



BISHOP WILTON COMMUNITY SHOP LTD SHARE OFFER

**DATE OF OFFER
24TH APRIL 2019 – 9TH JUNE 2019**



COMMUNITY SHARES: AN INVESTMENT IN OUR COMMUNITY

Bishop Wilton Community Shop Ltd is a registered society under
the Co-operative and Community Benefit Societies Act 2014
Registered with the Financial Conduct Authority : Registered no: 8047

THE MISSION OF BISHOP WILTON COMMUNITY SHOP LTD

To set up and run an economically sustainable village shop owned and managed by the community, which is mainly staffed by community volunteers and which operates exclusively for the benefit of the community as a whole. The shop will provide an attractive, welcoming, inclusive and valued focal point for the village, servicing and supporting the diversity of the village community and its visitors.



This is an offer seeking to raise £52,000 from the sale of community shares in Bishop Wilton Community Shop Ltd as detailed below

A 'COMMUNITY SHOP' FOR BISHOP WILTON

In June 2018 the village store ceased trading. Many local residents were concerned that such an important asset to the community as its village shop might be permanently lost. In July 2018, three residents organised a public meeting to find out if there was, at least in principle, support in the village to run a shop as a community venture.

Following the positive response at that meeting a working group was formed with the task of exploring the viability of a community shop for Bishop Wilton. This working group, comprising eight local residents, researched various business models for community shops. It also examined the demand for a shop in our village. By the beginning of September 2018, we had started working with the Plunkett Foundation, a leading national charity specialising in supporting community businesses. During this period, we received invaluable moral support, as well as financial assistance, from the Bishop Wilton Parish Council.

In November 2018 we held a second public meeting, which was attended by more than seventy local people. Having received an update on the working group's activities those present voted unanimously to endorse the community shop project and to appoint the original working group as the project's steering Committee.

In taking the project forward, the Committee has been encouraged by the extent of the enthusiasm that exists in the village for its own community shop. Offers of support have taken many forms and, crucially, given the nature of a community shop, a significant number of residents have expressed the wish to volunteer in setting up and running the shop.

THE 'COMMUNITY SHOP' AS A DISTINCTIVE WAY OF RUNNING A BUSINESS

A community shop means community control: it is a business that is owned, managed and staffed by the community where it is located and trades. The community makes the shop sustainable by providing finance and volunteer staff. The community is also the core customer base of the shop.

When a community shop trades as a community benefit society (CBS) registered with the Financial Conduct Authority, its members – those people who have bought shares in the society – enjoy limited liability in much the same way as company shareholders do. However, CBSs are unique as legal business structures, as profits can only be used for the community's benefit. This means that for those involved in a community shop trading as a CBS, whether through financing, as volunteers or as customers, their contribution is an investment in their community.

THE POSITIVE IMPACT OF A COMMUNITY SHOP

In addition to selling the things, including everyday items, that the community says it wants to buy, there are other benefits to a community shop:

- Support for the local economy by selling local goods and produce.
- A local retail outlet for people who find it difficult to travel further afield.
- Opportunities for volunteering and work experience.
- A service for tourists and visitors.
- A day-to-day community hub.
- Lower environmental impact through reduction in vehicle journeys and food miles.

It is also widely accepted that the presence of a village shop, together with other local services, enhances house prices in the local community



MAKING THE COMMUNITY SHOP A REALITY

Re-opening the village store as a community shop will create a community resource for everyone and this is getting closer to a reality. The work that has gone into the project in recent months now means:

- A new owner has made an accepted offer, subject to contract, for the existing shop premises and has agreed to lease it to the community.
- Bishop Wilton Community Shop Ltd has been registered with the Financial Conduct Authority as a community benefit society, so it now has legal standing and a formal set of rules.
- Builders' estimates have been received and planning enquiries made.
- A business plan has been prepared and we have worked out how much money needs to be raised to refurbish the shop and get the business up and running.
- Donations have been made contributing towards getting the community shop up and running.
- More than 50 Bishop Wilton residents have indicated their willingness to volunteer with the shop.
- The community, in questionnaire replies, has told us what sorts of goods and services it would like its shop to offer.

WHAT HAPPENS NOW?

To make the community shop a reality, we need to raise the money to refurbish the premises and get the shop up and running. In addition to applying for grants, we also need to raise money from residents, groups and businesses through the sale of community shares. The success of this offer of shares to the community is a crucial step in being able to open the shop.

