

**Beckley & Area Community Benefit Society Ltd**

# **OPEN SHARE OFFER**

(January 2022)



Beckley & Area Community Benefit Society Ltd is a Community Benefit Society registered with the FCA (registration number 7404)

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**January 2017 – celebrating community ownership!**



## 1. INTRODUCTION

You are invited to buy shares in **Beckley & Area Community Benefit Society Limited** (BABCS) to support our work to improve and maintain **The Abingdon Arms** pub in Beckley. The Society bought the freehold of the pub in 2017 and since then we have leased it to tenants who run the day-to-day pub business. We would now like to grow our capital reserves so that we can make improvements to the pub for the benefit of customers and staff.

We aim to attract investment mainly from residents of Beckley and the surrounding area, but anyone with an interest in securing the future of The Abingdon Arms is welcome to invest.

### **Important information**

This document details and contains an invitation to subscribe for shares in Beckley & Area Community Benefit Society Limited, which exists for the benefit of the community. The Society generates income by receiving rent from the tenant of The Abingdon Arms public house in Beckley.

### ***THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR CAREFUL ATTENTION***

It should be read in its entirety. If you are in any doubt as to the action you should take, you should seek your own independent financial advice.

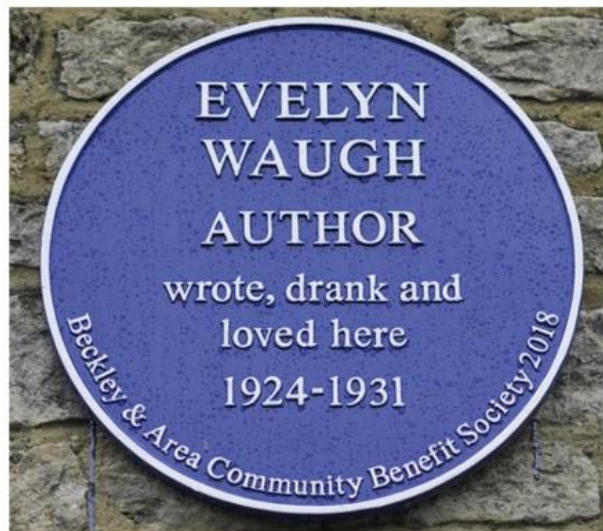
You should appreciate that any investment you make is recognition of your support for the work of the Beckley & Area Community Benefit Society Limited, and accordingly a subscription for shares should primarily be regarded as an investment for social purposes rather than one which will produce a significant financial return.

You should be aware that as an investor you will not have access to the Financial Ombudsman Service (FOS) or the Financial Services Compensation Scheme (FSCS).

Nothing in this document constitutes investment, tax, legal or other advice by Beckley & Area Community Benefit Society Limited, its directors or advisers.

### Accuracy of information

The Society and its Management Committee accepts responsibility for the information contained in this document. We have taken all reasonable care to ensure that the information contained in this document is in accordance with the facts and contains no omission likely to affect its substance.



## 2. THE ABINGDON ARMS – ITS HISTORY

**The Abingdon Arms** is a beautiful 17<sup>th</sup> Century pub located in the heart of the village of Beckley, to the north-east of Oxford. The pub has had many owners throughout its history and has been an important amenity for the community of Beckley and surrounding villages.

The pub has been frequented in the past by some literary greats: Evelyn Waugh famously drowned his sorrows at The Abingdon Arms on hearing that he'd only got a Third in his Oxford finals, and wrote *Vile Bodies* while living in a caravan at the pub. Two members of the 'Inklings' literary group, whose members included C.S.Lewis and J.R.R.Tolkien, lived in Beckley in the 1920s and we can imagine them enjoying a few pints at their local. And the view from the pub across the chequered fields of Otmoor is thought by some people to have inspired Lewis Carroll's giant chessboard in 'Alice through the Looking Glass'.

### 3. THE COMMUNITY PURCHASE

**Beckley & Area Community Benefit Society Ltd** (BACBS) was formed in 2016 to buy The Abingdon Arms for the local community when Brakspear put the pub up for sale. It had been apparent for many years that Brakspear was not investing in the pub and that their many successive tenants were unable to create a sustainable and successful business, not least because of the very high rent they were charged. Our business model is based on leasing the pub to experienced capable tenants at an affordable rent.

