

East Boldre Community Stores Limited Share Offer – A Summary

This share offer is your opportunity to become a co-owner of our shop and Post Office.
If we fail to raise the necessary funds to acquire the Baptist chapel - they will close.

Target - £200,000

Share offer opens 20th January – 3rd March 2023

(The management committee can extend at their discretion but this would impact our timescales)

The share offer provides a significant part of our overall fundraising target and the majority of the match funding required to secure the Community Ownership Fund award of £299,500.

East Boldre Community Stores Limited (EBCS) is incorporated as a Community Benefit Society (CBS) with a statutory asset lock and is listed on the Financial Conduct Authorities Mutuals Public Register, society number 8481. We are a non-profit, social enterprise - any surplus must be reinvested in the business or distributed to charitable causes that benefit the local community. It exists for community rather than its shareholder's benefit. (We cannot be registered as a charity as we trade).

Community Share Offer at a Glance

Please refer to the share prospectus for full terms

Purpose	The share offer is the means by which the shop is owned by the community.	
Targets	Ideally - £200,000	
	Maximum - £225,000	Prevents liquidity problems servicing withdrawals and is well below Baptist Church value.
	Minimum - £175,000	Demonstrates community commitment. If we fail to reach this amount the share offer will close and we will return investors monies.
Who	Any individual over 16 years old. Companies and organisations may also invest.	
Investment amounts	Minimum investment £15 (1 share) - so everyone can afford to get involved. Maximum investment £15,000 (1000 shares) - no liquidity problems if a large investor withdraws.	
Tax relief	HMRC has pre-approved the share offer for 30% social investment tax relief (SITR). Once the business has been trading for 4 months you can claim through your personal tax return - eligibility will depend on your personal tax circumstances.	
Return	<ul style="list-style-type: none"> Share price cannot go up. Dividends cannot be paid - CBSs = only the community can benefit, not shareholders. Management committee have opted not to pay interest (1-2%), SITR is seen as a much greater incentive. Interest could be paid at the committee's discretion if shop outperforms targets. 	
Withdrawable	Yes, shares are withdrawable after a minimum of 3 years, as and when the business can afford it. This is 'patient' capital - better to assume money is tied up for the long term.	
Transferable	No - shares cannot be traded or transferred to another person except in the event of death or bankruptcy. For shareholding less than £5000 you can nominate a successor, over £5000 must be left in your will and go through probate.	
Risk	<p>No proceeds of the share offer will be spent until</p> <ul style="list-style-type: none"> The share offer closes having reached at least £175,000; and Our planning application is granted permission (due 18/1/23). Having the funds in place to complete on the purchase of the Baptist Church. This is dependent on our application to the Government's Community Ownership Fund for match funding being successful again. The vendor is ready to exchange contracts on the chapel's purchase with terms that are at least as favourable as we have agreed. <p>We have a statutory asset lock which means, if insolvent, the assets would be sold, debts settled, then the shareholders receive their original investment back. In the event that there are:</p> <ul style="list-style-type: none"> Surplus funds - they would go to other local charitable organisation(s) not the shareholders. Insufficient funds - members would receive a proportion of their original investment. 	
Rights	1 vote per member regardless of shareholding. Shareholders have a say in the business and can be elected to the management committee	

Donations are also welcome - however, they do not confer any rights and are not eligible for social investment tax relief. We are not a charity so cannot claim Gift Aid.