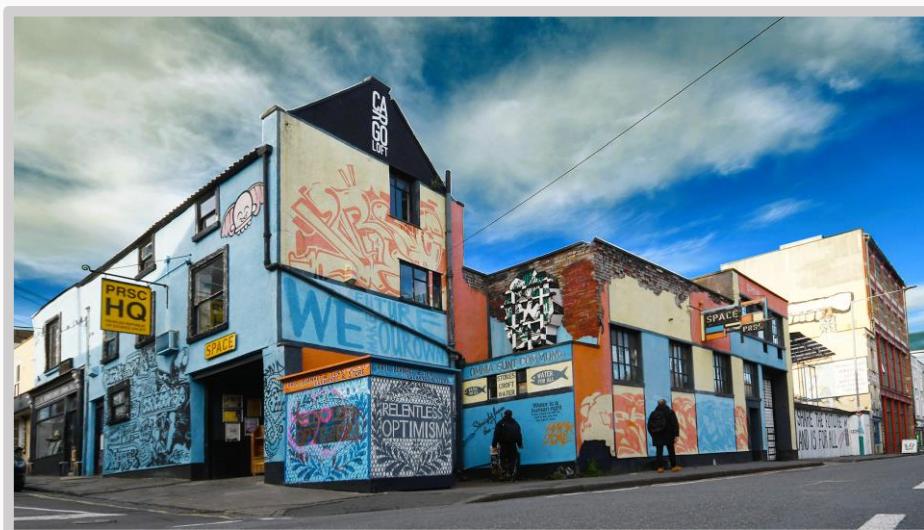




STOKES CROFT LAND TRUST

2021/22 Community Share Offer



Offer Opens 25th November 2021

Offer Closes 28th February 2022*

*Directors reserve the right to extend if necessary

Share Offer Minimum Target £272,000

Share Offer Maximum Target £345,000

We have set our minimum shareholding low to encourage as many members as possible:

- If your postcode (personal or organisational) starts with the following four characters BS2 8**; BS1 3** or BS6 5** you can invest between £10 and £34,500; and
- If you live elsewhere you can invest between £100 and £34,500.

Our intention is to pay 3% interest on shares.

Any money you invest in community shares is fully at risk. You could lose some or all your money if the society gets into financial difficulties.

Community share offers are exempt from, or outside the scope of, statutory regulations that apply to the public offer of shares and other financial promotions. Applicants have no recourse to the Financial Services Compensation Scheme or the Financial Ombudsman Service.



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Introduction

Stokes Croft Land Trust (SCLT) has been created as a grass roots organisation, governed and run democratically by its members to acquire and steward buildings and property in Stokes Croft on behalf of the local community for the long-term. This way, land is taken out of the market and separated from the possibility of speculation so that the impact of land appreciation is removed, thereby enabling long-term affordable and sustainable local development.

The opportunity has arisen for SCLT to purchase its first premises at 17 – 25 Jamaica Street & 14 Hillgrove Street, whereby People's Republic of Stokes Croft CIC (PRSC), the current tenant, will remain as the anchor tenant to manage the building on a day-to-day basis.

This acquisition offer has a relatively low risk profile. A number of factors contribute to this advantageous position. Firstly, SCLT will purchase from a group of 'angel' investors, who bought the building eight years ago to support PRSC expansion plans. They have agreed to convey the asset to SCLT for a sum equivalent to their original purchase price, i.e. to accept what they paid for it rather than a larger sum based on its current value. This means that SCLT is not working in a competitive environment in which others are in contention for the acquisition. It also means that, whilst we are looking to raise a maximum of £345,000 from this community share offer, a recent survey in June 2021 (available at Appendix iii of the SCLT Business Plan) valued the premises at £450,000, so SCLT will acquire a significantly larger asset value than the share issue aims to raise.

It is worth noting that the current owners have already committed to purchasing £100,000 of the available shares in this offer: this has the effect of reducing our minimum target level to £175,000 and the maximum target level to £245,000.

We are looking for your support, and in order to encourage applications from Stokes Croft area, we have decided to offer a lower minimum shareholding for people living in or organisations registered in three specific postcodes than for other supporters. We have set our minimum shareholding low in order to encourage as many members as possible to join the Land Trust and to buy shares:

- If your postcode (personal or organisational) starts with the following four characters **BS2 8**; BS1 3** or BS6 5** you can invest from £10 to the maximum £34,500;**
- If you live **elsewhere you can invest from £100 to the maximum £34,500.**

The way that land is owned and managed, has impacts on all of us. It has different places in all our histories, whatever our background or heritage. It affects us whether our experience is of public or private ownership, colonialism, dispossession or migration; the difficulties of making a living in a rural economy or the daily impacts of urbanisation and gentrification. How we currently own, manage and make decisions about land lies at the heart of many of our current social, economic and environmental challenges and injustices.