As soon as Brakspear put the pub on the open market in May 2016 we started a period of intense activity including holding public meetings, writing business plans, running community surveys, consulting lots of experts in the pub trade and much behind the scenes work.

Our October 2016 share offer raised over £470,000 in four weeks, meaning we could make a successful offer to buy the pub's freehold. We gratefully received much practical and moral support from the Plunkett Foundation during this period.

We took ownership of the pub in January 2017, and following some remedial work on the cellar, plumbing, and other fundamentals, the pub reopened in March. Initially it was run by the community at weekends as volunteers, while further maintenance, decorating, gardening, etc was done in parallel, also by local volunteers.

Since June 2017 the pub has been leased out to tenants who pay us a monthly rent set at a realistic level. The tenants are responsible for operating the pub and running the business, and we maintain and improve the property. Our current tenants have been with us since October 2019. Notwithstanding the current (and hopefully temporary) impact of Covid, the pub is now a thriving business with excellent food and a wide range of cask ales and other drinks. We continue to work closely with our tenants to ensure the pub is both profitable and addresses the needs of the community (ie is not solely a food destination pub).

In addition to the initial repairs and ongoing maintenance of the property, in 2018 we started a major project to build state-of-the-art accessible toilets to replace the awful user-unfriendly loos. We received generous grants from South Oxfordshire District Council (c.£100k) and More Than a Pub (£50k grant and £50k loan), without which the project would have been unaffordable. Even so we needed to invest approximately £30k from our reserves to meet the total cost. The new loos were finally completed in summer 2019.

We have also recently installed an electric vehicle charging point in the car park for the use of pub customers and the wider community.

As well as maintaining and improving the pub, we have established a thriving and popular programme of varied activities under the '*More Than A Pub*' banner. These have included monthly jazz performances, talks on topics of local interest, poetry readings and local walks led by members of the community. Although these have been somewhat disrupted by the pandemic, our intention is to reinstate them fully as soon as possible.

As at the date of this Share Offer (January 2022), BACBS has 239 voting shareholders who come from Beckley and the other Otmoor villages including Horton-cum-Studley, Stanton St. John, Noke, Elsfield and Islip, as well as further afield in the UK and abroad. Our members elect the Management Committee that runs the Society day to day.

BACBS is registered with the FCA (Financial Conduct Authority) as a Community Benefit Society. We are governed by a set of FCA-approved Rules, which can be found on the BACBS website ([www.bacbs.org](http://www.bacbs.org)).

#### 4. COVID-19

Barely had our current tenants arrived in late 2019 than the first Covid-19 lockdown happened in March 2020! Rather than shutting the pub they decided to start providing take-away meals (and beer!) for the community. This was much appreciated and well supported in Beckley and beyond. In the spirit of mutual support, BACBS decided not to charge any rent while the pub was unable to operate normally, and then only to increase the rent gradually to the pre-Covid level once the pub was able to reopen fully. Our freedom to do this is testament to the strength of the community-ownership model.

In the summer of 2020 our tenants invested in a purpose-built pizza oven above the top terrace which has greatly extended the menu choices and has proven very popular (particularly during the lockdowns). BACBS bought the pizza oven from our tenants at the end of 2021 to provide them with an injection of working capital.

As the pandemic continues to have a big impact on the hospitality sector, we are continuing to support our tenants financially by reducing the rent they pay.



