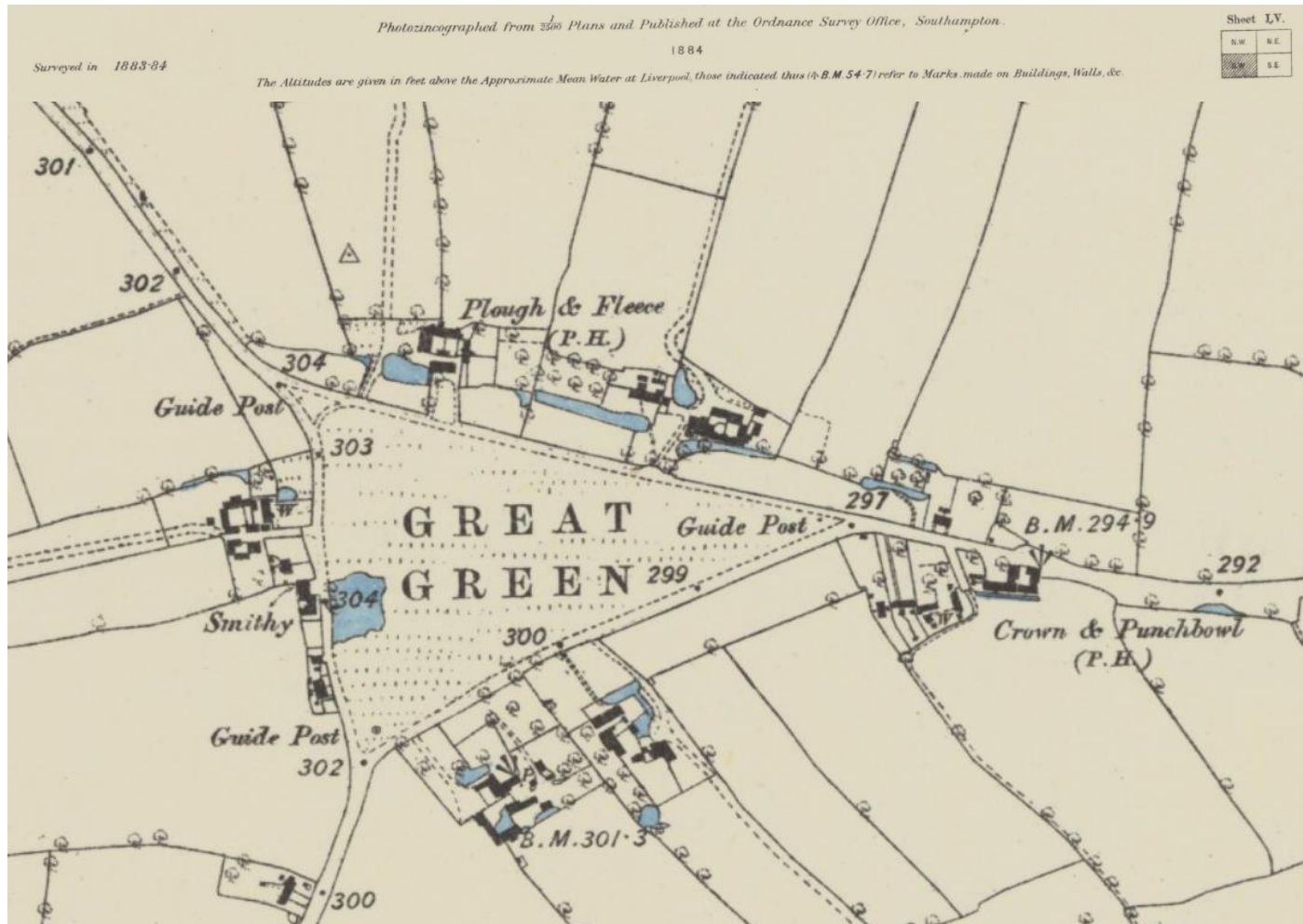
- **Origins and Early Days:**

- The Plough and Fleece has been operating under its current name since **1869**.
- However, intriguing records from the **Campaign for Real Ale (CAMRA)** reveal that even earlier, in **1855**, the pub's first landlord was **Robert Browning**, listed as a **Beerhouse Keeper**.
- During this period, the beerhouse likely served as an additional source of income alongside the main agricultural activities.
- In **1861**, Cockfield's population stood at **992**, and the newly opened **Melford to Bury St Edmunds Railway** station in Cockfield contributed to its thriving community.
- Sadly, the railway closed to passengers in 1961 and completely in 1965.

- **Changing Times and Community Hub:**

- Despite a gradual decline in population over the 20th century, the most recent census in **2021** shows a slightly lower population of **939**—just **160 years** later!
- Since **2021**, several new houses have been built, and the population now stands at around **1,100**, the highest since **1831** when it was **1,023**.
- The Plough and Fleece remained the sole surviving pub in the centre of Cockfield, becoming the **heart of local activities**.
- As a vibrant venue, it offered the usual range of pub products, although its catering services were somewhat limited.
- Traditional activities like darts, pool, and various evening events thrived within its walls.
- During licensing hours, it served as a **social gathering place** for a significant section of the community.
- Additionally, the pub supported the sports clubs playing on the picturesque **Great Green**.

The Plough and Fleece stands as a testament to Cockfield's history, a place where memories were made, friendships forged, and stories shared. Its potential as a community space continues to inspire the CVG in its endeavour to preserve this cherished establishment.



2019 - 2020

The Plough and Fleece (the pub) closed for business in December 2019 and has not reopened. The landlord submitted a planning application for a change of use to a residential building in October 2020, citing reasons that the pub was not viable and was not turning over a profit. During the consultation phase, several members of the community, and the local Parish Council, objected to the application. The application was duly rejected by Babergh District Council in December 2020.

2021

The landlord submitted an appeal in February 2021 to overturn the Council's decision, which led to the Parish Council applying to register the Pub as an Asset of Community Value (ACV) in October 2021. The appeal was dismissed by the Babergh Council in November 2021; registering the premises as an ACV was a contributory factor in this outcome.

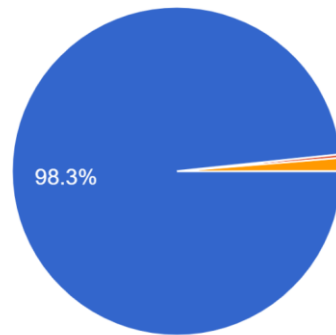
The landlord notified Babergh District Council in November 2021 of their intent to sell the pub, however, this was not marketed until March 2022 and continues to be up for sale over two years later. The CVG was formed in November 2021, to buy the Pub. The first aim was to survey the community to determine whether there was an appetite for reopening the pub.

2022

In February 2022 residents received an invitation to complete a questionnaire and over 300 responses were received. It was very clear that reopening the Pub is something that the community supported. We have continued to engage with the community through regular updates and the community remains as keen as they were back in 2022, to have the Plough and Fleece reopened with the addition of a shop, post office and café/meeting place i.e. a Community Hub.

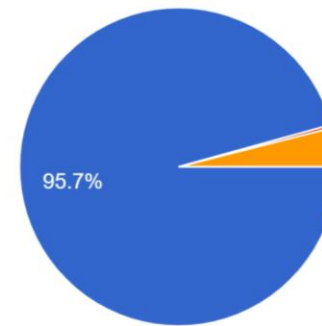
1. Do you support the vision of a community owned facility?

303 responses



2. Would you use it?

303 responses



● Yes
● No
● Don't know

It was also found that there was not just a desire to reopen as a pub but to offer additional services to the expected ones, such as 'all day opening'. The most common responses shown in Table 1 highlight that additional community services are desired and that reopening the Pub should allow for 'additional services' to be accommodated.

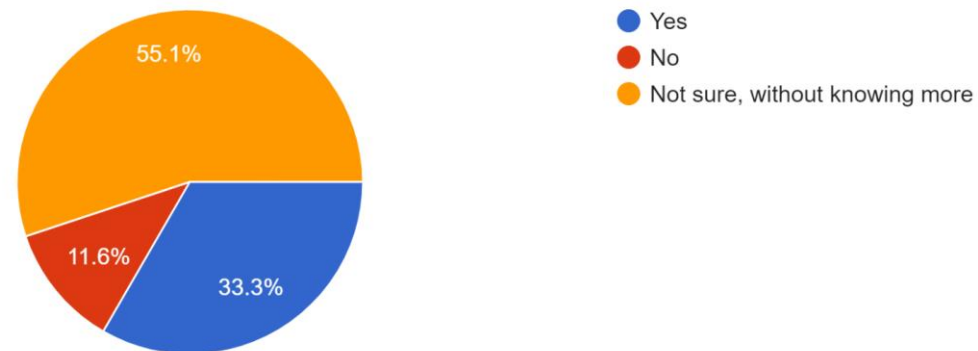
Table 1: The most frequently requested services relating to a Pub or an extra facility

'Pub related services'	'Additional services'
All day opening	A place for the local community to meet for a variety of groups
Televised sport	Coffee mornings
Themes nights	Deli and Farm shop
Real ales	Take away services
Family room	Visiting library and bank
Pool table & pub games	Shop
Live music nights	Post office

Another outcome from the community engagement questionnaire was the desire for many members of the local community to be *potentially* involved with the project, offering a range of services. For any community venture to be successful, there must be sufficient 'buy-in' from the local community.

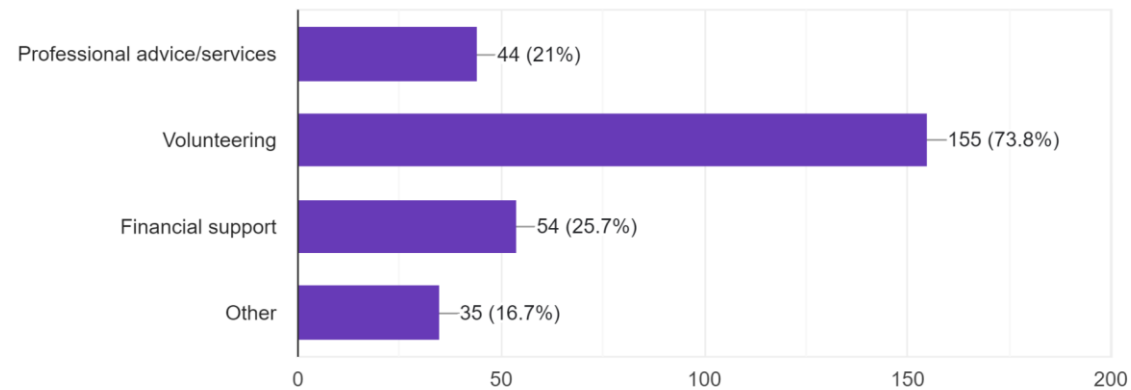
5. Can you see yourself involved in this project?

303 responses



6. Would you offer

210 responses



Having gained sufficient evidence, the CVG applied to the Plunkett Foundation (now Plunkett UK) for support. Gaining their support was crucial since their role is to assist local communities in acquiring and operating community-owned/operated facilities. Plunkett UK have numerous success stories in supporting local communities and they offer business support relevant to all stages of a community-owned/operated venture.