SCLT Plans

Initial Purchase: 17 – 25 Jamaica Street & 14 Hillgrove Street

This share offer will allow SCLT to obtain the freehold tenure of the building and to plan a longer-term programme of improvements to the building in partnership with the tenant PRSC .The synergy with current PRSC projects will surely provide scope to develop the building further to the benefit of more people within the communities of Stokes Croft and St. Pauls. PRSC will continue to occupy and develop the building's space and facilities for its range of cultural, artistic and campaigning activities and events.

The building complex comprises a corner end of terrace and other linked terraced buildings with a combined floor area of 6018 sq. ft (559 m²). It sits within an urban, mixed-use area close to the main arterial route of the A38 Stokes Croft within a mile of the city centre. A recent valuation by Andrew Forbes Chartered Surveyors gave a market value of £450,000 with vacant possession for the freehold interests in this property (formed of the three Land Registry titles shown as appendices to the Valuation Report).

The building is adjacent to the existing PRSC gallery and yard and was last used as a warehouse and office for electrical contractors some twenty five years ago. The principal surrounding area comprises both residential land - commercial properties of varying types and uses, including a public house and church premises. A location plan is also shown within the Valuation Report.

Referring to market conditions, the valuation report states:

Stokes Croft has become an attractive, and very popular urban area which has seen increased demand from both tenants and occupiers in recent years and is seen as a cultural and artistic heart of the city, being in close proximity to the central areas.

We would generally anticipate relatively good levels of demand for the site, as a whole, as existing, based upon the existing use, which is supported by light industrial type uses, as well as with a prospect for significant development potential, subject to planning and requisite consents, which we believe provides support to our reported market value.

The building has been re-fitted as studio space for artists and also has facilities for staging a wide range of events and exhibitions for up to 80 people (sitting) or 150 people (standing), with a kitchen and bar area within the events space. It also includes a radio station, media and editing suite and an interview room, a screen-printing workshop, and also a small china decorating factory workshop and factory which generates a significant income for the tenant.

In 2013, PRSC entered into a rental agreement with the trustee owners of 17 - 25 Jamaica Street & 14 Hillgrove Street, allowing it to develop a shadow building stewardship operation based on volunteer management. This is still continuing. Over this period the building has been refurbished for temporary uses, which has involved roof repairs, window and door repairs, substantial re-wiring, reinstatement of alarm and fire emergency systems, water services, redecorations, and the attainment of an events and alcohol licence. These significant improvements have enabled PRSC to develop its own office space and to fill the rest of the building with other tenants and sessional activities.

Operational Activities

Whilst SCLT will operate a 'landlord' function on behalf of the community, it does not intend to manage the building on a day-to-day basis. This will be done, as currently at 17 – 25 Jamaica Street, by PRSC as the anchor tenant through its own on-site trading activities, and by subletting to local independent artists, media businesses and start-ups.

Total Capital Required

	Minimum	Maximum
Share offer target level	£272,000	£345,000
Building valuation in June 21	£450,000	£450,000
Funding requirements		
Purchase cost	£250,000	£250,000
Refurbishment costs to PRSC	£70,000	£70,000
Legal & finance costs	<u>£16,100</u>	<u>£19,400</u>
Purchase sub total	£336,100	£339,400
Share offer development costs (REACH)	£15,000	£15,000
Start-up loan from PRSC	£2,600	£2,600
Working capital (cash flow)	£3,300	£3,000
Total	£357,000	£360,000
Funded by:		
Community shares	£272,000	£345,000
Loans	£70,000	£0
Grants (REACH)	<u>£15,000</u>	<u>£15,000</u>
Total	£357,000	£360,000

How Capital Raised Will Be Used

The purchase cost of £336,100 at minimum target level and £339,400 at maximum target level is based on a purchase from the current owners under the agreement signed in 2013 to sell to a community land trust at their original purchase price of £250,000, PLUS a payment of £70,000 to PRSC for works completed on the building since the owners purchased it, PLUS the legal and share offer costs. These costs for the services of the Investment Platform Fundsurfer, will be dependent on the level of the investment.

Share offer development costs including support from Co-operative Assistance Network, the valuation fee, marketing and internal costs are covered by REACH funding raised and were received by PRSC on behalf of SCLT.

The start-up loan from PRSC covers early costs incurred including incorporation, subscriptions & legal fees. The loan is an interest free loan which is projected to be repaid to PRSC on purchase of the building.

