

SHARE OFFER ADDENDUM

The Management Committee has concluded that enough funds will not be raised via share capital and that loans will be required to supplement the total.

The following assumptions have been made and a revised Business Plan produced:

- Minimum credible offer - £160,000
- Up to £100,000 private loan secured against parcel of land to the east of the pub
- Sale of plot of land assumed to be completed in Year 1
- Reduced capital gains tax payable
- Estate agent and planning application fees included in revised cash flow forecast
- Reduced rent to attract the right tenant for a long-term lease
- Total cost of dividend payable reduced in line with reduced share capital (rate payable to shareholders remains unchanged)
- Building repair costs reduced. In year 1, costs reduced by £500 as no work required for caravan site. Years 2 and 3 are reduced significantly in line with opportunity for grant funding for improvement works once the community pub is operational

Under the revised Business Plan, the following changes have been made to the Community Share Offer Prospectus:

Section 2.5

Potential Added Amenities

3. We would no longer intend to provide a small caravan park, due to the alternative use of this land. The proposed revenue from the caravan park has been removed in the revised cash flow forecast.

Section 2.6

Fundraising Target

The fundraising target has been revised to a minimum of £180,000, although we are still hopeful that a figure in excess of this can be raised.

- Commercial Loans
The revised business plan makes provision for loan capital of up to £100,000

Section 3

Financial Forecast

Key Assumptions

Remain as before, with the exception of:

- Total initial capital required will be a minimum of £180,000 to cover the purchase price, associated expenses and to provide sufficient initial working capital

A revised profit and loss forecast and cash flow forecast is available

Section 4.1

Who runs the Society?

The Management Committee has currently been reduced to 11 members. The Chairman reluctantly accepted Stuart Taylor's resignation, and thanked him for his work. It is intended to recruit a further member to the committee if the project proceeds.