After successfully gaining their support in March, the CVG met, and communicated regularly, with an assigned representative from the Plunkett UK to gain crucial advice. From this, the CVG applied in April 2022 for Community Benefit Society status (CBS), which would allow the CVG to raise funds through a share offer. In doing so, the CVG were advised to follow model rules (see Appendix) that are adopted by Plunkett UK. To facilitate this, the CVG reached out to the community for donations for professional fees, such as joining Plunkett UK and registering as a CBS, by creating a GoFundMe Page and nearly £1500 of donations were gratefully received. Having registered as CBS, the CVG successfully registered with the Financial Conduct Authority (FCA) in May 2022. The moratorium end date of the ACV was in May 2022.

2023/2024

The moratorium restarted in May 2023 as a year had passed from the previous one (ending May 2022) and the landlord informed Babergh that the pub would be marketed as required by the ACV rules. In May 2023, the CVG expressed an interest to purchase the pub and the moratorium period of six months started again. The CVG made efforts to contact the landlord, via their estate agent(s), but it was not possible to open a dialogue. In November 2023, the moratorium lapsed again and a new year of open market sales commenced. In January 2024 the CVG finally was allowed to visit the pub and meet with the landlord. From this initial contact, it was agreed that MJD Hughes, a surveyor specialising in hospitality and recommended by Plunkett UK, could complete a business viability survey and valuation. The results of this survey stated that the values ranged from £250,000 in its current state to £350,000 for a fully functioning pub at its full potential. The pub is currently listed for sale at £325,000.

There are several planning considerations relating to the development of land for sale behind and adjacent to the pub that would need to be resolved. An offer to purchase the facility was made in April 2024 within the recommended range suggested by the independent valuer.

During the Summer of 2023, the CVG were also made aware that the owners of the village store and post office would be retiring in November 2023. The CVG offered to take on the running of the village shop and met with the local community to see whether there would be sufficient volunteers to make this a viable proposition. The village shop was taken on by the CVG in November 2023. Initial funding was raised through GoFundMe and with the support of the Parish Council a £4,800 donation was used to purchase the existing stock. Further grants of £4,650 and £400 were received from the Royal Countryside fund and Babergh Council respectively, and were used to purchase a new fridge and freezer and a portable air conditioning unit.

With the help of volunteers, the shop continues to run successfully, with the post office operating independently. The past owners have kindly agreed to rent the space to the CVG at an affordable amount, but this is not a long-term solution. To ensure that the village shop and post office remain open it needs to be relocated. Currently, the Post Mistress for Felsham, Rattlesden and Hitcham manages the Cockfield post office and the space is rented from the owners of the property.

Therefore, the CVG plans to incorporate both of these facilities on the site of the Plough and Fleece to create a Community Hub.

2.1.2 The vision

The CVG's vision is to develop the existing pub into a community-owned hub, incorporating the pub, the present shop and the post office, as well as adding a coffee shop.

Cockfield is a desirable village, which is partly evidenced by the number of houses currently under construction. However, there must be adequate services and facilities to sustain the village.

Fortunately, there are numerous success stories of community-owned pubs in Suffolk to model this venture on. There is an opportunity to create a fantastic facility that, once up and running, has endless possibilities for community activities, while also ensuring the long-term future of the existing shop and post office.

2.1.3 Catchment area

The village is sprawled out across a large area and consists of several Greens, the largest of which is the Great Green. The pub is situated next to this Green and there is a by-road that runs directly outside of it. The pub location has served as an ideal meeting place for people to visit for local footfall and those travelling from nearby villages and towns.










The two adjacent villages, Thorpe Morieux and Bradfield St George, lost their pubs just over ten years ago and these communities support a population of 700 people. In addition, neither of these has a village shop or post office and residents currently use the facilities in Cockfield. Table 2 shows over 2000 houses within a 10 minute drive of the village and 10% of those are considered to be within walking distance.

Table 2: Postcode analysis and walk/drive for Cockfield and surrounding villages

Village	Postal addresses	Drive Time in minutes	Distance to Pub in miles	Population 2021 census
Cockfield (drive/cycle)	296	3	1.00	939
Cockfield (walk 20 minutes)	273			
Bradfield St Clare	71	3	1.30	166
Felsham	207	4	2.10	472
Thorpe Morieux	129	6	2.90	289
	976			1866
Bradfield Combust	70	6	3.00	585
Gedding	58	6	3.00	129
Little Whelnetham	109	6	3.30	188
Bradfield St George	208	8	3.60	413
Sicklesmere	59	7	3.90	848
Great Whelnetham	409	8	4.00	348
Rushbrooke	43	9	4.40	1769
Rattlesden	470	10	4.80	961
	1,426			5241
Total within 5 miles and 10 minute drive	2,402			7,107

However, 273 homes within walking distance

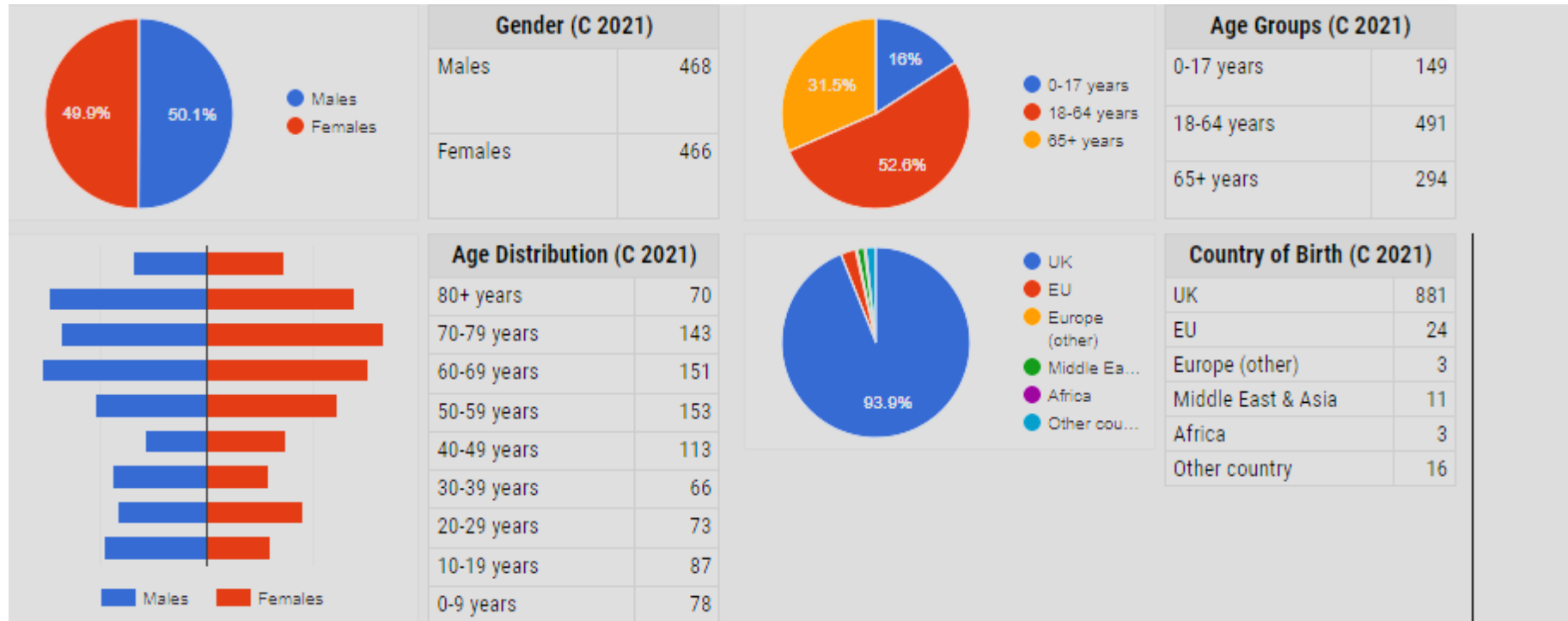
Cockfield is a desirable place to live, with the population percentage change between the 2001-2011 and 2011-2021 doubling (approximately 3.5 % vs 8 %). Significant residential developments, such as Mortimer Way and Jeffries Green since the most recent Census have undoubtedly added to the population of the village.

Name	Status	Population Census 2001-04-29	Population Census 2011-03-27	Population Census 2021-03-21
Cockfield	Parish	839	868	939
Cockfield ○ 939 Population [2021] – Census ♦ 15.38 km² Area ● 61.06/km² Population Density [2021] 📈 0.79% Annual Population Change [2011 → 2021]				
 Cockfield: village in Suffolk, England, United Kingdom – Local dialing code: 01284 – Postal code: IP30				
       				
East of England	Region	5,388,140	5,846,965	6,335,074

Source: UK Office for National Statistics (web).

Explanation: Parishes as at May 2022. All population and corresponding area figures of parishes are based on assigning output areas by using population-weighted centroids. Thus, slight discrepancies are possible compared to the actual parish boundaries that are depicted in the map. No population figures (and the actual area) are provided for parishes smaller than output areas.

The most recent Census data shows an ageing population in the village, with the majority of residents being aged 50 years and upwards. With a significant number of residents at or close to retirement age, it is important to consider the amenities in the village, particularly those available during the day. Retired and older residents are considered more likely to have available time for volunteering in the Community Hub than younger residents in the village.



Although slightly lower than the Babergh average, over a quarter of Cockfield's residents are made up from single occupancy households. Coupled with an ageing demographic, this raises the potential for residents to become isolated from the community. The CVG believe that opening a Community Hub within the village will help to mitigate against this risk.

Household size

Cockfield | (Babergh)

1 person in household **26.1%** (28.3%)



2 people in household **44.6%** (40.1%)



3 people in household **12.7%** (14.7%)



4 or more people in household
16.5% (16.9%)



% of all households

Household composition

Cockfield | (Babergh)

One person household **26.3%** (28.3%)



Single family household **70.8%** (67.7%)



Other household types **2.9%** (3.9%)



% of all households

Household deprivation

Cockfield | (Babergh)

Household is not deprived in any dimension **53.7%** (51.2%)



Household is deprived in one dimension **31.6%** (34.8%)



Household is deprived in two dimensions **13.3%** (11.6%)



Household is deprived in three dimensions **1.4%** (2.3%)



Household is deprived in four dimensions **0.0%** (0.1%)



% of all households

2.1.4 Benefits, impacts and theory of change

The CVG developed a Theory of Change model (Table 3) showing the activities conducted by the proposed Community Hub. From this exercise, the following potential social and economic benefits are identified:

Benefits to Local Businesses:

- Reduced supplier delivery miles aiming to maximise local sourcing of products
- Increased profits for local suppliers, providing additional income source for local suppliers
- Local access to banking and postal services. With more and more banks and post offices closing, frequently to the detriment of isolated rural communities, this will provide real, tangible support for our community and will, again, reduce travel costs and time as well as supporting our broader aim to reduce our carbon footprint.
- Convenience for home workers and visitors (e.g. to purchase lunch and as a working space)

Benefits to Customers:

- Costs of shopping (cost of shop vs. travel time/costs) reduced
- Increased social contact and village support network through the Community Hub, offering a place to meet during the day (coffee shop) and evening (pub).
- Reduced reliance on cars and public transport: reduce carbon footprint
- Retained access to financial services (in a time when most banks are closing their high-street branches).