At the Minimum Target Level, PRSC have agreed to leave the £70,000 towards the works completed on the building in SCLT as a loan which is projected in the financial projections as an interest only loan (projected interest 3%) repaid in year 5. Should we reach the Maximum Target Level then SCLT will not need this loan and will pay this on purchase of the building.

Financial Projections

This business plan & financial projections are focused solely on SCLT's first purchase. The tables below show five year financial projections at the minimum target level, however, 10-year financial projections at both share offer target levels can be found at Appendix I of the Business Plan.

Profit and Loss - Minimum Target Level

	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	20,000	20,600	21,218	25,000	25,750
Cost of sales	0	0	0	0	
Gross profit	20,000	20,600	21,218	25,000	25,750
<i>Overheads</i>					
Start-up revenue costs	17,600	0	0	0	0
Other overheads	6,000	6,300	6,615	6,946	7,293
Total overheads	23,600	6,300	6,615	6,946	7,293
Operating profit	-3,600	14,300	14,603	18,054	18,457
Depreciation	3,522	3,522	3,522	3,522	3,522
Share interest	0	8,160	8,160	7,915	7,678
Loan interest	2,100	2,100	2,100	2,100	2,100
Net Trading Profit	-9,222	518	821	4,517	5,157
Capital grants or gifts	0	0	0	0	0
Revenue grants or gifts	15,000	0	0	0	0
Donations	-	-	-	-	-
Corporation tax	0	0	0	0	0
Profit transferred to reserves	5,778	518	821	4,517	5,157
Cumulative profit	5,778	6,296	7,117	11,634	16,791

Balance sheet - Minimum Target Level

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Tangible fixed assets	336,100	332,578	329,056	325,534	322,012	318,490
Net current assets	5,900	15,200	19,240	15,423	15,547	16,548
Long term liabilities	70,000	70,000	70,000	70,000	70,000	70,000
Total assets less total liabilities	272,000	277,778	278,296	270,957	267,559	265,038
<i>represented by:</i>						
Share capital	272,000	272,000	272,000	263,840	255,925	248,247
Reserves (retained profit)	0	5,778	6,296	7,117	11,634	16,791
Total capital & reserves	272,000	277,778	278,296	270,957	267,559	265,038

Cash flow - Minimum Target Level

	Opening balance	Year 1	Year 2	Year 3	Year 4	Year 5
		-	15,200	19,240	15,423	15,547
Share capital	272,000	-	-	-	-	-
Loans	70,000	-	-	-	-	-
Grants & gifts	15,000	-	-	-	-	-
Sales	20,000	20,600	21,218	25,000	25,750	
VAT on sales	-	-	-	-	-	-
	Total cash in	377,000	20,600	21,218	25,000	25,750
Fixed asset purchases	336,100	-	-	-	-	-
Overheads	23,600	6,300	6,615	6,946	7,293	
Loan interest payment	2,100	2,100	2,100	2,100	2,100	
Loan capital repayment	-	-	-	-	-	
Share interest	-	8,160	8,160	7,915	7,678	
Share capital withdrawals	-	-	8,160	7,915	7,678	
Corporation tax	-	-	-	-	-	
	Total cash out	361,800	16,560	25,035	24,876	24,749
	Closing balance	15,200	19,240	15,423	15,547	16,548

Stokes Croft Land Trust is a Community Benefit Society

which is principally owned by the community and has been granted charitable status by HMRC (reference ZD12374).

Registered with the Financial Conduct Authority (registration number 7004).

stokescroftlandtrust.org

The financial projections are based on the following assumptions:

- All share interest is paid to members. The share offer terms state that share interest under £6 will be added to members share accounts and share interest of £6 and over will be paid to members, however at this stage it was considered prudent to assume that all share interest is paid for the purposes of the financial projections.
- Interest on shares held to the end of the financial year shall be paid in the following financial year once approved by the members at AGM. The financial projections show interest for shares held in year 1 being paid in year 2 and so forth.
- Share withdrawals are suspended until year 3 and thereafter, 3% of the total share capital held at the start of any year will be withdrawn. The projections show that this rate is more than the cumulated surplus, so the Directors plan to have an open share offer after a couple of years trading to bring in new share capital to enable this rate of withdrawal.
- Annual overheads are £6,000 per annum and increase at 5% inflation per annum.
- Annual rental income increases at 3% per annum with a rent review every three years.
- At the minimum target level only, there is an interest only loan from PRSC based on 3% interest and repaid in full in year 5. This loan is repaid by taking on a commercial loan at 4.5% repayable over 20 years.
- The purchase costs (£336,100 at minimum target level & £339,400 at maximum target level) are capitalised and taken as the value of the property.
- Depreciation is calculated as per accountancy standards, straight line over 50 years at 2% per annum. It has also been assumed that £150,000 of the value of the property is the land value which does not depreciate.

