



CLYNFYW COMMUNITY
BENEFIT SOCIETY



Community Share Offer

SHARE OFFER OPEN:

18th September – 30th October 2023

**EXTENDED TO
31st May 2024**

AN OPPORTUNITY TO BE A PART OWNER OF A RURAL ESTATE

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Clynfyw Community Benefit Society Ltd. Registration Number 8647

Clynfyw Community Benefit Society (CBS) is a venture created and led by local people to secure and safeguard the future of Clynfyw Farm in Abercych, north-east Pembrokeshire (bordering Carmarthenshire and Ceredigion) and ensure it continues to act as a community hub, providing care farm opportunities and developing and supporting local resilience.

Our aim is to enable the local community to buy Clynfyw Farm in order to run it as a cooperative enterprise and to be an ethical landlord. You can become part of the venture by investing and buying shares. The shares will enable us to buy the farm buildings and land currently run as a secure business and community resilience hub.

This share offer, opening on 18th September 2023 shall run for 6 weeks, closing on 30th October 2023 ****N.B now extended to 31st May 2024****

The total cost of the project, including the cost of purchasing the property along with fees is estimated to be in the region of £550,000. This is our optimum target amount we are aiming to raise from this Share Offer, which is open to the community and the general public with our minimum target amount being £350,000, maximum £600,000. We will use the money raised, alongside grants/loans that we hope to secure (if required), to buy the first nine acres of land including community growing garden and orchard and the complex of stone farm buildings (including four cottages, stone-built workshops, log boiler, catering kitchen, craft and training rooms), associated with the property as well as to provide a small amount of set-up funds and working capital.

Buying shares makes you a Member of the Society and gives you a say in how it runs. Each member has one vote, no matter how many shares they buy. Shares will cost £1. The minimum shareholding is £100 and the maximum shall be £35,000, or 10% of the total share capital raised, whichever is the greater.

This document:

- Describes the project, its benefits for members and the community
- Explains about the Society and how the share offer will work
- Contains information on how to apply for shares

The Co-operative and Community Benefit Societies Act 2014 came into force on 1 August 2014, consolidating and replacing previous industrial and provident society legislation.



This offer has been awarded the Community Shares Standard Mark. 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 www.communityshares.org.uk

These standards ensure that:

- The offer document and application form are easy to understand.
- You are provided with all the facts you need to make an informed decision.
- The facts are supported by the annual accounts and/or business plan for the society.
- Nothing in the documents is purposefully incorrect, confusing or misleading.
- Societies are asked to sign a Code of Practice requiring them, among other things, to give the public a right of complaint to the Community Shares Unit.

Capital at Risk Warning:

Clynfyw Community Benefit Society Ltd. is registered as a society with The Financial Conduct Authority (FCA), but the sale of community shares is not regulated by the FCA. Like many investments, community shares are at risk and you could lose some or all of the money you invest. Unlike deposits with high street banks, community shares are not covered by the Financial Services Compensation Scheme, nor is there any right of complaint to the Financial Ombudsman Service. If you are considering investing a significant amount then you may wish to seek independent financial advice before doing so.

1. Purpose of the Investment

Clynfyw Community Benefit Society Ltd. (Clynfyw CBS) was set up in 2021 to enable the local community to buy Clynfyw Farm in order to run it as a cooperative enterprise; to be an ethical landlord to Clynfyw Care Farm and the people who live on the farm in supported tenancy accommodation (in four cottages); and be able to contribute significantly to community resilience.

The primary purpose of the Clynfyw CBS Community Share Offer is to purchase four residential properties, converted stone outbuildings and an adjoining nine acres (approx.) land, ensuring that it becomes a community asset in perpetuity.

The complex of Victorian farm buildings comprises four cottages where people live in supported tenancy and numerous large stone buildings that already house a pottery, industrial kitchen, juicing room and office, while others are empty and ready for new uses. Land used by the Care Farm includes established vegetable gardens, a 250 apple-tree orchard and pasture-land.

Our aim is to purchase the cottages, barns and land, guarantee that the current tenants continue with secure, affordable and fit-for-purpose accommodation, and undertake minimal repairs across the buildings. The Society will maintain these assets on behalf of the local community.

In proposing the purchase, the Society has commissioned a valuation of the entire site and commissioned professional building surveys of each element of the complex.

We aim to purchase the Farm buildings and nine acres of land by December 2023, will carry out planned maintenance works and receive regular income payments from the tenants immediately.