Economic Benefits:

- Increase local spend. This will help provide economic growth and incomes in the wider community
- Village becomes more attractive to visitors: e.g. destination for post office and banking services, food for visitors

Social Benefits:

- Increased opportunities for casual conversation and social interaction at the 'heart' of the village
- Decreased loneliness and isolation.
- Increase in basic cohesion and support networks in village

Environmental Benefits:

- Reduced delivery miles from local suppliers.
- Reduced travel miles for customers
- Saving carbon from the amount of travel saved by having a post office in Cockfield vs. the next nearest shop/post office amenity.

These benefits have the following longer-term outcomes:

- Reduced carbon emissions.
- Increased viability of local businesses.
- Improved local economy.
- Reduction in isolation and loneliness.
- Increased independence of elderly, disabled & vulnerable persons in their own home.
- Ability for elderly to live in the village for longer than would otherwise be possible.
- Increased attractiveness of the village for new residents.

This shows how the activities of a Community Hub can feed back into the local community and improve long term metrics such as the local economy, loneliness scores and environmental targets. The most recent Census showed that 22% of the population was over 70 and the benefits of having a Community Hub to help support this demographic is very important, particularly with regard to creating a place to meet. The village hall serves this purpose but it is only available in the evenings during the school's term time. Volunteering will be a key part of how we plan to

operate the shop and it can provide training and skills development, improve self-esteem and wellbeing, and make people feel valued and part of the community.

Having operated the village shop since November 2023, the CVG has witnessed the positive impact that it has on the community. For example, food deliveries are made to older residents of the village, where their mobility may be limited. Regular visitors visit the shop, often at the same time to collect their pre-ordered newspaper and to stay for a chat. The social interaction offered by the shop often leads to general conversation about the village and events coming up.

Table 3: Theory of change - Community Impact

Activities	Outputs	Short term outcomes	Long term outcomes
Purchase and reopen the pub	A place for local residents and visitors to frequent	Increased local spend keeps money in the community. Increase the amenities in the village	Growth in the number of visitors to the village
	Volunteering opportunities	Helps to reduce costs	Underpin community cohesion
	Utilise local trades		
Create a coffee shop	Offering a place to meet during the day.	Increased local spend keeps money in the community. Increase the amenities in Cockfield.	Reduces social loneliness
Relocating the shop and post office	Help to ensure its long term future. Increased footfall in the	Reduced travel for customers leading to lower shopping cost	Increased personal independence.

Activities	Outputs	Short term outcomes	Long term outcomes
	shop and post office.	and reduced carbon footprint. Older demographics will not face as much pressure to move given the presence of an accessible shop and post office in the village.	
Work with good quality local suppliers to supply a wide range of produce and support the local economy	Increased business opportunities for local businesses	Enhanced profitability for local suppliers	Boost to the local economy
Delivery service to households	Housebound and single occupancy residents remain connected to the village	Reduced pressure to move due to continued connectivity with amenities	Underpins social cohesion
Regular social space	Lots of opportunities for local residents to meet, such as to play board games, garden clubs and book clubs. Hold regular events, such as live music. Fundraising opportunity, e.g. quiz nights.	Sustaining of local interest groups. Supporting local charities, such as the preschool	The village remains a desirable place to live. Reduces social loneliness. Help to safeguard the future of the preschool in the village.
Surplus allotment produce	Local resident allotment holders will be encouraged to donate surplus produce	Reduce wastage. Donations will help to sustain the Community Hub	Provision of additional fresh produce will encourage healthy eating

Activities	Outputs	Short term outcomes	Long term outcomes
Work experience opportunities	Younger people given more opportunity for community engagement	Can give useful evidence for awards, such the Duke of Edinburgh	Enhanced sense of belonging from younger members of the community.
Meeting space	Hot desking opportunities to those who are working from home	Increased flexibility for homeworkers	An opportunity for increased productivity, due to fewer distractions.

2.1.5 Future developments

The Community Hub will evolve once it is opened, in response to feedback received from the community and also once it becomes more established. Development ideas are considered across three distinct phases and although not all will be necessarily implemented, it is important to consider options, so that the Community Hub remains relevant and a sought-after place to frequent. Some of the developments may be reordered as required.

Short term

Once the pub has been purchased, the primary aim will be to refurbish and open, relying on volunteers and local trades. The village shop and post office will be relocated once the site has been reconfigured. The current shop and post office location is temporary and so relocation will be required as soon as is practicably possible. The village shop will place an emphasis, where possible, on fresh produce from local suppliers. Our operations manager currently organises about 15 regular volunteers who are actively involved in the daily running of the shop. Financial viability has been maintained since being taken over by the CVG. The shop will continue to run with volunteers and the post office will still be managed by the Post Mistress and the space will be rented from the CVG. The CVG will work closely with the Post Mistress to ensure that all requirements are met to allow the post office to be relocated.

The pub will be run by volunteers and will operate as a Free House, allowing for a wide choice of beverages, operating predominantly as a wet pub. Given that members of the CVG comprise a retired publican and a current designated premises supervisor (DPS) personal licence holder, the pub will reopen quickly. Marketing and advertising will be key here, since a regular footfall is vital. Advertising and operating regular opening hours will be key. Consideration will be given to the environment and cycling and walking to the Community Hub will be encouraged. The CVG will connect with mobile food vendors to offer enhanced food options in the evenings and welcome patrons to bring in their food to enjoy alongside a drink.

Mid term

The Community Hub will expand to accommodate a coffee shop, the next phased opening. During this phase, we plan to appoint a manager to assume the daily running of the pub and coffee shop. The Community Hub will require effective branding and an online presence, therefore a rebranding to complement the developments of the Community Hub will be necessary. Facilities for electric charging points for cars will be incorporated in the future as well as investigating the benefits of solar panels to manage electricity costs. Regular events will be promoted during the day (e.g. establishing meeting groups) and the evening (quiz nights and hosting team events, such as darts nights). The Community Hub will also serve as a place to work during the day, benefiting those who have flexible working arrangements.

Long term



Once fully established, the Community Hub must remain a desirable place to frequent. If an appointed manager does not utilise the upstairs accommodation, then the upstairs could be reconfigured, providing additional revenue that can be reinvested back into the Community Hub.



3.1 The Cockfield Village Group



3.1.1 Ethos


The Cockfield Village Group is a small group of individuals who live in the village and wish to bring together the community to purchase and develop the Plough and Fleece for the benefit of the village. The CVG are passionate about preserving amenities for the village that will cater for the current needs and the future. The members of the management committee are all volunteers and will derive only the same benefits from this project as any other member. The management committee has adopted the Co-operatives UK Conflict of Interest Policy and will ensure that it is adhered to. A single share was purchased over time by each sitting member of the management committee to comply with the Model Rules, in total nine shares have been purchased. Full biographies are included in the business plan. We sought expertise from the village in our original community engagement questionnaire and this was the basis to form the committee. Within the small group, roles were assigned by formal vote based on expertise for the respective roles. Once the sale of the pub has completed, we propose to hold a members meeting to elect a new committee and the opportunity for re-election of the current management committee.

3.1.2 Management Committee biographies

	<p>Peter Finch</p> <p>Chair</p> <p>Grant manager</p>	<p>I am a retired chartered engineer with extensive experience in company and project management as well as business development. Since moving into the village in 2015, I have been heavily involved in the management of a local community transport charity, providing services to the elderly, disabled and isolated residents.</p> <p>This has involved extensive negotiations with local authority officials and councillors at county, district and parish levels as well as successfully raising funds from a range of grant-awarding bodies.</p> <p>Through this work, I am very aware of the need of many in our community for maximum opportunities for social interaction, and fully support this project which will deliver those opportunities.</p>
	<p>Martin Smith</p> <p>Vice - Chair</p> <p>Data manager</p>	<p>My wife Clare and I moved from Buckinghamshire to Great Green, Cockfield in summer 2021, following my change of career and looking to slow my pace of life. We were both looking for a chance to be part of a community and enjoy our lives together.</p> <p>The thought of a village with a village shop, village pub and a café would be an ideal environment for locals to engage with the community.</p> <p>My background was as an inventor and MD for an emissions reduction advisory and chemical sales company that is now owned by my Canadian distributors. I spent seven years on the government's advisory and steering committee on transport, fuels, and emissions. I have extensive knowledge in business structure, process, and diligence; and have spent the past 5 years creating a corporate training company.</p>

		<p>I currently hold a Level 3 in education and training, a Level 2 in Health and Safety, fire safety, manual handling, and a Level 3 in Food Safety. I also hold a Level 3 in Emergency First Aid and Paediatric First Aid and a EU2015/1998 in air cargo security training. I am also a current DPS personal licence holder.</p> <p>I hope that my skills can be used to improve our community and assist in the creation of our Village Hub.</p>
	<p>Vincent Scholier</p> <p>Secretary</p> <p>Marketing Communications</p>	<p>I moved to Cockfield in 2018 and was delighted to learn that there was a pub by the Great Green. As a CAMRA member, I appreciate good beer and support the idea of keeping pubs open. I work as a Chemistry teacher and can bring a transferable skill set, such as organising, planning and communication. I think that creating a hub for the community is vital to help sustain the village and I am looking forward to being part of it.</p>
	<p>David Lewsey</p> <p>Treasurer</p>	<p>I have lived in Cockfield since March 2019 and I have been fortunate enough to visit the Plough and Fleece a few times before its closure. I was delighted that there was an opportunity for a possible purchase of the pub and its reopening and fully support this project. I have worked in finance all my working life initially in accountancy practice before moving into finance roles in healthcare initially at Bupa and then hospitals and a fertility group for most of my career. I am currently the Head of Finance for a local veterinary group that incorporates veterinary clinics and vet and nurse training. With my many years of experience in business and specifically finance, I plan to bring this particular set of skills to the team and project, however, I am more than happy to do anything to make the pub a success and create a hub for the community that we can be proud of.</p>

	<p>Allan Ramsay</p> <p>Facilities management</p>	<p>I relocated to the village in Feb 2020 and was still unpacking when the lockdown began. I saw the pub as my best opportunity to meet people and integrate with the community, so it's been a big disappointment that it is still closed. So I'm enthusiastic about being involved in helping to find a sustainable solution to preserve its future. I spent 20 years managing pubs and hotels for various regional breweries so I understand the challenges. I have previously managed facilities across a mixed development on the River Thames, working with residents and commercial tenants to improve and develop their environment, homes and businesses. In recent years I set up an in-house team of contractors for a social housing association to deliver a repairs service to 3000 properties. Above all, I'm hands-on and a DIY fanatic.</p>
	<p>Sarah Fletcher</p> <p>Operations manager</p>	<p>I have lived in Cockfield for over 15 years and I am actively involved in all aspects of village life. I am a Parish Councilor and the link between CVG and the council. I have taken on responsibility for the operation of the village shop in November 2023 and recruited 30 volunteers who work in the shop on an ad hoc basis. I look after the ordering and ensure that the shop continues to develop and meet the needs of the community. We are keen to find an alternative for the shop and post office and the site of the Plough and Fleece is an ideal location being in the centre of the village.</p>

	<p>Neil Campbell</p> <p>Architect</p>	<p>I've been in Cockfield for just over 5 years and am a Practising Architect. I work in commercial, housing and private residence sectors and my projects have been used as exemplars in the Essex Design Guide.</p> <p>The village pub was quite an attraction to me when moving here, and I can see that the detrimental effects of its closure have been far reaching, particularly post lock down, where villagers want to socialise.</p> <p>This group's aspirations transcend higher than simply just a place to get a drink. It is a realistic goal to create a community hub where the post office, village shop, a coffee shop and pub are all within walking distance for the majority of the village.</p> <p>Moving forward, I will be engaging further with the Local Authority Planning Department, Building Control, Specialist Consultants to create an inspirational community hub</p>
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3.1.3 Communication plan and future developments

The initial communication process was to demonstrate that there is an appetite for reopening the pub and the facilities that are desired. The CVG therefore created and hand-delivered questionnaires to the village that could either be completed online or by hard copy and periodic updates were submitted to the respondents who wished to remain updated on developments.