Risk

This purchase is not taking place in a competitive environment in which others are in contention for the acquisition and whilst we are looking to raise a maximum of £345,000 from this community share offer, a survey in June 21 (available at Appendix iii of the SCLT Business Plan) valued the premises at £450,000 so SCLT will acquire a significantly larger asset value than the share issue aims to raise. The principal risks to investors that have been identified therefore, are those arising from a forced sale of the building following a business failure. These are likely to arise from either

- A growth of costs of business beyond what has been foreseen, or
- A prolonged reduction in income below sustainable levels.

As the principal revenue costs to SCLT are derived from its intention to pay interest on shares at 3% per annum and as the board will have a measure of discretion over the extent to which this intention can be met, an unsustainable rise in ongoing costs is considered to be a low risk.

As a charity, SCLT may be able to supplement its income from some donated finance (grants), but its primary source of revenue following the acquisition of 17 -25 Jamaica Street, will be from rental income derived from PRSC as sole tenant of its assets. The main identified risk therefore is that unforeseen circumstances could leave PRSC unable to meet the rental commitments arising from its lease of the building. This risk will be mitigated in several ways. Firstly, as partner organisations, PRSC and SCLT will operate an 'open books' policy between themselves. This will provide early cautionary guidance on impending challenges to PRSC income and allow for planning and management processes to be adjusted to deal with identified threats.

Secondly, the building is configured in such a way that a significant portion of its floorspace is used by third party individuals and groups which are either sub-tenants of PRSC or sessional users. These uses could all continue if a lease to PRSC were to be terminated.

SCLT board will operate a contingency policy by maintaining a reserve in the society's finances to cushion variations in cash flow and, in extremis, to make an orderly dissolution and repayment of shares possible.

Risks in terms of the share offer itself are:

- Failure to raise the minimum share offer target level.
This would mean that SCLT would not be able to purchase the building and start to trade. SCLT is mitigating this with a community engagement strategy and by using an internet platform to host the share offer.
- Delays based on extending the share offer.
This would delay the purchase of the building and the estimated start date of SCLT beginning to trade. SCLT will press hard to avoid this happening. If there is a delay, current outgoings are minimal.
- Failure to raise funding or to recruit appropriate volunteers to working groups.
The voluntary directors would remain responsible for the management of SCLT. However, development plans, and feasibility and viability studies of further purchases may be delayed due to a lack of capacity.

Long Term Plans

In the longer term, SCLT aims to take over stewardship of all the buildings that PRSC now uses and has an interest in, and to convey the buildings and property into SCLT ownership. In these cases, PRSC will remain the anchor tenant within the spaces it currently occupies, which will secure an income for SCLT and will also secure the premises within which PRSC currently operates.

The SCLT board is also aware of other opportunities to acquire premises within the Stokes Croft Conservation Area, which are not occupied by PRSC, and has engaged with some local business owners whose premises could be secured into community ownership should they proceed to sell them.

The trading operations of SCLT will therefore be confined to the stewardship of buildings and renting or leasing of space to anchor tenants (as would be the case with PRSC) or small businesses with a community focus depending on the premises. This activity will, in turn, provide a platform for further activities performed by others.

The availability of further premises to convey into SCLT ownership will require feasibility and viability assessments individually and at the appropriate time. Funding may also be sought to assist in further development of SCLT premises in conjunction with the anchor tenant in the building.

The Board may at a later date consider another Timebound Share Offer in regards to purchasing further buildings. In this event, members shall be informed and consulted once viability has been established. Additionally, to aid liquidity of share withdrawals, which are currently projected at a higher rate than the cumulative surplus, the Board will consider an open share offer to bring in new share capital.

About SCLT

SCLT has been developed to tackle the problems and opportunities created by the special circumstances that exist at present in Stokes Croft. It is designed as a special purpose organisation capable of holding and managing whatever community assets can be secured within the Stokes Croft Conservation Area. Its activities will concentrate on long-term stewardship of property around Stokes Croft and on finding and supporting sustainable uses for the assets under its stewardship.

SCLT was incubated within People's Republic of Stokes Croft CIC (PRSC) and will continue to work closely with PRSC and other local organisations and stakeholders, in order to raise the finance to acquire at-risk properties¹ within the Stokes Croft conservation area and its immediate surroundings. Some properties may require additional finance to support refurbishment and, where necessary, re-purposing of these local assets to allow SCLT to make leases and tenancies available to sustainable local businesses and service providers who make positive contributions to the local economy.