2. Clynfyw Community Benefit Society Ltd.

Clynfyw Community Benefit Society (CBS) has been formed to enable the people of North-east Pembrokeshire and the wider community to secure the future of Clynfyw Farm. A Community Benefit Society is a unique type of corporate business that is owned by and run for the benefit of the local community rather than private gain.

Our vision and values

Our Vision is to make Clynfyw a model and contributor to a sustainable, inclusive and resilient future.

Our purpose is to:

- Ensure that Clynfyw Farm remains at the heart of the community;
- Protect and support the goals Clynfyw CIC;
- Share our skills and assets to contribute to community resilience;
- Provide a place for people of all ages to socialise and learn from;
- Provide a comfortable and welcoming space for use by local organisations and individuals;
- Use local produce and support local businesses and form partnerships with local companies and organisations, focussing on collaboration whenever possible;
- Be a fair employer and secure employment and training opportunities for local people, young and old, and support them to fulfil their potential;
- Adapt to ensure availability and accessibility that meet the community's needs;
- Promote and facilitate a range of activities which encourage participation, including constant outreach so we offer what our community wants and needs;
- Run an efficient and viable business;
- Provide safe and accessible accommodation for vulnerable adults;
- Advance and support sustainable land use and food production with community involvement;
- Work in harmony with nature and towards zero carbon.

Our Values

We want Clynfyw CBS to continue to bring benefits to the community and be:

- Welcoming – both the place and its people
- Inclusive – with open arms to all
- Thorough and transparent– in all that we do
- Straight and true- in word and deed
- Fair – in our dealings with each other and with the world
- Progressive - develop more effective ways to self-govern and manage the economy
- Respectful – of our history, community and culture
- Be open – to new ideas and opportunities

The Co-operative and Community Benefit Societies Act (2014) Act requires a community benefit society to “carry on a business, industry or trade” that is “being, or intended to be, conducted for the benefit of the community”. The FCA uses the values and principles, presented below, to verify and validate whether a society's rules and governance arrangements are consistent with those of a co-operative.

Values *Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.*

Principles *The co-operative principles are guidelines by which co-operatives put their values into practice.*

Clynfyw Farm and our community

Located above the Cych valley, Clynfyw Farm is a 395 acre organic farm and woodland in North Pembrokeshire that has been farmed by the Lewis-Bowen family since the 1750s. Since 1985 it has offered high-quality accessible accommodation in converted Victorian farm buildings and has been an award-winning pioneer of community focussed farm diversification for over thirty years.

Clynfyw has led the way in farm diversification, rural access and inclusion, sustainable living and community collaboration and development for decades. Ventures on the farm have won numerous awards, including the Queens Award for Enterprise (sustainable development) in 2004 and 2020, Wales Environmental Awards (sustainable tourism business) in 2004, Pembrokeshire Tourism's Best Access for the Disabled Visitor and Sustainable Tourism Awards 2013, and the Rural Business Awards Farm Diversification in 2020 and Champions of Inclusive Community Empowerment- West Wales' in the 2021 Welsh Enterprise Awards. Focussing on supporting people the most vulnerable people in the community, the reach has been far and long lasting.

Please see our Introductory Film for more information:



As of 1st June 2023, Clynfyw is home to ten people living in supported tenancy, the longest resident having lived at Clynfyw since August 2013. Tenants often remain at Clynfyw for years, and some never want to leave with Clynfyw becoming their permanent home, while for others Clynfyw aims to be a transitional home, helping learn new skills and then move on to more independent living. With rental usually covered by Local Authority care packages, the cottages are almost always full. There is a growing demand for supported accommodation, and particularly as the Clynfyw offer is unlike others available, a waiting list of prospective tenants for Clynfyw has built up.

Also based at the Farm, Clynfyw CIC (est. 2011) runs a Care Farm which is open to everyone, but with a focus on supporting 'vulnerable people' in general. The Care Farm provides inspiring opportunities for 35 different vulnerable people many times each week, and secure, enjoyable employment for 48 paid staff and volunteers. Clynfyw CIC is a 'significant local employer' in our rural and isolated area.