The CVG decided in April 2024 that sufficient progress had been made to warrant the creation of a website and social media platform, which would allow people can be kept updated on our progress:

- Website: www.cockfieldvillagehub.co.uk
- Facebook: www.facebook.com/people/Cockfield-Village-Group/61558510829244/

- In December 2024, an information brochure was distributed to every property in the village and surrounding area; this summarised our plans, current progress and the upcoming share offer

As this project moves to the next stage, we shall also be:

- Contacting media - *for wider awareness and support of our project*
- Open meetings - *to present to the community our plans (such as for community purchase), which will allow questions to be answered in person*
- Contacting all residents with the prospectus for the share offer

4.1 Purchase

An offer to purchase the facility was made in April 2024 within the recommended range suggested by the independent valuer.

4.1.1 Details of investment

- Funding the acquisition of the pub at a reasonable price that reflects its current state and supports the opportunities identified above.
- The CVG have identified the true costs of the investment by commissioning a full viability survey and a valuation completed by MJD Hughes identifying the range of values for the property in its existing state and also with the potential of reopening as a pub. There will be a requirement to fund initial working capital to get the pub up and running and also cover the required professional fees.

- Once all the costs are determined and we have received an indication of community funding available, through pledges, the CVG will engage with organisations to obtain grants that can support the purchase and development of the site such as the government Community Ownership Fund.

4.1.2 The Community Share Offer

The plan is to raise a significant proportion of the capital for the purchase and refurbishment of the Plough and Fleece through community shares. The details of the specific share issue will be outlined in a share prospectus that will be circulated to the community.

The cost of each share is £25 per share. There is a minimum shareholding of one share and a maximum shareholding of 10% of the total share capital outstanding at any time. Shareholding confers membership of the CBS and gives each member one vote at the Annual Members' Meeting and other meetings; no matter how many shares he/she/they may own.

The membership of the CBS will elect a management committee that will guide the strategy of the pub.

The widest possible community ownership will be encouraged. The minimum investment level for share ownership has been set at a low level to ensure the widest possible participation. As well as individuals, local companies will also be approached to invest. In addition to being able to attend and vote at Members' Meetings, membership also allows individual members to stand for election to the management committee.

4.1.3 Membership Benefits

The Society intends to pay modest interest to members, and this would be set by the Society Rules which stipulate that such payments cannot exceed 5% or 2% above the Bank of England Base Rate whichever is the greater. Interest payments can only be made when there are sufficient surplus funds to maintain the business after payment of capital and interest on any borrowings and the accumulation of liquidity in case of share withdrawal. Interest payments will be reviewed each year and a proposal will be put forward at the Annual Members' Meeting. The intention is not to pay interest until after 4 years of ownership is complete.

4.1.4 Shareholder Risk

Unlike shares on the stock market, shares in the CBS cannot increase in value and cannot be traded; shares can only be transferred between the CBS and the investor. Shares could decrease in value if the Society were to become insolvent with liabilities which exceeded the value of the assets. The CVG hope very much that this will not happen because, as a community, we would be collectively committed to the success of the revived and revitalised Plough and Fleece.

The legal structure of CBS, which entails limited liability, is such that the individual shareholder's liability does not extend beyond the value of their initial investment. See the Plunkett Model rules (Appendix) for further details.

4.1.5 Asset Lock

If the assets of the CBS were to be sold (e.g. in the event of business failure) any surplus proceeds after debt repayments and following the repayment of shareholding to members would be transferred to other community investments which are consistent with the objectives of a Community Benefit Society.

- Lenders and grant providers will have a legal charge over the asset. This means that in the event of the above the lender and grant provider will have priority over members in relation to any proceeds of sale.

5.1 SWOT analysis

5.1.1 Strengths

- Community support, community funded, with lots of examples of successful community-owned facilities
- Pub at the site for one hundred and seventy years (historical traditions)

- Outstanding views of the Great Green
- National Cycle route right in front of the pub
- Events on the green
- Accommodation for tenant/rental onsite
- Limited services available in catchment area
- Lack of public transport to alternative locations

5.1.2 Weaknesses

- Limited footfall in recent times
- Past reputation
- Limited passing trade
- Transport links
- Constraints on site available to deliver all planned services

5.1.3 Opportunities

- To be the first local Community Hub in Cockfield - serving the broad needs of the community
- Operating as a CBS, there is potential for securing grants and funding from community support organisations
- Improve the internal and external layout and decoration of the building and surroundings
- Attract people from the wide area
- To offer a place for training and work experience
- Develop social events and sports teams, including pub games
- Localised fundraising
- Opportunities for hire to accommodate events
- Transport provision to allow drinkers to be dropped off will help to bring the community together

5.1.4 Threats

- Lack of support from customers from the community once the purchase is complete
- Failure to secure finance through funding
- Excess of share withdrawal requests
- Unexpected and unforeseen repairs and improvements at additional cost
- Planning issues relating to appropriate parking provision and building works for additional services
- The Horseshoes Inn is located approximately 2 miles away from the Great Green

5.1.5 Addressing the weaknesses and threats

All day opening with a range of services centred around an existing provision of the shop and post office - bring the community together and create a place to frequent. Limited footfall in recent times does not necessarily dictate future custom. Reasons for the limited footfall could have resulted from unpredictable opening hours and insufficient advertising. The business must adapt and, with sufficient advertising, it is anticipated that a regular footfall can be achieved.

Since the site for the Community Hub is not connected to a major road, there is limited passing trade and 'chance visits'. The business must be actively marketed, such as on social media. This will allow customers to be aware of key events and services that are on offer. Similarly, a major cycle route, National Cycle Route 13, London to Fakenham goes past the Pub, and with targeted marketing cyclists could be welcomed and stop for a drink and cake as part of their journey.

There are limited transport links in this rural village. For customers wishing to drink alcoholic beverages, this poses a logistical challenge and could limit income. However, the provision of a minibus or a designated driver scheme would allow for customers to be transported, helping to keep members of the community connected and combat loneliness.

The success of the Community Hub will require support from customers and a successful marketing campaign must be maintained so that the public is aware of key events and reasons to visit. Provision should be made so that in the event of a lack of interest, the asset could be converted to a house and the funds after repayment of debt can be used to reimburse investors and any surplus funds donated back to the community. This would also apply to the scenario if there were any unexpected and unforeseen repairs, however, due diligence must be undertaken before a purchase is complete.

Many charities and organisations support community-run facilities and there are several financial streams available, these range from grants to low-interest loans. If in the unlikely event that there is insufficient funding, then the purchase would not go through.

It is possible that investors would request withdrawal of their investments and this could have a detrimental impact on the business. The CVG would follow the Plunkett UK rules and ensure that shares are held for a minimum of three years and would need to be agreed upon before removal. It is important that a limit is set on withdrawal requests and that any reimbursements are made from profits in the business or from new investors who wish to buy in. The management committee has the right to decline requests if it is a threat to the operation of the business.

The Horseshoes Inn is a pub situated in Cockfield, but it is not regarded as being in the village centre. Positioned more than 2 miles from the Great Green, it is a commercial establishment on the busy A1141 road, between Lavenham and Bury St Edmunds. Our goal is to transform the Plough and Fleece into a Community Hub that functions as more than just a pub—a social space open during the day, beyond typical pub hours. Additionally, the site will include a shop, post office, and café. The CVG therefore do not see The Horseshoes Inn as a competitor pub, due to different offerings.

We will engage with all parties to ensure that our developments that require planning approvals are managed appropriately and reach the desired outcome. We will engage professional advice to assist us in this process.

6.1 Risk register

We have reviewed the risks of the project and a detailed Risk Register can be found in the Appendix. This is a working document and will be reviewed as is necessary.

7.1 Overview of the Business Model

Although the pub has been closed since 2019, there remains a desire within the community to reopen and expand to include a Community Hub. To rekindle the feel of a local community pub the reach of services needs to be increased and the availability of the resources becomes more open. For example, not just a pub but also a coffee/tea shop facility offering value-for-money drinks, snacks and cakes and offering a place for social interaction for all ages in the community. The plan is to be more inclusive and develop these services to a wider audience for example cyclists and walkers creating a stopover for refreshment. Initially, the range of food available will be restricted pending the assessment of demand and the willingness of the community to support the venture. As demand grows so will the services provided, and consideration will be given to introducing a pub manager as the finances allow. Over time we hope to attract a broader customer base, through reputation and word of mouth, both locally and from further afield.

For many years, there have been significant missed opportunities, by not providing an attractive and enjoyable outdoor garden space. Making provision for a simple outside bar, gazebo area and barbecue could dramatically increase revenues through the summer, which will increase customer satisfaction overall.

Finally, the CVG has identified several priority concepts that will be developed once the trading specifics of the core pub are re-established. These include a café service (combined with adjusted opening hours), and a business hub for professional and home-working customers offering facilities and support, with the opportunity for it to be an operating base for the many clubs, societies and local social groups. This will be a new inclusive approach that will appeal to the community at large and will be shared/publicised through our local social media presence and alongside ongoing engagement with the local community across multiple channels.

Having several facilities on site will create a hub for everyone within the community and offer an environment where everyone from all backgrounds and ages would feel welcome and would wish to visit regularly.

8.1 Community Engagement

Community engagement is seen as critical to the success of Community Hub. The CVG have made a good start in surveying the community, gauging the level of interest, testing the appetite for investment and sourcing early feedback on the way the pub should be set up to maximise its appeal.