A Community Land Trust (CLT) is a mechanism for democratic ownership of land by a local community. Land is taken out of the market and separated from the possibility of speculation so that the impact of land price inflation is removed, thereby enabling long-term affordable and sustainable local development. The value of public investment, philanthropic gifts, charitable endowments, legacies or development gain is thus captured in perpetuity, underpinning the sustainable development of a defined locality or community. Through CLTs, local residents and businesses participate in, and take responsibility for, planning and delivering redevelopment schemes.

CLTs allow local people to 'manage the commons' democratically. Compared to the dominance of private and public ownership of land, 'common land' in the UK constitutes under eight per cent of the land area and most of this is 'waste land'. Reclaiming and extending the 'commons' is possible now through CLTs.

The aims of SCLT are:

- To acquire sites and buildings within the neighbourhood of Stokes Croft;
- To steward properties on behalf of the local community and promote engagement of local people with future of their area;
- To support local economic activity and employment and strengthen the growth of locally-owned small enterprises in Stokes Croft;
- To provide relatively inexpensive workspace and studio space for local artists, designers and craftspeople – and other local manufacturing and digital businesses.

Community

Stokes Croft is an area of the city that sits between affluent Kingsdown and the deprivation in St. Pauls. For some the area of Stokes Croft starts with the officially designated [Stokes Croft Conservation Area](#), while for others Stokes Croft is an idea. From an administrative and policing point of view, one side of Stokes Croft is in Cabot Ward, the other in Ashley. For many years policing has been split in the same way between Trinity and Bridewell. Stokes Croft has not been served well by being a boundary zone.

¹ Properties at risk of being bought by property developers, and therefore effectively ceasing to be local assets.

Stokes Croft encompasses some 25 listed buildings and was declared a conservation area in 1980. Although the neighbourhood has been considered "blighted" by the large derelict office block Westmoreland House on Stokes Croft, developers are now close to completing the redevelopment of this site.

The arts-led regeneration cycle that has happened in Stokes Croft is a common feature of formerly rundown neighbourhoods in cities across the United Kingdom and further afield. Access to work and event space at below market rates in a run-down inner city neighbourhood attracts artists and musicians who find cheap space in which to create and experiment. In due course, their presence and activities begin to give the area a cachet which, in turn, attracts complementary uses and investment. Over time however, the changing status of the area and the formalising pressures of investment institutions both encourage speculative acquisition and 're-development' of the very re-purposed redundant industrial and commercial spaces, in which local artists created the new cultural identity and social value.

As this process plays out in Stokes Croft, it is already clear that many of the abandoned and derelict industrial and commercial spaces that characterised and hosted its cultural renaissance are now rapidly becoming 'investment opportunities'. Those not already acquired for redevelopment are increasingly in the sights of institutional investors with little connection to the area or loyalty to its community. This seemingly inexorable process acts to capture the value, which has been created in the short-term by local people into rising property values and speculative development opportunities over the longer-term. By this means, external investors and speculators 'financialise' the new cultural wealth of the area. But local artists, musicians, food and hospitality businesses, venue operators and cultural industries, being largely tenants, do not participate in this profit-taking and are left as bystanders as their neighbourhood is commercialised and the value they have created is exported.

Community Benefit

The social impact of SCLT will be measured by its ability to acquire and steward this initial purchase, transfer further buildings into community-ownership and make them available at affordable use costs to local organisations and people.

Structure

SCLT is an incorporated entity, a community benefit society, registered under the Co-operative and Community Benefit Societies Act 2014 and regulated by the Financial Conduct Authority (FCA). Its members principally own a charitable community benefit society, and membership is open to members of the community who support its aims and objectives. It is recognised by HMRC as an exempt charity. This means that, although it is not registered with the Charities Commission, it must abide by Charity Law and can benefit from all the tax advantages of being a charity. These tax advantages include an exemption from Corporation Tax, Mandatory Business Rates Relief and being able to claim Gift Aid on donations.

Rules

SCLT was registered in Sept 2014 using a set of pre-approved model rules developed by Co-operatives UK, the umbrella body for co-operatives and community benefit societies in the UK. The rules were then partially amended in Dec 2019 and again in July 2020 to enable HMRC to award exempt charitable status.

SCLT rules include a provision to issue a form of shares to members known as withdrawable share capital, which is unique to society law. Withdrawable share capital, also known as Community Shares, can be withdrawn from the Society by the member, subject to terms and conditions. The liability of

its members is limited to the value of their shareholding, and the value of members' community shares will never go up but may go down.