***March 2017 – re-opening day!***

## 5. THIS SHARE OFFER – HOW WE WILL USE THE CAPITAL

We now welcome new and existing shareholders to help fund new projects and to rebuild our reserves, which have been depleted due to the pandemic and which are essential to fund ongoing maintenance and improvement works on the pub building. This will allow us to continue looking after and improving The Abingdon Arms. As a listed building in a conservation area building works tend to be particularly expensive. Some developments we would like to pursue include:

1. Until recently, the only way down to the garden terraces was by several steps which are not wheelchair-friendly. We commissioned a path to run from the car park down to the top terrace that can be used by wheelchairs and pushchairs etc., and this was completed in December 2021. About three-quarters of the cost of this path was covered by grants. A further development is to run a wheelchair-friendly path across the carpark that can withstand heavy vehicles too. This will cost in the region of £1000.
2. Refurbishment of the staff living accommodation upstairs at the pub. Some cosmetic work was done, mainly by volunteers, when BACBS took over ownership of the pub. However, many improvements could be made, including refurbishing the bathroom and complete redecoration. We feel this is important to help our tenants attract good permanent staff, particularly given the current problems with staff recruitment and retention faced by the hospitality industry.
3. Many of the windows are in a poor state and there is no double glazing. It's very difficult to make the property energy efficient, but this is one area where we could make a difference. Because it's a listed building we will be required to install bespoke wooden window frames that are in keeping with the original style.
4. Much of the boundary fencing was erected many years ago and now needs to be replaced.

All these improvements would not only enhance the attractiveness of the pub to customers and staff, but would also help protect the community's investment. Most have not yet been costed, and we will of course only go ahead with improvements that are affordable and that represent good value for money.

Additionally, we need to build up our share capital so that existing shareholders can withdraw (ie redeem in common parlance) some of their shares if they wish, as permitted by our Rules.

Additional working capital will also give us more headroom to support our tenants financially, if necessary, through the pandemic.

**To avoid depleting our reserves further, and to fund the improvement projects, we therefore encourage investment from new and existing shareholders.**



## 6. WHAT IS A COMMUNITY SHARE OFFER?

A community share offer provides an opportunity for local people and businesses to invest in the community, where the motivation and payback is more social than financial. It helps to ensure a truly local enterprise, accountable to the community whilst serving and benefitting it.

An *open share offer* is one that is not time-bound nor with a maximum target. Our intention is that the offer will remain open for the foreseeable future. However, the Management Committee reserves the right to suspend this offer at any time.

BACBS already has **293 Members** (239 voting shareholders; 54 non-voting shareholders) which is a tremendous vote of confidence in the Society, but we're conscious that since the original share offer in 2016 many people have moved into our area who may welcome the opportunity to become shareholders/members, and this offer is intended to facilitate this.





## 7. WHAT'S IN IT FOR ME?

The Society is not just about a pub - it's about preserving the history of Beckley and the surrounding area and investing in its future. We want to ensure The Abingdon Arms continues to be run for the good of the community, now and for future generations. The primary return on your investment will therefore be the continued existence of a convivial, welcoming village pub and a warm feeling that you've helped make this happen!

The shares you buy will make you a Member of the Society, with an equal vote regardless of the size or type of your shareholding. As a Member you can participate as much (or as little) as you like in our work. You can attend and vote at Annual Members' Meetings, stand for election to the Management Committee, volunteer your skills - or just give The Abingdon Arms your custom (but of course you don't need to be a Member to do that!).

Our Rules permit us to pay modest amounts of interest to Members, depending on the level of our reserves. As at the issue date of this Share Offer we have yet to start paying interest.

## 8. WHAT GUARANTEES DO I HAVE WHEN BUYING SHARES?

Buying shares should be regarded as a long-term investment for the benefit of the community. These shares cannot go up in value. Therefore, shares can only be withdrawn at their face value (class 'A' shares only; class 'B' shares cannot be withdrawn). The Management Committee decides each year whether the Society will be able to pay interest to shareholders and/or allow shares to be withdrawn. Our overriding consideration when making this decision is the current and future financial well-being of BACBS.

### **Asset Lock**

The Rules of the Society provide for a *statutory asset lock* which cannot be removed or overridden, and which ensures that the Society can use or deal with its assets only for the benefit of the community. The only payments which can be made to Members are the value of withdrawable share capital (ie 'A' shares) or interest payable on that withdrawable share capital. This means that the value of the Society's assets, most importantly including ownership of The Abingdon Arms, is secured for community benefit. The assets of the Society can never be used for individual gain.

In the unlikely event of having to wind up the Society, should the value of our assets exceed the value of the share capital, Members will still receive only the value of their original investment. By law any excess value has to be transferred to another community organisation with broadly similar community benefit aims.