A recent survey demonstrated high levels of engagement and offered some feedback that will be incorporated into our plans for both the initial set-up and ongoing development of the day-to-day operations.

This section demonstrates how we plan to remain engaged with the community, how we will continue to gauge feedback and how this leads to how The Plough and Fleece will be led and managed to maximise community benefit.

8.1.1 Enabling the community to bring about change

The purchase of The Plough and Fleece will be a hugely significant event in the village and will demonstrate the power of the community to change things that matter to them. Saving The Plough and Fleece will empower the community to support and develop the key asset that is currently missing in our community. The management committee will engage with the community and build links with all existing groups within the village and surrounding areas. In addition the CVG welcomes suggestions and will hold regular social events that will be carried out to encourage different groups of people within the community.

8.1.2 Providing structured opportunities for volunteering

The CVG will be looking for support from the community to carry out services and tasks to bring back the Plough and Fleece to its previous glory and also encourage the community to help us take this project forward. Immediate requirements will include the refurbishment of the pub and gardens and the development of the outbuilding to create a courtyard space for the café. Each project will have a small steering committee with members drawn from the local community with the skills, knowledge and expertise to deliver each initiative. Once operational, volunteers will be integral to the running of the pub and café as well as continuing to operate the village shop. We already have over thirty volunteers running the shop and post office.

The project opportunities will provide job experience to steering group members looking for employment.

8.1.3 Providing a place to socialise



Re-opening the pub will provide an accessible space for a range of services and activities for the many elderly residents and those living alone. Examples of services and activities could include access to the internet, low-cost lunches with elderly concessions on certain days (or during certain promotions/events), a book library, comfortable seating and a quiet area to read and talk with friends whilst enjoying a drink.

The CVG plan to have a steering group that will be responsible for organising and running the services/activities with the help of other volunteers.

8.1.4 Community Space/Business Hub

Consideration will be given to a business hub in response to the change in working habits and behaviour post-pandemic. This could include basic services that include:

- High-speed quality wi-fi, free for users of the business hub
- Printing facilities/photocopying
- Comfortable work area away from the pub bar and restaurant
- Meeting space that can be booked for business meetings/events

As a first step, the community space could be used as a provision for IT resources and potentially a form of technical support that draws on the skills available within the community. This will support the older demographic in the community in dealing with the demands of everyday tasks requiring some digital knowledge. The concept is like that found in larger public libraries.

All of the engagement points detailed above offer structured volunteering opportunities for the community. An opportunity to get involved in the development and growth of the Community Hub as a community asset, but also an opportunity to support the business case presented here by tapping into local skills whilst keeping costs to a minimum.

9.1 Feasibility study

The CVG have detailed financial and trading projections, which have been informed by actual data from previous years and are supported by expert knowledge, some of which exist within our committee. See 12.1 for projections.

Potential operating turnover, costs and profit figures contained in the surveyor's report have provided valuable information that serves to strengthen our key financial assumptions making them realistic and highly credible.

The CVG have intentionally set out to be reasonable in making allowances for a return to normalised trade following the closure, while factoring in growth from additional revenue streams.

The CVG management and wider committee have a great deal of confidence that the Community Hub, as a business and a community venture, will deliver a profitable and sustainable performance for the near future and deliver on the expectations of the shareholders and wider village population.

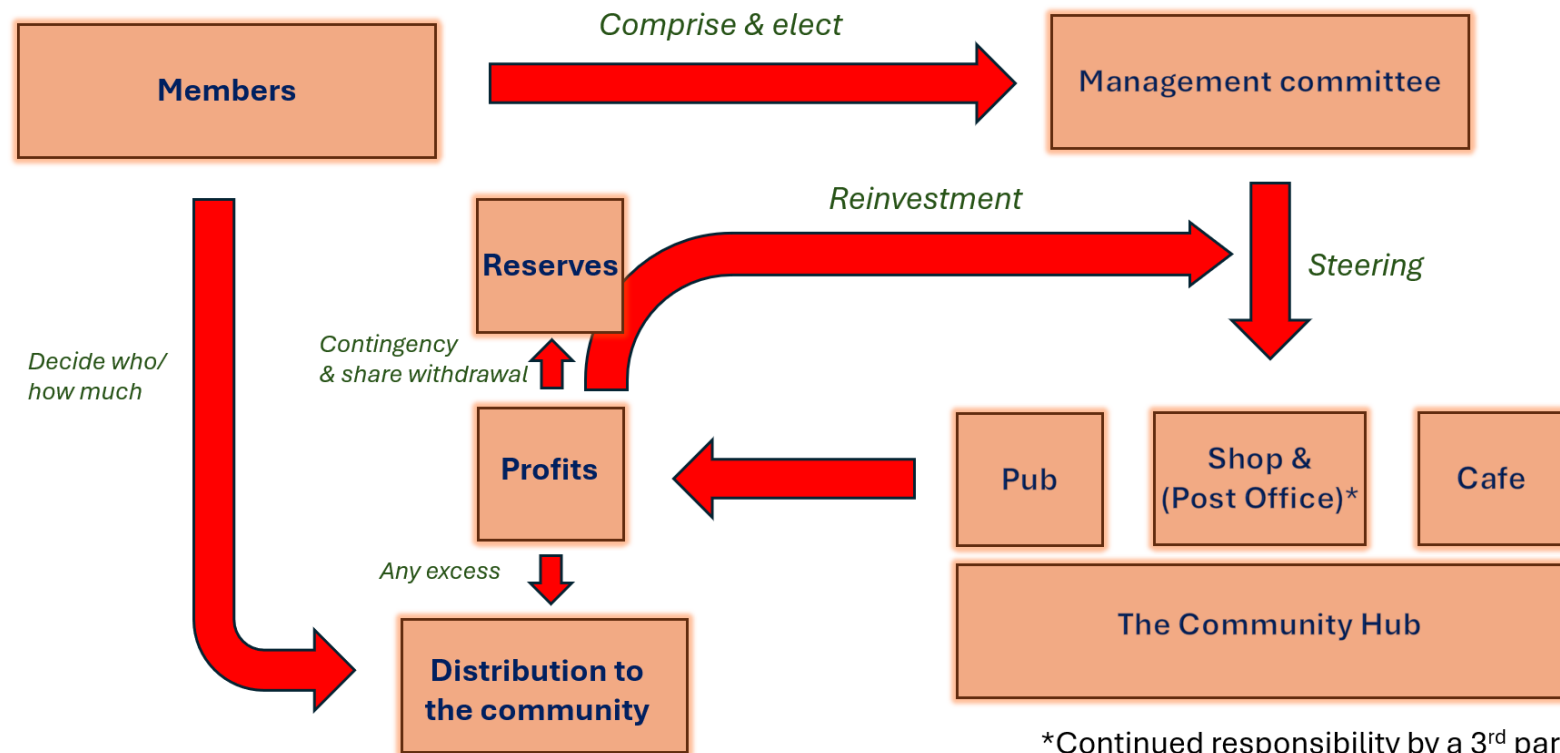
10.1 Overview of the Operating Model

The CVG are registered with the FCA and formed a Community Benefit Society and this is considered to be the best structure to meet the committee's vision, aims and objectives. The structure allows for Community investment by means of a share offer that gives equal voting rights to all and not based on the value of shareholding. The CVG will create a structure that supports goals for a Community Hub, owned by the community. The CVG have been supported by Plunkett UK in reaching this conclusion; Plunkett UK has many years of experience in supporting communities to purchase and run their local pub and also helping them develop the facility into one that creates a hub for the community to meet offering a range of services. Part of the valuation report included guidance on the viability of the proposition as a pub - which was positive. The inclusion of additional services will support the project viability and the CVG already have confidence in the level of income achievable through the village shop (operated and managed since November 2023).

The CVG have considered the options in managing the pub and have sufficient experience within the group and the community to initially get the pub up and running with volunteers, it is likely that it will be for a period of 9 to 12 months. Our assumed model is for Plough and Fleece to employ a manager, rather than being managed under a tenancy agreement. During the first year, the pub will operate using volunteers and expertise from the CVG management committee. For example, one member of the group holds a personal DPS licence and another is a retired publican.

We anticipate appointing additional officers of the Community Benefit Society, and this will include the specific role of Operations Manager being the day-to-day liaison with the pub management team. The management committee will appoint a manager and the group is aware of its responsibilities such as H&S, Employment issues, equality & diversity, hygiene, safeguarding etc.

11.1 Organisational Structure & Governance



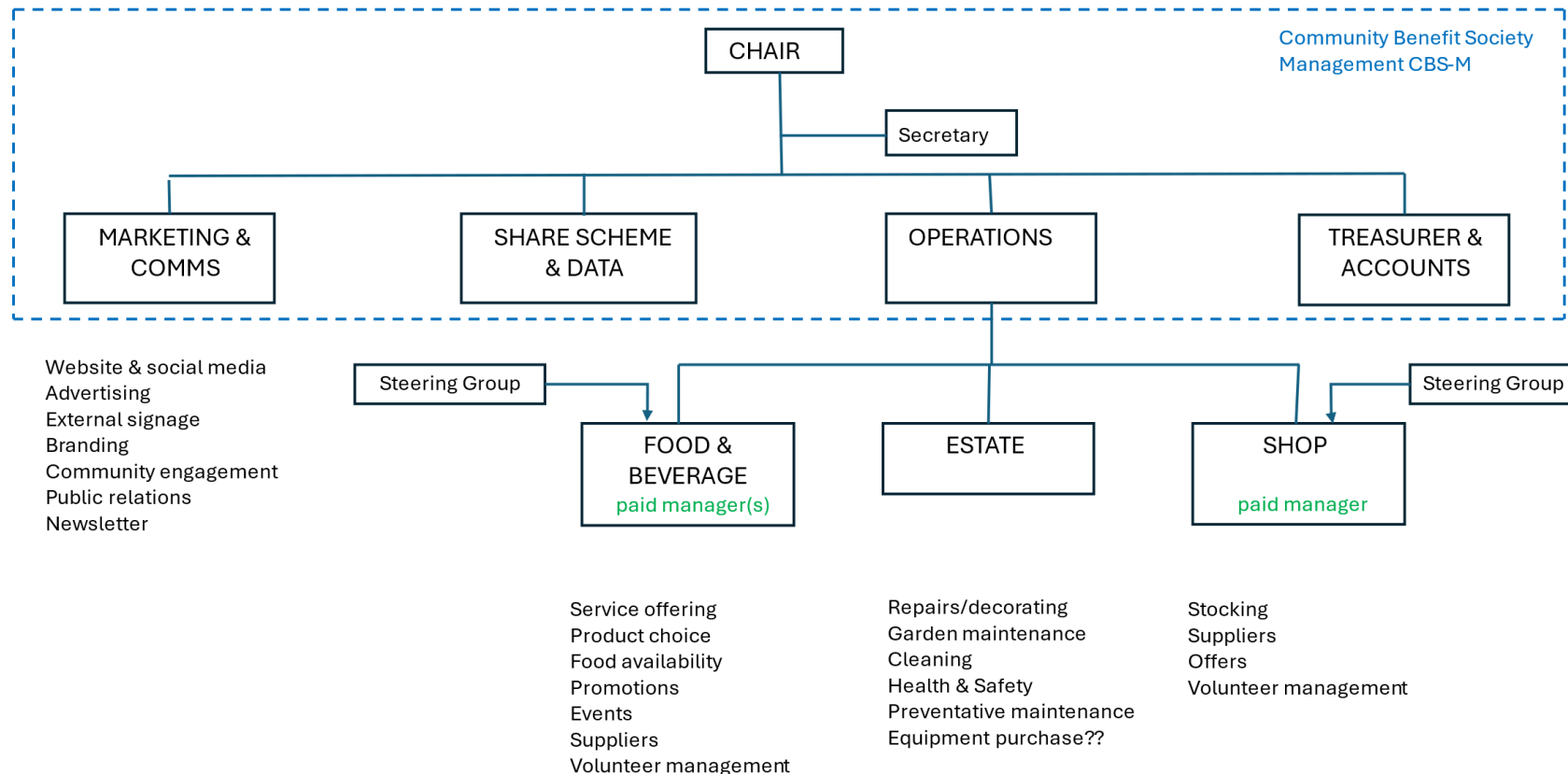
*Continued responsibility by a 3rd party

The CVG have considered how the Community Benefit Society will need to be set up to ensure that community interest is at the forefront of how The Community Hub is run going forward. Of course, the main aim of the Community Benefit Society is to work towards the vision and deliver on our aims and objectives.

