Prospectus

Initial Public Offering of Ordinary Shares

Share Offer for the Community Purchase of The Trawden Arms, Trawden.

More than a pub, a larger community hub in conjunction with the
Trawden Forest Community Centre (Shop, Library, Community Centre).

www.trawdenarmsmorethanapub.com

trawdenarmsmorethanapub@gmail.com

Community Shares STANDARD

Trawden Arms Community Pub Group Limited is a Community Benefit Society registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014
Registration Number 8594,

You are invited to buy shares and become a shareholder of The Trawden Arms.
You will be investing in a community enterprise which aims to secure the long-term future of The Trawden Arms as a pub and, more importantly, as a community hub.

This share issue is designed to give you the opportunity to contribute financially, on a long-term basis, to the purchase of The Trawden Arms. We expect most shareholders will come from the local communities but we welcome investors from further afield.

This share issue is solely to cover the purchase and start-up costs of the Trawden Arms. The Trawden Arms will then operate as a community business with ongoing costs covered by a trading surplus. Contributions will be repaid in full, less any expenses incurred such as solicitors' fees and bank charges, in the event that the sale does not complete.

Further share issues may be considered to fund future capital projects at The Trawden Arms and to allow existing investors to withdraw their capital should they desire.

PRICE PER SHARE	£50
INVESTMENT LIMITS	Minimum Shares (10) £500, Maximum (600) £30,000
FUNDING TARGET	£432,500
SHARE OFFER TARGET	(MINIMUM) £432,500 (MAXIMUM) £532,500
MEMBERSHIP RIGHTS	One member, one vote irrespective of amount invested
MEMBERSHIP ELIGIBILITY	Individuals (over 18) and companies
SHARE OFFER DATES	Offer opens on Friday 23rd April 2021 Offer closes on Friday 28th May 2021 (Offer may be extended)

It is important that you read this Prospectus along with the related Business Plan and Society Rules and then please fill out the application form at the end of this document.

The Business Plan, the Society's Rules, and Community Share Offer can be downloaded at www.trawdenarmsmorethanapub.com.

The rules surrounding a Community Benefit Society are different from an ordinary company and so you should seek professional advice if you are unsure of any aspect. You should note that this share offer is not subject to the Financial Services and Markets Act 2000, is not covered by the Financial Services Compensation Scheme and investors will have no recourse to the Financial Ombudsman.

Anyone buying community shares could lose some or all of the money they invest, without the protection of the government's Financial Services Compensation Scheme, and without recourse to the Financial Ombudsman Service.

Prospective investors should read the whole text of this document and should make the decision to invest only after careful consideration.

Community Shares Standard Mark

The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice.

These standards ensure that:

- The offer document and application form are easy to understand
- You are provided with all the facts you need to make an informed decision
- The facts are supported by the annual accounts and/or business plan for the society
- Nothing in the documents is purposefully incorrect, confusing or misleading

Societies are asked to sign a Code of Practice requiring them, among other things, to give the public a right of complaint to the Community Shares Unit.

For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit go to: communityshares.org.uk

Introduction

As a community we now have an opportunity to purchase the Trawden Arms along with its B&B business The Old Joinery and car park. It is the last pub in the village, and we will reinvent the pub in line with the wishes of the community and align it with the community ethos demonstrated by the Trawden Forest Community Centre (TFCC) and extend the existing village hub.

Following notification of an intention to dispose of the Trawden Arms, a group of Trawden residents came together in January 2021. In a village-wide survey 99.3% of respondents said the village benefited from having a pub. A Management Committee has formed and has now registered as a Community Benefit Society; Trawden Forest Community Pub Group Limited (the Society).

The community through the Society will become the owner of the freehold of the pub in perpetuity. The Society will appoint a Tenant to operate the business. Through its establishment as a community owned pub, the Trawden Arms will remain safe from redevelopment or sale for as long as the community wants that to be the case.

The current committee has a great deal of experience of hospitality, community organising, campaigning, general business, and management. They will oversee the running of the enterprise and be closely involved in the reopening. Future members will be able to take part through a wide range of volunteering opportunities, from gardening to running community activities such as those listed on the next page.

What the Community wants from the Trawden Arms

During the four weeks of February 2021, a community survey was undertaken for use containing a set of questions aimed at:

- Helping us to gain an understanding of the engagement in the local community for this project and the willingness of people to invest.
- Obtaining a set of opinions from across the community on the type of pub that potential customers would like to see and how much that differed from that offered by the current owners. Any differential would feed directly into the business plan as an opportunity for growth.