## 9. WHAT ARE THE RISKS?

Buying any type of shares involves risk. Community Shares can't go up in value, but they can go down if the Society is making losses. As a shareholder you could therefore lose some or all of the money you invest, although in our view this is very unlikely. You should only take these risks with money you can afford to lose.

Although it is not possible to foresee all possible adverse outcomes for investors there are a number which it is reasonable for the Management Committee to guard against:

### **Loss of some or all of your investment**

As a Member of BACBS you will be a part-owner of the Society. If the Society is unable to meet its debts and other liabilities you could, in principle, lose some or all of your investment held in shares. We think this is a very unlikely outcome because:

- We have good legal title for The Abingdon Arms
- We have been diligent and proactive in our maintenance of the property, and the property is fully insured
- Our business model of leasing the pub to experienced operators is proven in the community pub sector and, if necessary, we are able to draw on good advice from, for example, the Plunkett Foundation
- To date we have been financially solvent and we are not aware of reasons why this will not continue to be the case (although the unpredictable nature of Covid-19 and its impact on pub operations remains a risk)
- The Society is responsible for the property, not the pub business itself (which is solely the tenant's responsibility)
- In the last resort, if the property had to be sold for residential use, its likely market value would considerably exceed its value as a pub.

### **Not be able to withdraw shares**

Although the Rules permit withdrawal of shares, this is dependent on our financial performance, and is at the sole discretion of the Management Committee. If a large number of Members

wanted to withdraw their shares in a particular year, then there may not be sufficient funds available to satisfy all requests.

### **No financial returns**

It is possible that the Society may not have enough surplus funds to pay interest to Members.

### **Financial fraud**

We believe the risk of financial fraud is low:

- The Society will not itself be trading as a pub
- At least two signatures are required for cheque payments from the Society's bank account
- The Committee collectively reviews income and expenditure at each meeting
- We have a 'Director & Officer' insurance policy in place to protect the Society

### **Investment guarantees**

Our share offer is exempt from the *Financial Services and Markets Act 2000* and subsidiary regulations. This means that there is no right of complaint to an ombudsman. Community Benefit Societies are registered with, but not authorised by, the Financial Conduct Authority and therefore any money paid for shares is not safeguarded by any depositor protection scheme or dispute resolution scheme. As the whole of your investment could carry a risk, however unlikely, please consider it carefully and if you feel it necessary seek independent financial advice.

### **Limited Liability**

The Society is a limited liability entity. The most you can lose is your initial investment (though we believe that this is very unlikely). You will not be liable for activities of our tenant, financial or otherwise.

## **10. CAN I SELL MY SHARES?**

Shares cannot be sold or transferred to another person, although you may nominate someone to inherit your shares in the event of your death. Shares can, however, be withdrawn (ie sold back to BACBS) for their face value, subject to our Rules.



## 11. BACBS – THE FINANCIALS

The Society acquired the pub from WH Brakspear & Sons Ltd for £440,000 at the start of 2017.

Our primary source of income is the rent paid by our tenants which is set at an affordable level and that provides BACBS with a reasonable return. Over the years we have also received a number of grants for specific purposes including the accessible toilets, the defibrillator, Covid-related expenses, the accessible path to the garden, and our More Than A Pub activities. We also have a small income stream from the sale of walking maps and booklets that we produced. These are available from the pub and can also be bought from various local shops and pubs.

Our expenditure, other than on the major capital projects, relates to ongoing property maintenance and improvements, and the administrative costs of running the Society (loan repayments, local authority licences, website, accountancy, etc).

As at the issue date of this Share Offer, we have not made any interest payments to our Members.

## Income and Expenditure

In summary our income and expenditure to date has been as follows:

	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Income</b>	£ 24,681	£ 28,480	£ 32,628	£ 23,583	£ 24,910
<b>Expenditure</b>	£ 23,859	£ 25,116	£ 27,490	£ 25,120	£ 12,501
<b>Profit/(Loss)</b>	£ 822	£ 3,364	£ 5,138	(£ 1,537)	£ 12,409

Source: BACBS Ltd approved annual accounts

Notes:

1. These figures relate solely to BACBS's activities, and do not include our tenant's trading activity.
2. These figures exclude grant income and capital expenditure associated with the accessibility project.
3. The loss in 2019-20 was as a result of waiving rental payments from our tenants during the Covid-19 lockdowns. Had we not been in receipt of various Covid-19 grants the loss would have been much greater.
4. The apparently high profit in 2020 was largely because of lower than anticipated maintenance expenditure.