The Care Farm rents outbuildings for various activities and an office as well as nine acres of land (part of Clynfyw Farm). Land leased to the Care farm includes productive vegetable patches, apple orchards, chicken runs, and the location for three polytunnels and a fruit cage. Vegetable produce is supplied to the Care Farm's day service users and the supported tenants, with any surplus being available for staff and local people to purchase. The orchards provide apples for juicing, and in 2022 over 4,000 bottles were prepared for sale. In addition to this, the apple juicing service juiced apples for over 150 apple tree owning members of the community (11,000 bottles in total).



Now with an established reputation and having built a stable foundation, discussion has turned to our ageing landlords and the likelihood of the estate being broken up once they are no longer with us. In order to secure long term stability for the tenants, protect the land and ensure that the farm remains a community asset, purchasing the Farm has been determined as the most secure option.

Clynfyw CIC's Care Farm and Clynfyw CBS are distinctly separate organisations with different Boards, constitutions, bank accounts etc., but they have agreed a Memorandum of Understanding which enables them to work together for mutual benefit and the benefit of the wider community as a whole:

'The overarching aim of this partnership is to establish an understanding and trust at the start of the partnership that will be able to evolve while ensuring the security of the existing care farm work, the participants who come to the farm and that of the tenants who live on the farm.'

We believe that Clynfyw Farm is a vital community asset and that its value and benefits will be best preserved if owned and run by a Community Benefit Society like ours. We have a unique opportunity to become owners of the farm, and by doing so, be able to contribute significantly to community resilience.

Furthermore, West Wales is seeing a surge in 'green endeavours.' Our community is well aware of the challenges we face and there is a drive to organise and prepare ourselves for whatever impact climate change will bring. When you become part of Clynfyw CBS, you will become part of a network of resilience initiatives addressing the nature and climate emergencies.

Buying Clynfyw Farm will be a way of promoting and strengthening the legacy of all of these things and this is central to the Society's objectives.

But to achieve our vision, we need to raise money.

The key source of funding comes from our local community, who, alongside the wider public, can now purchase shares in the Society to become members and have a say in how it is run.

We will also seek opportunities to take advantage of grants from local and national governments, and from independent and charitable trusts.

The story so far

Clynfyw Farm is owned by Tom Lewis-Bowen and leased to Jim Lewis-Bowen under a farm business tenancy agreement. The buildings were leased to Clynfyw Countryside Centre in 1998 (the current landlords of the tenanted cottages), and Clynfyw CIC has a further lease of the buildings and surrounds that will end in 2032. The majority of the land is presently rented out to an organic farmer, with another nine acres (approximately) leased to the CIC's Care Farm. Most recently, in 2023, the Big Barn roof has been leased to Egni Co-op¹ for community-owned photovoltaic panels (solar PV) in return for generated electric at a cheaper rate.



Over the years the Care Farm has secured a number of grants as tenant of the buildings and in 2019, Rural Community Development funding and Community Facilities grant monies supported the renovation of several of the outbuildings to include an accessible commercial training kitchen and dining room, workshop space, vegetable store, new accessible toilet facilities and CIC office. These complement other existing rooms and facilities that include an apple juicing room, craft room, quiet room, music room, games room and repair workshop as well as several stores and barns.

Pembrokeshire County Council (PCC) has been using Clynfyw CC's cottages for respite stays through its Learning Disability team since 2009, with care support provided by a number of different registered domiciliary care providers (commissioned directly by PCC). All four cottages are fully equipped and accessible for those with additional needs.

¹ <https://aat.cymru/egni/>

In recent years the current Lewis-Bowen family members have become dispersed. With siblings in different parts of the country, the estate is likely to be broken up once the older generation are no longer with us. With the Care Farm lease due to end in 2032, concern about the future of the Care farm and supported tenants and the fact that it might be sold to an individual who would not wish to renew the leases, a small group came together to see if a co-operative could be formed to buy the Farm and outbuildings and run it as a community venture, drawing inspiration from other similar initiatives across Wales and the UK.

With support from the Wales Co-operative Centre, Clynfyw Community Benefit Society was registered under the Co-operative and Community Benefit Societies Act (2014) in May 2021. The Financial Conducts Authority registration number is 8647.

In 2020, when the idea of the share offer was first considered, the buildings and land were independently valued by Rural Chartered Surveyors, Edward H Perkins for £750,000. Land and building prices increased in Wales during the pandemic, but the Lewis-Bowen family decided to honour the initial valuation. In June 2023, the family, wishing to further support our community endeavour, very generously reduced their asking price to £500,000 for which we are immensely grateful.