As an exempt charity, the rules include a Charities Asset Lock which restricts the use of the society's assets and the way the society deals with them to those purposes set out in the society's constitution that meet the requirements of charity law. In particular:

- The only payments that can be made to members are to the value of their withdrawable share capital or interest on that withdrawable share capital.
- The residual assets of the Society on winding up cannot be transferred except to another organisation whose assets are similarly protected.

The Society is a community-led, democratic organisation that operates on the principle of one-member-one-vote regardless of their shareholding. Membership is open to anyone over the age of 18. The Directors, at their discretion, approve applications for membership from anyone who holds or applies for the required minimum number of shares for membership.

Each member then has one vote to exercise at general meetings, including the annual general meeting. Members own and control the society, exercising their ownership rights by electing members onto the board. Members can stand for election onto the board.

The Rules also provide for several other ways in which the membership may hold the Board accountable for the running of the Society, including calling a General Meeting if required. Corporate bodies and associations who support our objectives can also become members, and such entities and associations must nominate a named individual to represent them at General Meetings.

A copy of the Rules of the Society can be downloaded from our website at stokescroftlandtrust.org

The SCLT Board

The board is responsible for managing the affairs of the society on behalf of the membership and to report back to the membership at general meetings in exactly the same way as the board of directors is responsible for managing the affairs of a limited company. SCLT's board composition is as follows:

- Up to 4 places elected by and from the membership on a three-year retirement cycle;
- Up to 3 places nominated by the leaseholders of property owned or operated by SCLT and elected by the society members, provided that at no time the number of leaseholder directors comprise more than half the directors elected to serve on the board (so in the first instance PRSC);
- Up to 2 co-opted places for members with specific skills & experience

Additionally, the board may co-opt up to two external independent directors, who need not be members, for specific skills and experience.

All co-opted places are appointed and removed by the board and are for a fixed time period which should be reviewed regularly.

The Board would like to acknowledge the enormous contribution that **Chris Chalkley** has made in the development of SCLT and this share offer. Chris recently stood down from the SCLT Board as was always planned.

The current board members are:

Keith Cowling



Keith is a former architect with 35 years' experience as a community architect and social entrepreneur. He founded Eyehouse Consultancy, specialising in the engagement of non-professionals with the built environment and the involvement of communities in the design and management of their neighbourhoods.

During the decade from 2000 to 2010 Keith carried out a number of town and neighbourhood studies, wrote area regeneration strategies and developed a range of business cases, business plans and project frameworks for community-led capital projects, working for his previous company Insight 02 Ltd. He developed a range of consultation processes and techniques aimed at helping service providers understand the needs and aspirations of their users and client groups and used them to run a range of consultation programmes.

Keith has a particular interest in community-led capital projects and the management of community assets and has a broad experience of urban and rural regeneration policies and community-based interventions in local economies. He was chair of the Bristol Community Land Trust from 2011 until 2020 and is a director of The People's Republic of Stokes Croft CIC.

Andrew Baker

Andrew is a Chartered Accountant, an accredited Business & Finance Professional and a teacher of Classical Hatha Yoga, with a penchant for helping people achieve their dreams. For over 15 years he has worked to provide accommodation for the homeless in and around Bristol. He has volunteered as Treasurer for a number of charities and co-operatives over the years, including ones working for education, youths, renewable energy, international aid, aiding disadvantaged people and the rehabilitation of former offenders. His passion is sustainability, and in 2007 he was one of a small team who developed ideas towards the creation of a centre of excellence in sustainable communities, detailed in "The Red Book". This has resulted in a number of projects in Stokes Croft, including the incubation of hundreds of small businesses and charities, a hub for the performing arts and one of Bristol's largest rooftop solar power arrays. Andrew has also planted 1,000 broadleaf trees this year, on the edge of the Forest of Dean.

Andy Burkitt

Andy Burkitt has worked in Bristol after studying for a PhD in Analytical Chemistry. His work has included time as an Adventure Playground Leader, Youth Worker and Head of Community Work in Avon. Since then he has been a Lecturer in Youth Work Studies and written on Business Development. For some years he was the CEO of the Confederation of Dental Employers. He started up ACH (Ashley Community Housing), a local Housing and Training organisation now working in 5 areas of the UK and which has recently won a Queen's Award amongst other recognition. He is Vice-Chair of a Community Trust and a local campaigner on Transport for Moving Bristol Forward.

Lucas Batt

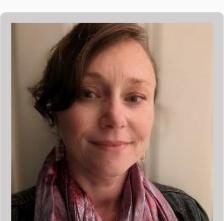


Lucas leads on membership and engagement at the Bristol Cable, a community-owned newspaper in Bristol, which was based in the top of 14 Hillgrove Street from 2014 to 2020. Lucas joined the Cable in 2015 following the completion of a Philosophy degree at the University of Bristol.