Initially, the CVG will rely on the expertise of the members of the group including previous pub landlords, managers and volunteers, but within a short space of time depending on the success of the venture the CVG will appoint the necessary staff. The service development will dictate the staffing needs. Adequate resourcing is key, and a pub team will need to be recruited. Made up of both front-of-house and catering staff, this group will be responsible for the day-to-day service delivery. They will make up the personality of the pub, the pub's DNA, if you like, and the CVG need to ensure that the values and behaviour of every member of staff are fitting with the environment we are looking to create. Staff selection is of the utmost importance in getting the pub off to a great start. It is anticipated that the pub team will be involved in the running of the café. The shop will rely upon volunteers, as is currently the case and the pub manager role could be expanded to include responsibility of the shop. Full training will be given as required. The installation and running of the post office will be in consultation and accordance with the requirements from the Post Office. The post office will remain the responsibility of the Post Mistress.

A group of officers will also be appointed to provide oversight, monitoring and ultimately key decision-making in the future direction of the pub and will be the liaison between pub operations and the community at large. Crucially, the CVG will need a structure that allows reasonable autonomy to the pub's management team whilst at the same time ensuring that the community benefits are realised and maintained. Our policy framework is included on the website and these policies will evolve once operations commence.

The following organisational structure (which will be reviewed and changed as necessary) will be in place from the outset and developed over time as the pub regains its reputation and begins to grow and develop:



There will be five people appointed into specific roles and led by the Chair. This group of six will be responsible for the business and the company secretary will ensure that the model rules are followed and that the regulatory requirements set out by the Financial Conduct Authority (FCA) are met.

The pub management team will be the employees of the CBS and will run the pub on a day-to-day basis. The pub management team will report to the Operations Manager, a key role amongst the CBS officers.

The CBS will also include the role of Marketing & Communications Manager. This position will handle all communication and PR activity for the CBS and will be a key liaison point for the community whether that be through newsletter updates, social media engagement or through customer satisfaction surveys.

An appropriate governance framework, along with key policies, will be in place on day one and should seek to serve four specific stakeholder groups;

- Investor community
- Local residents
- Volunteers that have (or are interested in doing so) provided volunteering hours to the set-up or running of the pub and shop
- Interested third parties including local service providers and suppliers

The CVG believe that good governance can be assured by a very simple model and with regular and transparent community engagement. The CVG envisage regular informational updates provided via newsletter, website, social media, 'drop-in' sessions and a regular update provided via the local community magazine, Green Links.

There will be a small number of standard events scheduled throughout the year, as follows:

Quarterly Performance Update Meeting – Scheduled every quarter (3 months)

A meeting where the CBS management committee (CBS-MC) review the overall performance of the pub, mainly focusing on the financial performance, project/initiative updates and a forward view of planned events, project milestones and the ongoing ability to serve the community. All will be the context of the vision, aims and objectives set out in the business plan.

Attendees: CBS-MC members will join as standard. Other attendees are invited depending on the agenda topics for discussion.

A newsletter containing key highlights from any update will be made available to the local residents shortly after the meeting.

The meeting will be fully minuted.

Annual Members' Meeting - Scheduled annually and no later than 8 months after the year end just before the filing of the Annual Return and Financial Accounts.

Attendees: Led by the CBS-MC, the Pub Manager will also be present, along with invited groups.

Invited groups will be welcome and encouraged to attend as a standard update will be provided that shares a performance update on prior periods and a headline plan looking ahead.

Decisions recommended by the committee will be discussed and ratified at this meeting by a simple members' vote. Decisions will be made by members only and non-members will not be present for that element of the agenda.

The focus of this meeting will include a full review of the financial performance in the form of a detailed appraisal of the annual report and accounts. We will also share a project update for all change initiatives, in addition to a forward view of key milestones. Usage of the pub and the services offered will be provided as will an events calendar for the year ahead.

The AGM will confirm the interest to be paid to shareholders in addition to the timing of any payments to be made.



A newsletter containing key highlights from any update will be made available to the local residents shortly after the meeting.

The meeting will be fully minuted.

Annual Supplier / Business Partner Meeting - Scheduled annually around the middle of the year.

Attendees: Led by the CBS Operations Manager and the Pub Manager. All suppliers, service providers and business partners will be invited to attend.

The meeting aims to engage all of the parties that help the pub to work and deliver benefits to the community. Keeping business partners engaged by sharing updates on what has worked well and learning for the recent trading period, in addition to sharing forward-looking plans, events and expectations.

An opportunity for the suppliers to share their developing business, understand plans for the Community Hub, hear community feedback and share their innovative ideas to further support the pub and its development.

An opportunity for networking too.

This meeting will not be minuted but will be included in a community update.

12.1 Financial Plan & Projections

Sales (turnover) projections have been informed by historical trade in addition to an assessment of 'fair maintainable trade' provided as part of the RICS survey and Red Book valuations. This considers the physical space, current condition, location and future potential.

Sales (pub, café and shop) are assumed to achieve;

- Average sales per week of £2,600 in Year 1 (£137,000 in the first year of trade), rising in Year 2 to £182,000. The CVG have assumed slightly lower takings overall for the first two years as the pub recovers its reputation is re-established and revenues are rebuilt.
 - Sales continue to grow in year 3 (£218,000) and by the fifth year of trade, we're assumed to be operating close to the potential of the pub and cafe, which is around £264,000 per annum or takings of £5,100 per week.
 - The overall gross margin on sales is 57% with an assumed mix of 60% wet sales and 40% of turnover coming from the sale of food from the pub and café. This gross margin has been aligned with industry expectations for food (60% gm) and drink (55% gm) separately.
 - Currently the shop generates sales in the region of £90,000 per annum. With the move to the community hub its income is projected to increase to £109,000 in the first year of trade at the new site. This is consistent with similar village stores locally. For years two and year three the income is projected to be £127,000 and £133,000 respectively.
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- It is anticipated that a Pub Manager will be employed in addition to a small team of key part-time workers that will support the bar and kitchen operations. All staff will be paid in accordance with local market/industry standards and will be no lower than a real living wage, both for full-time and part-time staff. Management staff will be incentivised to ensure the efficient running of the pub and café.
 - It is anticipated that the pub can ultimately be run successfully with the equivalent of 3 full-time staff (FTE) and with a headcount of 4-6 staff members.
-
- The Pub Manager could have the option to live on-site at The Plough and Fleece, using the upper floor accommodation. This will be a 'live-in manager' model, which the CVG hope makes the opportunity all the more desirable. The right Pub Manager must be found to ensure the

successful launch and development of the facility. Consideration will also be given to appointing an individual responsible for supporting the café and pub food service.

- All premises-related cost assumptions have been aligned to previous trade experience with an additional cost of building maintenance included from year 3. Initial capital expenditure used to cover the cost of decoration and refurbishment will deal with any immediate issues and the CVG don't expect further significant expense for a few years thereafter.
- Other expenses cover the regular consumable costs such as wi-fi, stationery / printing, technology costs specifically related to the till and point of sales system.
- Legal, professional and consulting costs include a small amount of legal fees in addition to the usual accountancy costs. Included within those expenses is the cost associated with a third-party operational audit which assures that the pub is efficient, and waste/loss is kept to an acceptable level. These operational audits are usually conducted every quarter.
- Interest paid to shareholders is assumed to be 3% to 5% payable from four years. This will of course be dependent on the performance of the pub but given the initial outlay and a reasonable period to re-establish trade and get the pub back on track, we anticipate paying interest from the fourth year. Our financial projections cautiously assume the full 5% is paid.
- The CVG's plan assumes that stock is kept to a minimum and is managed carefully to avoid shrinkage or loss. We expect a wide range of drinks to be available and will use local supply from local breweries wherever possible. All creditors are assumed to be paid within 14 days on average and the CVG expects debtors to be zero given our plan to make only 'cash' sales (no credit).
- Fixed assets include the premises both in terms of the cost of purchase and the capital investment of refurbishment/redecoration. We anticipate capital costs to be depreciated over ten years for equipment and fixtures and fittings and the property and improvements over 50 years.

- The CBS is registered for VAT and where appropriate recover VAT on costs incurred. The asset being acquired, Plough and Fleece is not opted to VAT.
- Over time, the CVG will continue to ask for support by attracting new members with limited share offers, to replace those who withdraw their shares and no longer wish to participate in their membership of the CBS . In addition, we will also seek alternative funds through grants and donations.
- Included in the opening balance sheet we have included £7,500 for the stock valuation and the projected bank balance for the shop of £7,500. These estimates are based on current trading levels.