The Lewis-Bowen family have been supportive of the concept of community ownership since the founders of the Society first approached them in 2020, and have accepted an offer in principle, subject to funds being raised. The Society would like to thank them for their support and patience throughout the process.

Four visioning events with the local community, interested individuals and prospective shareholders were held in the winter and spring of 2021/22. Each had a theme, looking at different areas of community resilience and how Clynfyw could play a part. Engagement has continued at regular Care Farm coffee mornings with over 150 people having informed our thinking.

Discussions with existing and potential stakeholders have helped to shape this share offer, as well as future opportunities for the CBS. The feedback received during these engagement activities showed that there is considerable support for the initiative within the local community. In the run up to Christmas 2021, we ran a Pledge Campaign to research interest and the potential for the scheme. We were pleased to find over £100,000 was pledged in four weeks, with very little promotion of the scheme. It fills us with confidence for the actual share offer in the autumn of 2023.

We have also gained knowledge and expertise from committee members of Siop Havards Gymunedol Tydrath in Newport, Pembrokeshire – believed to be the first community owned hardware shop in the UK. They have agreed to support us in the online management of this share offer for a small fee and have shared data and administration systems with us – demonstrating local co-operation in action.

Working locally with the Ffynnone Community Resilience and the wider Grwp network, we are committed to supporting community resilience, sharing skills, knowledge, facilities and assets whenever possible. 'Resilience' means many things to different people and situations. What we mean is by the word is broadly - to strengthen our community against challenges to come.

If, together, we succeed, we can make a difference to more than just Clynfyw Farm.

The Board of Directors

The initial Board of Directors has been formed from amongst the founder members of Clynyfw CBS and the local community. The Board consists of 5 people, and at its meeting on 21st July, 2023 agreed the details of the Business Plan and of this Share Offer.

The members of the Board of Directors are as follows:

Dr John Morgan (Chair) - a retired medical doctor and experienced senior executive with chief executive experience in the NHS sector. Post retirement in Wales he has been active in the charitable and third sector holding a number of trustee and chair roles with a number of charities and public sector bodies including the Hywel Dda Community Health Council and Hafan Cymru Housing Association. He brings in depth knowledge of the trustee role and governance issues. He also has extensive experience of coaching and mentoring at all levels.

Ben Heneker FCCA (Treasurer) - A qualified accountant and Director at Green and Purple Ltd, overseeing a portfolio of CFO-led virtual finance teams and providing advice to a range of growth businesses. With 16 years' experience, he has provided finance support for a variety of industries and helped produce forecasts and raise finance for differing business needs. He understands that each entity has different needs and support requirements which is critical to all involved. He is distantly related to the Lewis-Bowen family (third cousin).

David Clarke - co-founder and CEO of Synaptica®, providers of enterprise software solutions for knowledge organization and discovery. Dave leads research and development at Synaptica, including software solutions for taxonomy and ontology management, text analytics and auto-categorization. Synaptica software solutions have attracted numerous international awards and in 2016 Dave was awarded the Knowledge Management Leadership Award by the Global Knowledge Management Congress. A resident of Abercych, Dave is a Fellow of the Royal Society of Arts, London, and a Leadership Fellow of St. George's House, Windsor Castle.

Catrin Bradley - Catrin has experience of working as a finance manager on grant-funded rural development initiatives and as project manager or administrator for a range of community-led projects. She is currently undertaking doctoral research into the potential impact of using digital technologies such as augmented reality (AR) to interpret place-based folklore and myth, and has a role as a Welsh Language Engagement Officer with University of Wales Trinity Saint David. Having been brought up in Bwlchygroes, North Pembrokeshire, Catrin has a strong association with the area and is pleased to support Clynyfw with their endeavours to secure a thriving future.

Jim Bowen - Jim's family have lived on Clynyfw Farm since the 1750s. He set up Clynyfw Countryside Centre in 1998 and Clynyfw Care Farm in 2011 (of which he remains a Director and staff member). He is a mentor for Renew Cymru, Social Farms and Gardens and Farming Connect. He writes books, including 'Care Farming for Beginners' (2019). He is committed to grass roots community development, with particular concern about the changing climate and the impact this has on us all and has recently become a Director of Grwp Resilience.