HOW MUCH DO WE NEED TO RAISE?

We have estimated that it will cost £56,500 (including VAT) to refurbish the shop and get it trading. This figure includes building work; fixtures, fittings and equipment; initial stock; fees and advice.

So far, we have raised just over £3,000 through donations and we hope to be able to raise up to £15,000 through grants and further donations. This means that we need to raise at least £35,000 through the sale of shares.

THE SHARE OFFER

This is an offer to apply for 'community shares', which are a special form of share available only to co-operatives and community benefit societies. They are a way of raising finance, especially start-up finance, for community projects.

This share offer gives local people and organisations the opportunity to invest in their community. Single

shares have been priced to make the offer inclusive of the whole community but the more people are able to invest the more likely it is that we will be able to open the shop. As these shares are raising funds for a community project they are offered on a 'not for profit' basis.

The offer opens on 24 April 2019 and closes on 9 June 2019. The closure date may be extended by up to one month if the amount required has not been raised.

The shares being offered are shares in Bishop Wilton Community Shop Ltd, a community benefit society registered with the Financial Conduct Authority.

Anyone aged 16 or over can own shares.

A single share costs £10.

The minimum number of shares a person or organisation can buy is 1 and the maximum number is 500

The minimum fundraising target for this share offer is £35,000 and the optimum target is £52,000.

If the minimum target is achieved, but we fall short of the optimum target we will seek to fill any gap by scaling back the start up costs (which will impact on the look and feel of the shop) and/or raising additional funds from alternative sources such as grants, donations or loans. We will not raise any funds through loan finance unless other sources of funding are not read-

ily available and we are satisfied that the society can support the interest cost and repayments.

Shares will be allocated on a first come, first served basis and this offer will close when the optimum target is reached. However, we will continue to welcome future applications to become a member in the society on an ongoing basis by buying a single share and will also set up a waiting list of supporters who want to buy more shares if and when future funding is required.

We will not spend any of the funds raised from this share offer until we are reasonably confident that the project is viable. The relevant considerations include:

- Whether sufficient funds have been raised or pledged to cover the start up costs.
- Whether enough volunteers have been recruited and become actively involved.
- Whether unexpected complications have arisen with the lease or the proposed refurbishment of the premises.

If we do not achieve the minimum target for this share offer or we cannot start the project with confidence for some other reason then we will not proceed and all monies raised through this offer will be returned.

You do need to be aware that you could lose some or all of your investment if the shop fails. Community shares are not protected by the government's Financial Services Compensation Scheme and there is no right to complain to the Financial Services Ombudsman. Therefore, the money you pay for shares is not safeguarded by any depositor protection scheme or dispute resolution scheme.



MORE INFORMATION ABOUT SHARES AND THE RISKS

By buying at least one share, you become a member of Bishop Wilton Community Shop Ltd. You will be entitled to vote at general meetings and to stand for election to the Management Committee. Voting is on a 'one member, one vote' basis. This means each shareholder's vote has the same weight, irrespective of the size of the shareholding. Shares are not transferable, except on death or bankruptcy.

Shares must be held for a minimum of three years. After that, a shareholder may apply, by giving three months notice to the Management Committee, to withdraw some or all of their shares and to have the original purchase price returned. Withdrawal is at the Management Committee's discretion and depends on such things as profitability, available reserves and the long-term interests of the organisation and community. Based on current projections it is unlikely there will be sufficient funds available to cover any large scale withdrawal of shares in the medium term. You are therefore encouraged to think of your shares as a long-term or permanent investment in the community.

As shares in a community benefit society, they will not go up in value and will not entitle you to any share in the profits, although the Society may decide to pay shareholders a small amount of interest if trading conditions allow. The real 'return' on the shares is the value to our community of having a sustainable village shop.

If the business is sold or closed, after settling any outstanding liabilities, shareholders may be paid up to the value of their original investment and any surplus would be paid to a charitable community body in the local area. As explained previously, you could lose some or all of the entire value of your investment if there are insufficient funds to repay shareholders. However, your liability is limited to the amount that you have paid for your shares

Your shares may be eligible for tax relief through the Seed Enterprise Investment Scheme – currently 50% of the money invested – if the shares are held for a minimum of three years. We are applying to HM Revenue and Customs for advance assurance that the scheme will apply. We will inform investors as soon as we know the outcome of the application. It is the responsibility of each investor to make their own enquiries and satisfy themselves as to their eligibility for any tax reliefs. Please visit www.gov.uk/guidance/venture-capital-schemes-tax-relief-for-investors for more information.