## Balance Sheet

As at the end of financial year 2020-21 (30<sup>th</sup> September 2021) the value of our balance sheet (share capital plus reserves) stood at £531,946. Our share capital was £511,750 ('A' shares £384,750; 'B' shares £127,000).

Our total long-term debt at the end of the financial year was £45,801, consisting of a loan from CCF Bank towards the cost of the accessible toilets, and a private loan to the Society in 2017 when we bought the freehold of The Abingdon Arms.

Copies of our annual accounts and reports to the Annual Members' Meeting can be found on our website: [www.bacbs.org](http://www.bacbs.org).



## 12. HOW IS BACBS MANAGED?

The Society is managed by a Management Committee currently made up of 11 Members of the Society. The current committee members are listed below. The committee is accountable to the membership and reports to them via the Annual Members' Meeting.

Members of the Management Committee receive no remuneration or other benefits.

Our annual accounts are prepared by David Cadwallader & Co. Ltd, a Bicester-based accountancy firm, and are submitted to the FCA.

<b>BACBS Ltd Management Committee (as at January 2022)</b>	
<b>John STRADLING</b> (Chair)	<p>I am a nearly-retired consultant chest physician who has worked for the last 30+ years at the Churchill Hospital in Oxford. Although retired from hospital practice, I continue to do some research with the University.</p> <p>My wife Helen (a retired GP) and I live two doors away from The Abingdon Arms, and have always appreciated its presence and offerings. I have very much enjoyed contributing to the survival of the pub.</p>
<b>Adam JEFFREY</b> (Treasurer)	<p>I am a former Abbey National manager, and now run my own financial planning consultancy. When not doing this or in The Abingdon Arms, I can be found engaging in any number of daft sporting pursuits.</p> <p>I have served on the BACBS Management Committee for four years, with particular responsibility at times for property maintenance and tenant liaison. I am now Treasurer.</p>
<b>Sam CLARKE</b> (Secretary)	<p>I live in Oxford and, with my wife, own some fields on the edge of Beckley where we plant trees. This gives me a 30 year link with Beckley and I have been a regular though not frequent visitor to the Pub.</p> <p>My interest in BACBS and the Pub lies in the opportunity it presents to reach out to the wider community and provide opportunities for engagement with the community at a time when these are closing down and strong community is declining leaving the old and those lacking transport, marginalised.</p> <p>I have set up one Community Benefit Society and chaired two, so I have experience of how they can work as well as working voluntarily for a number of other organisations. I currently chair the Ethical Property Co based in Oxford and Charity Mentors Oxfordshire. I have until recently been chairing the Summertown and St Margaret's Neighbourhood Forum.</p>
<b>John WALSH</b> (Company Secretary)	<p>I am a chartered accountant, having worked for a number of international engineering and electronics companies, and then for 24 years at Oxford University Press, retiring in 2020. I have lived in Beckley for 33 years with my wife Ginette.</p> <p>From 2015 to 2019 I was the Councillor for Forest Hill and Holton on South Oxfordshire District Council. I have used my financial skills to help a number of local voluntary and charitable organisations, was a governor of Wheatley Park School from 2007 to 2017, and have been treasurer of Beckley Village Hall since 2013.</p>