The survey was available online and in paper-based form with questionnaires available for collection and drop-off at the local community centre. Responses were overwhelmingly (98.6%) online.

When the survey closed on 28th February 2021, we had received 657 responses 99.3% of respondents thought that the village benefits from having a local pub and of which 275 (43.1%) respondents signalled an interest in investing in the community purchase of the pub. Almost 80% of respondents said they would be more inclined to visit the pub if it was community owned.

The full results are available on our website: www.trawdenarmsmorethanapub.com

Our Aim

As a Community Benefit Society, we are raising funds to purchase the Trawden Arms, bringing it back into operation as a community pub, whilst extending its community reach and inclusiveness by hosting various events that appeal to a wide range of preferences.

The pub will, where relevant, work with the TFCC to develop joint community events. Together they will act as a focus and provide support for village activities, create employment, reduce rural isolation, and provide much-needed opportunities for social development.

Our pub will host and offer a diversity of services and events that have been selected by the residents during the consultation:

- A traditional, comfortable, welcoming, family friendly village local drinking pub with all the modern extras
- Good quality pub food with a few changing specials
- During daytime, coffees/teas, cakes, and a range of non-alcoholic drinks – quiet areas for remote working and high-speed internet
- Locally sourced foods and use of organic ingredients where possible – the development of a supplier strategy with TFCC
- Working with TFCC on a joint environmental policy which encourages recycling and discourages the use of single use plastic and other environmental damaging materials
- A range of imaginative and appealing vegetarian/vegan dishes
- Regular live music events
- Joint hosting of the local beer festival
- The sale of pub brewed homebrew (under relevant HMRC licenses) and local craft beers
- Areas of the pub which cater for walkers, families, cyclists, dog owners and horse owners.
- Host an archive of images, documents & artefacts relating to the history of Trawden and the surrounding areas.
- In time, we will look to add a mini brewery, site availability and financial plan permitting.

Running the Trawden Arms as a community pub will have many benefits including:

- Safeguarding the building for a range of community uses
- Greater control over the pub's offering and its management in the interest of villagers
- Providing a welcoming meeting place
- Building upon our community spirit and reducing social isolation
- Utilising the site to provide other needed services
- Creating employment and training, for staff, volunteers and, students on placement
- Helping to sustain village property prices
- Being a public meeting place and place of recreation and companionship
- Providing employment and volunteer opportunities for local residents

- Providing lunches for various disadvantaged and/or isolated community groups such as the Trawden friendship group
- Being a local venue where people of the village and nearby will be able to visit on foot without the worry of driving 'home'.
- Adding to the increasing local awareness for local action on the global climate emergency by adopting good environmental ethos, adopting practices such as those currently employed by the Trawden Forest Community Centre, Library and Shop.

This Share Issue

This share prospectus sets out how you can buy shares to fund the purchase and opening of the Trawden Arms.

What is Trawden Forest Community Pub Group Limited?

Trawden Forest Community Pub Group Limited (The Society) has been set up to enable the community to purchase The Trawden Arms. It is an organisation, and any surpluses it generates must be re-invested in the business, other community or charitable projects or dividends.

The Society's Management Committee is currently made up of 10 members, all of whom are local residents. Together, they have broad experience of community projects, managing hospitality venues and general business experience.

You can find out more about them on the website: www.trawdenarmsmorethanapub.com

The main officers are:

Chair:	Dave Webber
Vice-Chair:	Glenn Dunleavey
Secretary:	Joe Lacey
Treasurer:	Peter Catlow

Other members include Molly Ralphson, Jack Holland, Michael Horne, Nicola Sharples, Nic Flanagan, Steve Wilcock.

The Committee will appoint a Tenant to run the Trawden Arms. However, they will remain closely involved in the operation of the core pub services and particularly the community activities, on a voluntary basis.

The Management Committee will be elected by shareholding members at the Society's Annual General Meeting. The Society uses the model rules developed by the Plunkett Foundation (www.plunkett.co.uk). A copy of these rules can be downloaded at www.trawdenarmsmorethanapub.com

The Money We Need To Raise

The Society needs to raise £615,300 to purchase the premises (£460,000 building, £12,500 Stamp Duty, £82,800 VAT), legal costs of purchasing the pub (estimated at £10,000) and to have contingency funds (assumed to be £50,000). The VAT will be reclaimed as the Society will be VAT registered.