Cockfield Community Hub					
Trading Profit Loss Account - COF	Year 1	Year 2	Year 3	Year 4	Year 5
Pub Sales					
Wet	81,400	93,600	112,320	123,552	135,907
Dry - pub café	55,600	88,400	106,080	116,688	128,357
	137,000	182,000	218,400	240,240	264,264
Shop Income	108,860	126,750	133,088	139,742	146,729
TOTAL INCOME	245,860	308,750	351,488	379,982	410,993
Cost of Sales					
Wet	36,630	42,120	46,332	50,965	56,062
Dry - pub café	22,240	35,360	38,896	42,786	47,064
	58,870	77,480	85,228	93,751	103,126
Shop Cost of Sales	65,316	76,050	79,853	83,845	88,037
TOTAL COST OF SALES	124,186	153,530	165,081	177,596	191,163
Gross profit	121,674	155,220	186,407	202,386	219,830
Gross profit Margin	49%	50%	53%	53%	53%
Indirect costs					
Administrative costs	15,600	15,600	25,000	25,000	25,000
Manager and staff	65,250	91,000	100,100	110,000	120,000
Premises costs	23,400	23,400	24,570	25,799	27,088
Other costs	2,080	2,080	2,184	2,293	2,408
Legal and Professional fees	3,120	3,120	3,276	3,440	3,612
Credit card fees	1,383	1,737	1,977	2,137	2,312
Total expenditure	110,833	136,937	157,107	168,669	180,420
Profit before tax/deprn and interest	10,841	18,283	29,300	33,717	39,410
Shareholder Interest				(7,500)	(7,500)
Loan Interest					
Depreciation (non cash)	(10,533)	(10,673)	(10,913)	(11,133)	(11,353)
Release of capital grant (non cash)	6,900	6,900	6,900	6,900	6,900
COF Revenue Grant Income	25,000	25,000			
Profit/Loss before tax	32,208	39,510	25,287	21,984	27,456
Corporation Tax	-	-	-	-	-
Profit/Loss after tax	32,208	39,510	25,287	21,984	27,456

Cockfield Community Hub						
Cashflow - COF Funding	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Cash received						
Trading Income		245,860	308,750	351,488	379,982	410,993
Community Share Sales	115,000		25,000	15,000	10,000	25,000
Community Ownership Fund - capital	345,000					
Community Ownership Fund - revenue		25,000	25,000	-	-	-
Other Grants - applications if funding shortfall						
Loans /mortgage - funding shortfall						
INFLOWS	460,000	270,860	358,750	366,488	389,982	435,993
Cash Paid out						
Capital Expenditure						
Plough and Fleece purchase, associated professional fees and start up costs	325,000					
Outdoor space and gardens	16,000					
Refurbishment pub kitchen and kit out for commercial purposes	20,000	24,000				
Community space and café		40,000	1,000	1,000	1,000	1,000
Shop and Post Office		35,000	2,000	2,000	1,000	1,000
VAT recovery	- 6,000	- 16,500				
	355,000	82,500	3,000	4,000	3,000	3,000
Other cash outflows						
Cost of goods sold		124,186	153,530	165,081	177,596	191,163
Opening Pub Stock	10,000	1,000	1,000	2,000	1,000	1,000
Other set up costs eg marketing	10,000					
Indirect costs		110,833	136,937	157,107	168,669	180,420
Loan Interest and repayments						
Shareholder loan interest					7,500	7,500
Shareholder funding withdrawal					15,000	25,000
Corporation tax	-	-	-	-	-	-
OUTFLOWS	375,000	318,519	294,467	328,188	372,765	408,083
CASH GENERATED	85,000	- 47,659	64,283	38,300	17,217	27,910
Cash contingency for deposit	75,000	(50,000)	50,000	20,000		
Cashflow	10,000	2,341	14,283	18,300	17,217	27,910
Opening						
Bank account		17,500	19,841	34,124	52,424	69,641
Shop bank account	7,500					
Net cash inflow/(outflow)	10,000	2,341	14,283	18,300	17,217	27,910
Closing cash	17,500	19,841	34,124	52,424	69,641	97,551
Bank deposit	75,000	25,000	75,000	95,000	95,000	95,000
NET CASH	92,500	44,841	109,124	147,424	164,641	192,551

The full details of the financials and trading statements can be found in the appendices that accompany this document. Consideration has been given to the COF grant application being unsuccessful and in this instance we have modelled the impact of taking an on a commercial loan for £150,000 over twenty five years and also increasing the community share offer to £250,000 with additional grants from community support groups e.g. National Lottery. We are also considering public loans. The impact of this Hybrid funding is included in the table below, with full financials included in the Appendix.

Cockfield Community Hub					
Trading Profit Loss Account - Hybrid					
	Year 1	Year 2	Year 3	Year 4	Year 5
Pub Sales					
Wet	81,400	93,600	112,320	123,552	135,907
Dry - pub café	55,600	88,400	106,080	116,688	128,357
	137,000	182,000	218,400	240,240	264,264
Shop Income	108,860	126,750	133,088	139,742	146,729
TOTAL INCOME	245,860	308,750	351,488	379,982	410,993
Cost of Sales					
Wet	36,630	42,120	46,332	50,965	56,062
Dry - pub café	22,240	35,360	38,896	42,786	47,064
	58,870	77,480	85,228	93,751	103,126
Shop Cost of Sales	65,316	76,050	79,853	83,845	88,037
TOTAL COST OF SALES	124,186	153,530	165,081	177,596	191,163
Gross profit	121,674	155,220	186,407	202,386	219,830
Gross profit Margin	49%	50%	53%	53%	53%
Indirect costs					
Administrative costs	15,600	15,600	25,000	25,000	25,000
Manager and staff	65,250	91,000	100,100	110,000	120,000
Premises costs	23,400	23,400	24,570	25,799	27,088
Other costs	2,080	2,080	2,184	2,293	2,408
Legal and Professional fees	3,120	3,120	3,276	3,440	3,612
Credit card fees	1,383	1,737	1,977	2,137	2,312
Total expenditure	110,833	136,937	157,107	168,669	180,420
Profit before tax/deprn and interest	10,841	18,283	29,300	33,717	39,410
Shareholder Interest			0	(13,250)	(13,250)
Loan Interest	(11,553)	(11,389)	(11,212)	(11,021)	(10,814)
Depreciation (non cash)	(10,533)	(10,673)	(10,913)	(11,133)	(11,353)
Release of capital grant (non cash)	6,600	6,600	6,600	6,600	6,600
Profit/Loss before tax	(4,646)	2,821	13,774	4,913	10,593
Corporation Tax	0	0	0	0	0
Profit/Loss after tax	(4,646)	2,821	13,774	4,913	10,593

Cockfield Community Hub						
Cashflow - Hybrid Funding						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Cash received						
Trading Income		245,860	308,750	351,488	379,982	410,993
Community Share Sales	250,000		10,000	10,000	10,000	20,000
Community Ownership Fund - capital						
Community Ownership Fund - revenue						
Other Grants - capital	60,000	50,000				
Loans /mortgage - funding shortfall	152,000					
INFLOWS	462,000	295,860	318,750	361,488	389,982	430,993
Cash Paid out						
Capital Expenditure						
Plough and Fleece purchase, associated professional fees and start up costs	325,000					
Outdoor space and gardens	16,000					
Refurbishment pub kitchen and kit out for commercial purposes	20,000	24,000		1,000	1,000	1,000
Community space and café		40,000	1,000	1,000	1,000	1,000
Shop and Post Office		35,000	2,000	2,000	1,000	1,000
VAT recovery	(6,000)	(16,500)				
	355,000	82,500	3,000	4,000	3,000	3,000
Other cash outflows						
Cost of goods sold		124,186	153,530	165,081	177,596	191,163
Opening Pub Stock	10,000	1,000	1,000	2,000	1,000	1,000
Other set up costs eg marketing	10,000					
Indirect costs		110,833	136,937	157,107	168,669	180,420
Loan Interest and repayments/fee	2,000	13,596	13,596	13,596	13,596	13,596
Shareholder Interest					13,250	13,250
Shareholder funding withdrawal					15,000	20,000
Corporation tax		0	0	0	0	0
OUTFLOWS	377,000	332,115	308,063	341,784	392,111	422,429
CASH GENERATED	85,000	(36,255)	10,687	19,704	(2,129)	8,564
Cash contingency for deposit	70,000	(30,000)		20,000	10,000	25,000
Cashflow	15,000	(6,255)	10,687	(296)	(12,129)	(16,436)
Opening						
Bank account		22,500	16,245	26,932	26,636	14,508
Shop bank account	7,500					
Net cash inflow/(outflow)	15,000	(6,255)	10,687	(296)	(12,129)	(16,436)
Closing cash	22,500	16,245	26,932	26,636	14,508	(1,929)
Bank deposit	70,000	40,000	40,000	60,000	70,000	95,000
NET CASH	92,500	56,245	66,932	86,636	84,508	93,071

13.1 Funding the Acquisition

The valuation that underpins our negotiation strategy was informed by a Red Book Valuation. This is a formal process undertaken by MJD Hughes, a highly experienced expert who is RICS certified. The committee decided to have this valuation conducted before the start of negotiation with the present owner. The Red Book Valuation provided a range of valuations based on three specific scenarios;

1. Valuation of the property, fixtures and fittings in the current condition with The Plough and Fleece closed / vacant.
2. Same as point 1 but open for business and trading but at low trading performance.
3. Same as point 1 but open for business and trading at an optimum level.

13.1.1 Book Valuation

The valuation range was between £250,000 and £350,000. The valuations in each scenario should be seen as a guide only for negotiation. An offer to purchase the facility within this range has been made.

In addition to the purchase price, there are also additional initial start-up costs that include professional fees, stamp duty and initial stocking. We have estimated this, together with the purchase price, to be within the region of £325,000. We have planned an additional amount to cover refurbishment costs/kitchen (£44,000), the creation of space for the shop and post office (£35,000), meeting place incorporating a cafe (£40,000) and outdoor space/garden (£16,000).

The total initial funding required is estimated to be £460,000.

This is planned to come from two primary funding sources ie. Community Share Offer and grant applications. An alternative hybrid option of a commercial loan and additional community share raise has been included in a separate financial model.

13.1.2 Sources and application of funds

Cockfield Community Hub Sources and Application of Funds - COF Funding			
	Year 0	Year 1	Combined
Sources of Funds			
Community Share Sales	115,000	-	115,000
Community Ownership Fund - capital	345,000	-	345,000
	460,000	0	460,000
Application of Funds			
<i>Capital Expenditure</i>			
Plough and Fleece purchase, associated professional fees and start up costs	325,000	-	325,000
Outdoor space and gardens	16,000	-	16,000
Refurbishment pub kitchen and kit out for commercial purposes	20,000	24,000	44,000
Community space and café	0	40,000	40,000
Shop and Post Office	0	35,000	35,000
VAT recovery	(6,000)	(16,500)	(22,500)
	355,000	82,500	437,500
Surplus supports trading cashflow and future capex			22,500
Cockfield Community Hub Sources and Applications of Funds - Hybrid Funding			
	Year 0	Year 1	Combined
Sources of Funds			
Community Share Sales	250,000	-	250,000
Other Grants - capital	60,000	50,000	110,000
Loans /mortgage - funding shortfall	152,000	-	152,000
	462,000	50,000	512,000
Application of Funds			
<i>Capital Expenditure</i>			
Plough and Fleece purchase, associated professional fees and start up costs	325,000	-	325,000
Outdoor space and gardens	16,000	-	16,000
Refurbishment pub kitchen and kit out for commercial purposes	20,000	24,000	44,000
Community space and café	-	40,000	40,000
Shop and Post Office	-	35,000	35,000
VAT recovery	(6,000)	(16,500)	(22,500)
	355,000	82,500	437,500
Surplus supports trading cashflow and future capex			74,500

13.1.3 Community Share Offer

The first stage of funding is the initial community share offer, where we plan to raise between £115,000 and up to £250,000. Shares are valued at £25.00 per share with a minimum investment of one share (£25.00 per individual). A key purpose of this offering was to fund a major part of the initial purchase price of The Plough and Fleece whilst at the same time getting the local community engaged in the future of the Community Hub.