<p><b>Gabriel BRODETSKY</b> (Membership Secretary)</p>	<p>I was a Founder Member of BACBS and have been active on the management committee since it was formed in 2016. I wrote the original business plan and share offer prospectus that led to our success in purchasing The Abingdon Arms. For several years as Treasurer I have managed our finances. I was client manager for the accessible toilets project in 2019.</p> <p>Outside BACBS I provide occasional advisory services to other start-up community businesses (especially pubs!), and am on the Board of the community benefit society that is working to secure the Ultimate Picture Palace cinema in Oxford as a community-owned business.</p> <p>I am a retired IT management consultant.</p>
<p><b>Jerry BLOOMFIELD</b></p>	<p>I live in Stanton St John and have 40 years of property development and development finance experience (both private and social housing/charitable sides and in Government funding Agencies). I was a board member of what was Oxford Citizens Housing Association, and presently run a large e-commerce audio component supplier in the UK, so I am up to speed on web applications etc.</p> <p>I am a keen supporter of The Abingdon Arms and the Community Pub ethic.</p>
<p><b>Cathy DAVIES</b></p>	<p>I have lived in Beckley for more than 40 years. Serving on the committee has allowed me to return some of the enjoyment the pub has provided. I am responsible for the More Than A Pub programme of events.</p> <p>For most of my career I was a publisher at OUP. Nowadays I help run Stowood Scientific Instruments, a local company; co-run the BACBS Good Neighbour Scheme; and help with various village activities.</p>
<p><b>Dave DREW</b></p>	<p>I moved to Beckley 35 years ago, and have over 40 years' experience in food retail, buying and marketing. I am currently responsible for the property management aspects of BACBS's work.</p> <p>I have been an active member on the Friends of Beckley School committee, and have served on the Village Hall committee. Over the years I have witnessed many aspects of what makes a village pub good and bad.</p>
<p><b>Susy JEPSON</b></p>	<p>I joined the committee of what became BACBS within a couple of weeks of moving to Beckley in July 2016. I am a member of BACBS's Tenant Liaison Sub-Committee, and provide guidance to the Committee on legal matters.</p> <p>I qualified as a solicitor in London after gaining a law degree from Cambridge. After working in this country and abroad in various senior legal roles, latterly with the Vodafone Group, I am now retired and help to run various other village activities.</p>
<p><b>Rick KEALY</b></p>	<p>I retired as a solicitor in 2018 after 30+ years of running my own general practice which specialised in meeting the needs of people in business. I have some knowledge of the pub world having acted for Brakspears and several of their tenants.</p> <p>For 25 years I have also been a director of a small specialist electronics manufacturing company and am a landlord of a few commercial properties.</p>

<p><b>Nin KELAY</b></p>	<p>I moved to Beckley in 2012 and currently work as an IT Programme Manager, fortunate enough to be working from home most of the time.</p> <p>I was a member of the Management Committee until late 2017, leaving due to the imminent arrival of my son, and was an active contributor to getting the pub up and running from building walls to serving behind the bar. And not least I managed the tenant recruitment process. I rejoined the committee at the end of 2018 and, with Susy, am currently a member of the Tenant Liaison Sub-Committee.</p>
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### 13. HOW DO I BUY SHARES?

You need to be 18 years old or over in order to invest. **Each share costs £50**, and for this open share offer there is no minimum investment. The maximum investment in 'A' Shares by any one individual is £5,000 (ie 100 shares). There is no such limit on the number of 'B' Shares.

Existing shareholders are of course welcome to apply for further shares, but please note that we will not accept any applications that take your total shareholding above £5,000.

There are two classes of share:

**'A' Shares: *Interest bearing shares that are withdrawable.*** These shares are for investors who would like to earn interest on their investment in due course, and to retain the option of withdrawing their investment at some future time.

**'B' Shares: *Non-interest bearing shares that are not withdrawable.*** These shares are for investors who are happy not to be able to withdraw them; nor are they concerned about earning interest on their shares. Purchase of 'B' Shares can be thought of as a donation.

In the unlikely event that BACBS has to be wound up and the pub sold, both 'A' and 'B' shareholders would receive the face value of their investment, assuming sufficient assets remain after all debts are settled.



If you would like to buy shares, please complete and sign the application form, scan it and send as an email attachment to [info@bacbs.org](mailto:info@bacbs.org). Alternatively send it to: The Membership Secretary, BACBS Ltd, c/o Yellowhammer Cottage, Beckley, OX3 9UU.

The front page of this prospectus includes a QR code that will take you directly to the share offer web page.