In his 6 years at the Cable, Lucas has worked across the organisation, from distribution co-ordination and communications to HR, operations and policy development.

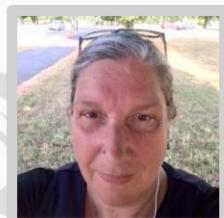
His role as Membership Co-ordinator at the Bristol Cable aims to make membership sustainable, inclusive and meaningful, in order to make the newspaper a permanent community asset – owned, accountable to and powered by the communities it's a part of.

Kathryn Chiswell Jones



Kathryn has been the Company Manager of ArtSpace Lifespace, a Bristol-based arts charity since 2017. She headed up the DIY Arts Cultural Workspace group from 2018-2019 and helped produce the Futur Ville Summit and Futur Ville report of 2020. Before joining ArtSpace Lifespace, she spent 7 years at AWW, an architecture firm in Bristol as Head of Marketing and Health and Safety, responsible for the overall Marketing Strategy, bid management and digital marketing. In 2014, she took on the role of Health and Safety Advisor at AWW, responsible for the day-to-day implementation of AWW's health and safety policy, management of the EXOR and ISO accreditation process and CDM questionnaires. Kathryn's key skills are strategy, research, marketing and project management with 20+ years' experience working across Public Sector, Engineering, Real Estate, Architecture and Arts Sectors in Japan and the UK.

Hilary Sudbury (Co-opted)



Experienced Co-operative and Social Enterprise Adviser since 1996 supporting incorporations, governance, raising finance & business planning. A Community Led Homes (CLH) Accredited Advisor – 2019; Fully Licensed Community Shares Practitioner - 2015; Co-operative and Social Enterprise Adviser Accreditation - 2004; SFedi Business Support plus Social Enterprise Standards Accreditation - 2008 & 2010.

Conflict of Interest

Keith Cowling - Keith is also a Director of PRSC, which will become the anchor tenant for SCLT once it has purchased the building. SCLT will maintain an up to date register of Conflict of Interests and the Board will determine whether Keith may participate or not in decisions for which he may be conflicted.

Hilary Sudbury - Hilary has been co-opted onto the board and is also contracted through Co-operative Assistance Network to deliver support to SCLT to develop its share offer, which is funded by REACH. Hilary is not paid for her role on the Board and the contract to support the share offer was agreed by the board prior to her co-option and has clear milestones and associated budgets and is overseen by the other directors. Once the share offer is launched this contract will end.

Trading History, Current Members and Shareholding

The nominal value of SCLT shares is £1 and member's liability is limited to the value of their shareholding.

The directors are currently the only members of SCLT, each holding a £1 share.

The share offer will hopefully bring in many new members to help develop SCLT further and it is expected that the current members will purchase more shares in this share offer.

The society was incorporated in 2014 and has been dormant since then. The share offer support has REACH funding for which the accountable body is PRSC CIC.

Share Offer Terms and Conditions

Type of Shares Issued

The value of each share issued is £1.

The shares are not transferable, except in case of death or bankruptcy. They are withdrawable shares.

These shares are known as community shares because the primary return for holding shares is a social one and NOT intended to be driven by an overarching desire for a financial return. The real (social) payback to becoming a member is to ensure that a thriving, sustainable community-owned business is established.

This form of community investment should be considered as a medium to long-term investment.

The words 'Community Shares', do not have any legal meaning and the rights of investors buying community shares are those set out in this part of the offer document and by our rules.

Timeframe

Offer Opens 25th November 2021 and closes on 28th February 2022

The board reserves the right to extend the share offer for up to six months should the minimum target not be reached by the offer closing date.

Who can apply?

Applications are open to individuals over 16 years old and to organisations.

Where an application is from a corporate body or association the applicant will become the named representative and the registered name of the corporate body will become the first named member in the share register.

Individual Investment Limits

SCLT is looking to encourage applications from people local to Stokes Croft, so there is a lower minimum shareholding for people living in, or organisations registered in, three specific postcodes than for people from elsewhere. The SCLT board has purposely set the minimum shareholdings low to encourage as many people who support our objects to apply for membership and shares as possible:

- If your postcode (personal or organisational) starts with the following four characters BS2 8**, BS1 3** or BS6 5**, you can invest between £10 and £34,500
- If you live elsewhere, you can invest between £100 and £34,500

The maximum shareholding is £34,500 for both individual and corporate members, as long as total shareholding in the organisation by any investor does not exceed 10% of SCLT's total share capital at the time shares are allotted.

Contingency Arrangements

If the maximum investment level of £345,000 is reached before the share offer end date then the scheme will be closed early.