The Society needs to raise a minimum of £432,500 from this share offer. This target assumes that we will secure funding of £100,000 in the form of a grant/loan from the Plunkett Foundation. Below this amount, the offer would be deemed to have failed and the Society will not be able to purchase the pub under this scheme. At this point all share subscriptions would be returned without loss to investors.

The maximum amount we will raise from the share offer is £532,500. Any share income above the minimum will be used to increase the operational profitability of the pub by reducing the reliance on loans.

The minimum investment level has been set at £500 to ensure that it is accessible to as many members of the community as possible. The maximum level has been set to ensure that no one investor has a disproportionate share of the society. The order in which share applications are offered will be strictly on a "first-come-first-served" basis. Individuals (aged 18 years and over) and organisations can apply for membership by buying at least 10 shares at a cost of £50 per share. There is a minimum investment of £500 (10 shares) and a maximum investment of £30,000 (600 shares) per person or organisation. Each shareholder has only one vote on Society matters regardless of their level of investment.

The assets of the Society are, by law, subject to an "Asset Lock". This restriction on the use of surpluses means that should the business be sold any residual surpluses remaining after all the members' share capital has been refunded must be transferred to one or more of the following: another prescribed community benefit society, a community interest company, a charity, a registered social landlord.

Community Ownership Fund

We had some good news in the March budget statement with the announcement of a £150m Community Ownership Fund. Community groups will be able to bid for up to £250,000 matched-funding to help them buy or take over local community assets at risk of being lost, to run as community-owned businesses. However, with the fund opening in June, with the lead times for application, consideration, and release of funds, we are desperately over our time frame for this project. We will, therefore, continue as planned to raise the funds from the community and supplement with the grants/loans we have already identified and applied for.

Financial performance

Our cash flow forecast shows profitability from year 1. This is set out at in the business plan. Any negative deviation from this is covered by having £50,000 working capital at the outset, based on our minimum start-up funding, as set out above.

We explain below how profits will be used to benefit the community.
We are confident that our numbers are both realistic and achievable.

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

We expect to be able to allow limited withdrawal of shareholdings after our third year of trading. The Management Committee will review the situation during year 3 and will keep investors informed of progress. The Society's rules limit total withdrawals in any one year to 10% of the issued share capital.

Other Funding

During the period of Covid-19 social restrictions the Management Committee and supporters have set a higher-than-normal contingency fund. In the event that restrictions continue to affect trade over many years, a series of online fundraising events and crowdfunding opportunities will be considered to raise monies to help with the continued operation of the pub.

We may also apply for grants from other sources such as the Borough Council and Trawden Parish Council to fund community activities in future.

Important Notice

When considering investing it is essential to understand that this should be regarded primarily as a long-term social investment in our community, intended to secure a vital amenity for years to come. It is not an exercise in generating short-term financial returns for investors.

Please read these summary points before deciding whether to invest.

- The minimum investment is £500 (10 share).
- The maximum investment in TFCPG is £30,000 (600 shares) per person or organisation.
- Shareholders must be aged 18 years or over.
- Shares cannot be transferred except on death or bankruptcy and they cannot be sold.
- Shares cannot be withdrawn for the first 3 years following their issue. Following this period, they can only be withdrawn by providing three months' notice to the Society.
- Any withdrawals are at the discretion of the Management Committee.
- Total withdrawals in any financial year are limited to 10% of the issued share capital.
- The value of shares cannot increase, and their value may be reduced if the business fails and its liabilities exceed its assets.
- The Society can only pay interest on shares up to a maximum of 2% above the Bank of England base rate interest but capped at 5%. Such interest will only be paid when the performance of the business justifies this and will be at the discretion of the Management Committee and as voted on at the AGM. It is unlikely that interest will be paid in the first three years.

- All monies invested in this community share offer will be held by the Society and not spent prior to proceeding with purchasing the building. Contributions will be repaid in full, less any expenses incurred such as solicitors' fees and bank charges, in the event that the sale does not complete.
- Every shareholder has an equal voice regardless of the size of his or her shareholding – one member, one vote.
- Any trading surplus, after payment of interest to shareholders and repayment of share withdrawals, must be re-invested in the business or used for community purposes.
- The Society is registered with the Financial Conduct Authority (FCA) and will be required to provide an annual return to the FCA. However, it is not regulated by the FCA. Any investor could lose some or all of the money they invest, without the protection of the government's Financial Services Compensation Scheme, and without recourse to the Financial Ombudsman Service. This scheme is also not covered by the Financial Services and Markets Act, 2000.
- Before deciding to invest you may wish to seek independent advice.
- A copy of our Business Plan is available to download from our website at www.trawdenarmsmorethanapub.com

How To Buy Your Shares

Please complete this two-page form and return it, with payment, to the Share Scheme Co-ordinator. You can also transfer the money directly to the Society's bank account, but you must still send us your completed form.