Please make an online payment for the full amount into BACBS's Co-operative Bank account (sort code **08-92-99**, account no. **65807947**) with your name as reference. Alternatively, you can include a cheque for the full amount with your application form.

The application form can be downloaded from our website [www.bacbs.org/openshareoffer](http://www.bacbs.org/openshareoffer).

All applications are subject to formal approval by BACBS at its sole discretion. In the unlikely event that an application is rejected your payment will be returned.

Please note that if you are buying shares as a couple, only the first named applicant will be a Member with voting rights. You may therefore wish to make separate applications in each name so that you will both become voting Members.

## 14. Terms and Conditions

Please read the following terms and conditions carefully.

1. **The purpose of this open offer** is to build up funds to maintain and improve The Abingdon Arms, and to replace share capital to allow those who have already invested money with us to withdraw their share capital if they wish, subject to the Rules of the Society.
2. This share offer runs from 21<sup>st</sup> January 2022 until such time as the Management Committee at its sole discretion decides to close it.
3. Two classes of share are available:
  - a. **'A' Shares:** Interest-bearing shares that are withdrawable. These shares are for investors who would like to earn interest on their investment in due course, and to retain the option of withdrawing their investment at some future time.
  - b. **'B' Shares:** Non interest-bearing shares that are not withdrawable. These shares are for investors who consider their contribution to be a donation and do not require to recoup their investment, nor are they concerned about earning interest on their shares.
4. The minimum shareholding is one share, and each share has a nominal value of £50. This means that the minimum permitted investment is £50. The legally permitted maximum investment in a community benefit society is £100,000; however, for this Offer the maximum investment in 'A' Shares is £5,000 per person. Please note that we will not accept applications from existing Members if that would result in their total shareholding exceeding £5,000. There is no limit on the number of 'B' Shares which can be purchased.
5. All shares must be paid for in full on application.
6. All investors will be Members of the Society and entitled to vote on matters affecting the Society.
7. Joint applications for shares will be accepted, but please note that only the first named investor on the application form will be a Member with voting rights.
8. Each voting Member will have one vote regardless of the number of shares they hold.

9. All Members must be aged 18 or over.
10. You may invest on behalf of children. In this case the shares can be transferred to them to hold in their own right once they have reached their eighteenth birthday.
11. The Management Committee reserves the right to refuse applications at its absolute discretion.
12. Shares are not transferable except on death or bankruptcy and they cannot be sold, only withdrawn.
13. The only way in which investments can be recovered (whether the initial sum or any reduced value) is on liquidation of the Society or by applying to the Society for withdrawal.

**YOU SHOULD THEREFORE VIEW THIS AS A LONG-TERM INVESTMENT AND REVIEW YOUR FINANCES ACCORDINGLY.**

14. Share withdrawals can only be funded from trading surpluses or new share capital and are discretionary, being subject to the Management Committee's satisfaction that withdrawal is consistent with the long-term interests of the Society.
15. The value of each share cannot increase above its nominal value of £50. You should be aware that the value of shares may be reduced if the value of the Society's assets falls substantially.
16. **As an investor your liability is restricted to the value of your shares.** In the very unlikely event that the business fails you would have no further liability.
17. The Society hopes to be able to pay interest on 'A' shares in due course, subject to the financial performance of the Society justifying such payments, at the sole discretion of the Management Committee. Interest payments will not exceed 2% above the Bank of England base rate or 5%, whichever is the lower.
18. Interest, if paid, will be paid gross and is taxable. It will be your responsibility to declare these earnings to HMRC.
19. The Beckley & Area Community Benefit Society Limited is registered with the Financial Conduct Authority (FCA). However, as community shareholders, investors are deemed to invest for social returns and not for financial gain. The sale of community shares is not regulated by the FCA. There is no right of complaint to the Financial Ombudsman Service and nor can investors apply to the Financial Services Compensation Scheme.

**This Offer** has been prepared by Beckley & Area Community Benefit Society Ltd, and authorised by the Management Committee at its meeting held on 19<sup>th</sup> January 2022. Due care has been taken to ensure that all information and opinions contained within it are fair and accurate at the time of issuing the Share Offer.

**The Management Committee**  
January 2022