If an amount of investment between the minimum and maximum target is reached by the closing date of 28th February 2022 the directors reserve the right to extend the share offer for a maximum of six months. If during this extension we reach the maximum level, the share offer will be closed.

If the minimum target of £272,000 is not reached by the closing date of 28th February 2022, the directors shall extend the share offer for a maximum of six months. If during this extension the optimum target is reached, the share offer will be closed.

If at the end of the six month extension the minimum target of £272,000 has not been reached, applicants' pledges on the Fundsurfer platform will not be taken from their debit / credit cards and the purchase will not progress.

Interest on Share Capital

The society aims to pay interest at a rate not exceeding 3% per annum.

Interest on shares held to the end of the financial year shall be paid in the following financial year once approved by the members at AGM. The financial projections show interest for shares held in year 1 being paid in year 2 and so forth.

The intention is for members with shareholdings of £200 or more, on which £6 or more would be due if interest is payable at 3%, to receive payment of their interest. Members with a shareholding of less than £200 will have their interest added to their share accounts. Interest will be paid gross to all UK residents and those Members, who are liable to pay income tax, will be responsible for declaring this income to HMRC. Non-UK residents will have tax deducted prior to payment. Interest will only be payable if the society can afford to pay it.

It is the responsibility of the members to inform the Society of a change in address or bank details so that interest payments can be made.

Withdrawal of Share Capital

The financial projections assume that shares in SCLT may be withdrawn with effect from year 3, subject to the following constraints:

- A provision in the financial projections has been made for capping withdrawal of shares in a year at 3% of the total share capital held
- Applications are made in line with our withdrawal policy
- In exceptional circumstances, the board of directors may, at its discretion, waive the notice required for a withdrawal
- The board will prioritise the withdrawal of shares relating to those members who have died
- The board has the power to suspend withdrawal of shares, if circumstances dictate

Shares on Death of a Member

On the death of a member, their personal representatives can apply for withdrawal of the shares. Alternatively, shares can be inherited in accordance with the terms of the member's will or under the rules of intestacy, subject to board approval of the new member who shall hold the shares.

Inheritance Tax

It is unlikely that these shares in a charitable community benefit society will qualify for business relief from inheritance tax. Please seek independent advice.

Reduction in Share Value

If the society's auditors or independent qualified accountants find that the society's assets are insufficient to meet its liabilities to creditors and shareholders, the board of directors may decide to reduce the value of the society's shares for the purposes of withdrawal of shares. This means that the value of members' shares would be reduced accordingly. At such future time that the asset value is restored by profitable trading, the shares can be restored to their original nominal value.

Shares on Dissolution

On the solvent dissolution or winding up of Stokes Croft Land Trust, holders of the shares will have no financial entitlement beyond payment of outstanding interest approved by the board of directors and repayment of paid-up share capital. Any remaining funds must be transferred to another charitable body.

The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice. For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit go to: communityshares.org.uk



How to apply

Our share offer is being managed by Fundsurfer, the crowdfunding and investment platform for social, creative and business projects. More information about Fundsurfer can be found at www.fundsurfer.com/about-us

All applications and payments are online via Fundsurfer at:

www.fundsurfer.com/sclt

The board of directors of SCLT will consider your application, at the first board meeting after the offer closes. You will then be advised as to whether your application has been accepted and the date on which your membership becomes effective. Share certificates may be provided or share account statements will be available from SCLT.

How SCLT Shall Hold Your Money

The share offer shall be run on Fundsurfer on an 'all or nothing' basis. This means that if it does not reach its minimum share offer target by the closing date (or extended closing date) then the money pledged by applicants will not be taken from their debit/credit cards.

Data Protection

By applying for shares in SCLT, you agree that the data provided by you will be stored on an electronic database. This data will be used for SCLT purposes only. The data will not be disclosed to any third party other than required by any statutory duty. All data will be stored in compliance with current data protection legislation. Our Privacy Policy is available at on our website

Fundsurfer is managing the share offer on SCLT's behalf. It will have access to this data which will be treated in accordance with both its [privacy policy](#) and [security policy](#).

Risks and Rights

Any money you invest in community shares is fully at risk. You could lose some or all your money if the society gets into financial difficulties.

Community share offers are exempt from, or outside the scope of, statutory regulations that apply to the public offer of shares and other financial promotions. Applicants have no recourse to the Financial Services Compensation Scheme, or the Financial Ombudsman Service.

You should ask the advice of an independent financial advisor before proceeding with your application and be aware that you may be putting your capital at risk

Further Information

Please read this entire Community Share Offer document together with the SCLT business plan, previous years' annual accounts and the society's rules which are available on SCLT website.