Trawden Forest Community Pub Group Ltd, Community Benefit Society
Application for Membership

PLEASE USE CAPITAL LETTERS

Name/Organisation: . . . . . .

(For joint applications please provide both name(s) and nominate the principle name for the share certificate and member rights)

Corporate Registration Number (if applicable):. . . . . .

Address: . . . . . .

. . . . . .

. . . . . Postcode: . . . . . .

Email: . . . . . Phone: . . . . . .

How many shares of £50 would you like to purchase? (Min 10 shares – max 600 shares) . . . . . .

Total amount of investment: . . . . . .

Agreement:

[ ] I am over 18 years old (individuals only, not applicable to organisations).
[ ] I have read the share offer document and understand and accept the terms and conditions included in the share offer and the Rules of the Society.

Signature of Applicant(s): . . . . . .

Name(s): . . . . . .

Date: . . . . . .

Method of Payment

[ ] I have enclosed a cheque made payable to 'Trawden Forest Community Pub Group Limited' for the total value of shares applied for; or
[ ] I have transferred the sum of money equal to the total value of shares by bank transfer to Unity Trust Bank : Sort Code 60-83-01 Account No. 20440721
For the payment reference please use your initials and surname (e.g. A Russell)
[ ] Data Protection Requirements: Please confirm by ticking this box that you agree to your name, address, phone number, email address and the number of shares purchased to be stored securely on a computer database. I understand that this will be used solely for the purpose of maintaining a register of members and potential members as required by the Rules of the Society and will not be passed to third parties without my permission except as required by law.
[ ] We would like to send you formal notices by email and refer you (by email) to documents posted on our website. Please confirm by ticking this box to the use of your email address as the primary means of receiving such notices and accessing documents through our website.

Please return this form as soon as possible and at the latest by 28th May 2021 to: The Company Secretary, Trawden Arms Community Pub Group Limited, c/o

Receipts will be issued by email wherever possible. Share certificates will be issued as soon as possible after the closing date of the share issue.

Holding Shares On Behalf Of Children & Nomination Of Shares On Death

PLEASE USE CAPITAL LETTERS

You can choose to:

- Hold shares on behalf of children (under the age of 18) and/or
- Nominate a person to whom you wish your shares to be transferred on your death.

Holding shares on behalf of children
If you wish to hold shares on behalf of someone who is under 18, please fill in that person's details below:

First name(s) in full: . . . . . .

Last name: . . . . . Date of Birth: . . . . . .

Address (if different from that supplied on the main application for shares form) . . . . . .

. . . . . .

. . . . . Postcode: . . . . . .

Nomination of shares on your death
You can also nominate a person (aged 18 or over) or organisation to whom you wish your shares to be transferred on your death. The Society will respect your wishes insofar as the law and our rules permit. If you are a joint shareholder your holding will pass to the other join shareholder(s) on your death unless you complete the form below

Personal details of your nominee
First name(s) in full: . . . . . .

Last name: . . . . . Date of Birth: . . . . . .

Address (if different from that supplied on the main application for shares form) . . . . . .

. . . . . .

. . . . . Postcode: . . . . . .

I understand that it may not be possible for the Society to action this request and I and my heirs will not hold the Society responsible for its actions. I understand that these instructions can only be revoked or amended by my giving clear written instructions to the Company Secretary of the Society at its Registered Address.

Signed as a Deed: . . . . . .

Date: . . . . . .

Name in print: . . . . . .

Signature of Witness: . . . . . .

Name in print: Date: . . . . . .

Please send your completed form to: The Company Secretary, Trawden Forest Community Pub Group Limited, c/o

With thanks to

Plunkett Foundation, More Than A Pub and our local business supporters

The Trawden Forest Community Centre, Trawden Forest Parish Council, CAMRA HQ, Colne Noyna Rotary Club, Trawden Athletics Club, Trawden Beer and Music Festival, East Lancashire CAMRA