BUSINESS PLAN

The Committee has prepared a business plan for the community shop. The plan, which gives the rationale for the shop, covers such things as:

- Market and competition analysis
- Premises and proposed lease
- Goods and services to be offered
- Marketing and publicity
- Staffing and preferred opening times
- Timescales
- Legal structure and governance
- Risks

Importantly, the plan also provides a researched assessment of start up costs and a profit and loss forecast for the first three years of trading. It is envisaged that the shop will make a small trading loss in years 1 and 2 before moving to a profit in year 3. This is not an unusual position for a business with long term vision and growth plans.

You can view and download the plan at bwcommunityshop.co.uk

THE COMMITTEE

Annina Diston	Chair
Sally Smith	Vice-Chair
Louise Butcher	Secretary
David Gaskin	Treasurer
Ruth Rowland	
Elizabeth Collins	
Susan Frost	
Edmund Fitzpatrick	

The present Committee is highly motivated to make a success of the shop. The committee has a range of relevant experience and skills, including successful entrepreneurship and business development, accountancy and financial management, design, communications, management, administration, fundraising and staff development. All Committee members are local residents.

It should be noted that the proposed new owner of the shop premises is Peter Marriage the father of Ruth Rowland. To avoid any potential conflict of interest that this could cause, Ruth will not be involved in any discussions or votes with regard to the lease or any matters that would impact on the relationship with the landlord. There are no other potential conflicts of interest.

The Committee has adopted the Plunkett Foundation's code of conduct for Management Committees. You can view and download the plan at bwcommunityshop.co.uk

The first Management Committee will serve until the first annual members' meeting, when an elected Committee will be appointed.

RULES

We have adopted the Plunkett Foundation 'Model Rules for Community Ownership', and these rules accompanied our application for registration with the Financial Conduct Authority. You can view and download the rules at bwcommunityshop.co.uk

REGISTERED OFFICE

The registered office of Bishop Wilton Community Shop Ltd is 2 Main Street, Bishop Wilton, York, YO42 1RX

WHO TO CONTACT ABOUT THIS OFFER

If you have any questions about the offer or want to obtain any documents and do not have access to the website, please contact

2 Main Street, Bishop Wilton,
YO42 1RX

Email: bishopwiltonshop@gmail.com
Telephone: 01759 369589

Further copies of this offer document and additional application forms for the purchase of shares can also be obtained by downloading them at bwcommunityshop.co.uk or from the contact details above.





www.bwcommunityshop.co.uk

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APPLICATION FORM FOR THE PURCHASE OF SHARES IN BISHOP WILTON COMMUNITY SHOP LTD.

A single share costs £10. The minimum number of shares a person or organisation can buy is one share and the maximum number of shares is 500 (£5,000).

APPLICATION FOR SHARES

Full name	
Address	
Postcode	
Telephone (optional)	
Email (optional)	
Number of shares applied for:	

AGREEMENT

- I have read the share offer document
- I wish to become a member of Bishop Wilton Community Shop Ltd.
- I am 16 years of age or over
- I agree to be bound by the rules of Bishop Wilton Community Shop Ltd.
- I understand that the Committee may reject my application and are not obliged to tell me why it has been rejected.
- If I have provided an email address, I consent to receiving formal notices by email and links to formal documents on the Bishop Wilton Community Shop Ltd.'s website

DATA PROTECTION

By buying these shares, I agree to all the information disclosed here being held on a computer database in compliance with the General Data Protection Regulation (GDPR). I understand that this information will be used by Bishop Wilton Community Shop Ltd only and will not be passed to third parties

Signature

Date

METHOD OF PAYMENT (please tick as appropriate)

- I have enclosed a cheque made payable to Bishop Wilton Community Shop Ltd
- I have paid by bank transfer to The Cooperative Bank, Account name: Bishop Wilton Community Shop Ltd, Sort Code: 08 92 99, Account no: 65865840, Ref: Your name + "Shares"

Please send your completed and signed application form to Bishop Wilton Community Shop Ltd, 2 Main St, Bishop Wilton, YO42 1RX or (if you have paid by bank transfer) you may also scan and email your signed application form to bishopwiltonshop@gmail.com

www.bwcommunityshop.co.uk

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