As shareholders, every member of the community who invests gets an equal vote on key matters surrounding the future of the Community Hub. This vested interest in the pub is seen as paramount to delivering on the business case.

The 'Community Share Offer' will be launched in January 2025 and several activities and events to support this process are planned. We are currently obtaining pledges of support to the share offer and have initially obtained a commitment of £77,000.

We aim to promote the purchase of shares within the local village area and further afield. Activities are as follows:

- Information brochure delivered to all properties in the village and surrounding area, alerting people to the upcoming share offer
- Launch of 'The Plough and Fleece' Community website with options for document and application form downloads
- Widespread promotion of the share issue through a Facebook site and social media platforms
- 'Share Sale' presentation at Cockfield Village Hall the week following delivery of the share offer document
- Advertising in the local Parish Magazine 'Green Links'
- Advertising in the local newspaper press Bury Free press
- Promotion through local radio
- Encourage new members to promote the issue

13.1.4 Community Shares and Risks

There is no legal definition of community shares. The term is used here to refer to a unique form of share capital which can only be issued by cooperative societies or community benefit societies registered with the Financial Conduct Authority (FCA). Cooperative societies are for the mutual benefit of their members, whereas community benefit societies such as ours are for the broader benefit of the whole community. Both types of society can issue withdrawable shares, and they work to similar principles. A withdrawable share can be withdrawn from investment, subject to the terms and conditions of the society concerned.

A Community Benefit Society must have an overarching community purpose that reaches beyond its membership. An applicant enterprise must also have a special reason for being a Community Benefit Society rather than a company, such as wanting to have democratic decision-making built into its structure. Although a Community Benefit Society has the power to pay interest on members' share capital, it cannot allow the capital value of the shares to increase. A Community Benefit Society has a statutory asset lock, which has the same strength as the asset lock for a charity.

Tax benefits could be available under the Seed Enterprise Investment Scheme and Enterprise Investment Scheme. The scheme, if approved, would allow up to 50% of the investment to be offset against personal tax liabilities. The CVG have obtained Advance Assurance from HMRC to ensure that the share issue meets the conditions of the scheme. We are required to submit a compliance certificate once certain criteria have been met, i.e. we have carried out qualifying trade for at least four months and have spent at least 70% of the money raised. If the conditions of the scheme are met, HMRC will send a letter of authorisation, unique reference number and compliance certificate that will be shared with the investors. The investor is required to submit this documentation to HMRC to claim the tax relief. Successful claims will be dependent on personal circumstances and we recommend that you seek tax advice on this matter.

13.1.4.1 What Is the Difference between an Ordinary or Transferable Share and a Community Share?

Transferable shares

Community Benefit shares are not like ordinary shares, which can be transferred or sold. However, community shares can be withdrawn.

Withdrawable shares

Withdrawable share capital is completely different. This type of share capital cannot be transferred between people. Instead, the Society allows shareholders to withdraw their share capital, subject to terms and conditions that protect the Society's financial security. This means that a shareholder can cash in their shares. Shareholders have a share account and can increase or decrease their shareholding, or close the account altogether by withdrawing all their share capital. The value of shares is fixed and not subject to speculation, although some societies have the power to reduce share values if the society is experiencing financial difficulties. Shares are transferable upon death to a nominated beneficiary stated at the time of initial share purchase. Any changes to nominated beneficiaries must be notified to the CVG.

13.1.4.2 What You Won't Get with a Community Share

Windfall redevelopment returns

If the pub, or other community asset, ceases trading and is, say, redeveloped for residential use, any surplus (after paying creditors and repaying share capital) must be used for the benefit of the community. Any investment should therefore be considered an opportunity for individuals to contribute financially to the community, with the specific goal of helping to keep the Community Hub open, rather than receiving a substantial financial reward.

Increase in the value of shares

The value of the shares stays constant. They cannot be sold but can only be withdrawn. This will not be an investment which will increase in value.

Investment guarantees

As set out above, our share offer is exempt from the Financial Services and Markets Act 2000 and subsidiary regulations. This means that there is no right of complaint to an ombudsman. A Community Benefit Society is registered with, but not authorised by, the Financial Conduct Authority and therefore the money paid for shares is not safeguarded by any depositor protection scheme or dispute resolution scheme. As the whole of your investment could carry a risk, please consider it carefully and, if necessary, seek independent financial advice.

13.1.4.3 Potential Investment Risks

Although it is not possible to foresee all possible adverse outcomes there are a number which it is reasonable for the management committee to guard against.

A risk that you could lose all or part of your investment.

This will only happen if the Society's liabilities exceed its assets, for example, if the pub closes, we have no rental income, yet the CVG still have loan payments to make. It might be that if the Society eventually sells the pub there is no surplus after repaying creditors. The Society could not in those circumstances repay your share capital. Your liability, however, is limited to the value of your shares. The CVG think this extreme situation is very unlikely because:

- The CVG has obtained a valuation and a building survey and is engaging experienced solicitors to satisfy ourselves that we are paying an appropriate price and will have a good title to the pub.
- Our projections all tell us that the Community Hub can be profitable.

A risk that you may not be able to withdraw your shares

The Rules permit withdrawals only in certain circumstances, and only after 3 years. Thereafter, if many people want to withdraw their money in a particular year, then not everyone will be able to withdraw their money in that year. In those circumstances, the repayments will be made in the order in which notice to withdraw was received. In addition, shares cannot be withdrawn at any time during which there is a default on the repayments of any loan provider.

A risk of financial fraud

The risks here are very low. Two signatories are required for all written transactions and the Society will take out appropriate insurance against inappropriate actions by any member of the management committee. The CVG will operate a code of conduct and have a set of policies to safeguard against financial fraud.

A risk that you see no returns

Another possible outcome is that there is no scope to pay interest on the investment for several years. The best way to avoid this is to raise sufficient capital in the first instance and to make frequent use of the facility.

Source: www.communityshares.org.uk/find-out-more

14.1 Grant Applications

The CVG have identified the government's Community Ownership Fund as the main source of outside funding. There have been some awards that have benefited communities such as Cockfield. The CVG completed an expression of interest and submitted an application in April 2024. The CVG requested £345,000 for the capital purchase and £50,000 revenue support grant and a change in government has added to the delay in receiving the outcome.

We are also reviewing many other potential grant funders. We have received a grant from The Royal Countryside Fund for shop equipment and we will be discussing the current opportunity with them to see how they can continue to support our rural community.

15.1 Beneficial Loans

Many charitable organisations offer loans over long periods to support community projects and this will be investigated further, depending on the outcome of our COF application. We have already made contact with Suffolk and Babergh Councils and are investigating small capital grants. The Royal Countryside Fund have also indicated additional support once the shop has been relocated.

Commercial loans are available from some lenders and we have identified some issuers offering preferential rates in support of community ventures. The CVG expect to pay interest of between 6% and 9% per annum. The CVG have modelled a 25 year loan with an interest rate of 7.75% in the hybrid funding projections.

16.1 Capital Investment Plan - Improvement & Refurbishment of The Plough and Fleece

It is clear that The Plough and Fleece has lacked investment in recent years and whilst the building is sound it does need investment in repair and redecoration before we begin to make improvements, including the addition of new services.

The investment plan of £160,000 will cover re-decoration, internal and external improvement to the premises, beer garden and outside dining area along with the addition of a garden room café facility. The CVG have identified funds for the creation of a space for the Village Shop and post office.

This work will be conducted in a manner that minimises any disruption to trade and at a time that makes operational sense. The CVG will also time the works to align to available capital funding, making sure that operating cash flow is readily available.

The CVG's headline assumption is that all works will be completed during the first year and have been prioritised based on value to the community and the financial return.

Our current capital investment plan is made up of the following (budgets are estimated):

Capital	£	Notes
Pub refurbishment and redecoration costs	25,000	Internal and external - provision included for roof repair costs
Outdoor space and gardens	16,000	Existing gardens will require landscaping around large pond, protection required as well as addition of tables and chairs for gardens and covered outdoor seating area including gazebo
Refurbishment pub kitchen and kit out for commercial purposes	44,000	Current kitchen has been used for heating food and basic requirements. Has been used domestically since closure of pub. To recommence food service full refurbishment will be required and equipment purchased to create functioning commercial kitchen
Community space and café	40,000	The current site has a small number of dilapidated outbuildings (formerly dairy) that can be recommissioned to add a café around a courtyard at the back of the pub.
Shop and Post Office	35,000	The local shop and post office were under the threat of closure but the Community Group took on the management and runs it using volunteers. The previous owners who have retired are allowing us to use the previous site but a new site is required within the year.
	<u>160,000</u>	

17.1 Summary Financial Statements

These financial projections have been prepared based on a thorough review of previous reports and accounts for The Plough and Fleece, enhanced further by the insight provided by the Red Book Valuations prepared in March 2024.

All key assumptions have been reviewed and validated by a professional pub owner and additionally assessed by a third-party accountant who runs a local practice supporting several public houses and hospitality businesses.

That assessment concluded that the CVG have prepared a credible set of financial projections that are reasonably conservative given the wider economic situation post the recent pandemic.

18.1 Investment Overview

The CVG's financial projection of the purchase of the Plough and Fleece and operation as a Community Hub is viable and based on fair and reasonable assumptions. Our **total fund-raising target is £460,000** to cover the property purchase costs, transaction and legal fees, refurbishment and improvements, and set-up costs including initial stock.

The target for funds raised by the share offer is up to £250,000, depending on the outcome of the Community Ownership Fund application.

This is your opportunity to invest in Community Village Group Limited, ('CVG') a Community Benefit Society ('CBS'), through the purchase of Community Shares. The shares will have a nominal value of £25.00 each and we have set a minimum investment of one share for a total of £25.00. The maximum investment allowed is £25,000, the equivalent of one thousand shares.



The CVG hope and plan to have a broad and diverse investor group from the local community but also further afield from the local Cockfield area and surrounding villages, connections will take us further afield across the UK, Europe and beyond. This initial share issue is open to individuals.

The CVG has been established and will apply the standard model rules of regulated Community Benefits Societies. These rules stipulate that each investor will have an equal share, regardless of the total amount invested. This ensures that every shareholder has a key role to play in defining the future of this important community asset.

The ongoing costs associated with commercial loans and the capital and interest payments have been explored. The CVG have reviewed the Business Plan and consulted with Plunkett UK and our valuer regarding our assumptions and are confident that CVG can demonstrate the financial viability of the project as a whole.

Appendices

The following files can be accessed by clicking on them

[Plunkett Model Rules](#)

[FCA Mutuals Registration Certificate](#)

[Risk register](#)

[Financial Model](#)

[FCA filing](#)

[CVG Annual Accounts 2023](#)