In addition, the Board of Directors is able to call upon **Advisors** as required and is currently supported by:

Piers Heneker – Initially a Founder member of the CBS, and former Director, the conditions of his employment has meant he stood aside, while continuing to bring his skills to the Board as an

advisor. Piers was brought up in the local area, being distantly related to the Lewis-Bowens and then left to work in industry for 10 years before bringing his family back to be raised in the local community. Piers has worked with Jim in the past at Clynyfw Countryside Centre and has worked for the last 15 years at the Citizens Advice Bureau as a Specialist adviser in debt related matters.

Sarah Hughes (Society Secretary) – has spent the last twenty-five years supporting community-led action and ownership in Wales and is an experienced facilitator with project finance and management skills. She has a background in environmental, rural, and sustainable development as well as group and community engagement.

Cris Tomos - has been extensively involved in community development and is currently the Enterprise and Business Coordinator for PLANED as well as volunteering with various projects, including Canolfan Hermon; 4CG Cooperative; Cwm Arian Renewable Energy cooperative and more recently Chair of Menter Iaith Sir Benfro. Cris received the award of Welsh Co-operator of the Year in 2012 and Welsh Social Enterprise Champion of the year in 2013 and supported the community purchase of Tafarn Sinc where 509 people raised over £400,000 to buy the iconic pub in North Pembrokeshire.

Cwmpas staff – who have provided guidance and advice to set up the CBS and prepare this share offer and will continue to support CBS Board members and staff in future.

Managing Declarations of Interest

The Board of Directors is responsible for managing Declarations of Interest and will keep a register with the following particulars: Names, addresses and occupations of Directors, date of becoming a Director and when left, the officers of the Board of Directors and any declarations of interest of the Directors. This should be updated regularly and annually at a minimum.

The Directors have identified potential conflicts of interest, where one of the founders and current director Jim Bowen, is directly related to the owner and therefore has a financial interest in the outcome of the offer. In addition, Piers Heneker and Ben Heneker are distantly related to the Lewis-Bowen family and will strictly observe declarations of interest procedures. Both Piers and Ben however, would receive no financial or other benefit from the sale of Clynyfw other than having an interest in protecting a special place for the community.

Should any potential conflict of interest arise, the Society's rules shall be applied strictly: *A Director shall declare an interest in any contract or matter in which s/he has a personal, material or financial interest, whether directly or indirectly, and shall not vote in respect of such contract or matter, provided that nothing shall prevent a Director voting in respect of her/his terms and conditions of employment or any associated matter.*

3. What are community shares

Community shares are defined by the Community Shares Unit as non-transferable, withdrawable shares in an independent society with a voluntary or statutory asset lock that is owned and democratically controlled by the community it serves.

Community shares are a type of share capital, unique to co-operative and community benefit societies, that are ideally suited to the needs of community businesses. Community shares in societies are wholly different to share capital in companies, represented by two entirely separate and distinct bodies of corporate legislation; society law and company law.

Community Shares are a way in which local communities – and other supporters – can invest in community projects. They differ from other types of shares in that they cannot be ‘traded’ – you cannot sell your shareholding on to someone else and the value of Community Shares cannot increase (but it can go down).

Community Shares are withdrawable shares which means that, after a certain time, you can choose to withdraw some or all of your shares – usually at their original value (but not for more). There are limits on withdrawal of community shares and these are set out in Section 6. ‘Withdrawal of shares’.

The Directors have set the value of individual shares at £1 per share with a minimum shareholding of 100 shares (£100) for this share offer. This is the minimum that can be purchased and is set at a level which we hope will encourage a large number of small investments and generate an increase in community members with a real interest in the Society’s work. Further shares will be sold in £1 increments, up to the maximum. The maximum individual shareholding in this share offer is £35,000, or 10% of the total share capital raised, whichever is the greater. We hope this will encourage a number of larger investors to support the project.

Clynfyw CBS intends to continue to use community shares as a means of generating capital for its projects. The Society has one class of shares and all shares are offered on the same terms with shareholder returns being generated from its assets.

The share offer will open on 18th September 2023 and close by 30th October 2023, ****N.B now extended to 13th January 2024**** unless the Board determines that there is benefit to an extension. The share offer will be closed early if we reach our maximum.

Community Shares attract interest, rather than dividends. When investing in this share offer you can opt for 0%, a maximum of 2% or a maximum of 4% interest on your shares. Interest is not guaranteed but is dependent on trading, profits and reserves.

Potential investors should note that community shares invested in property do not benefit from EIS, SEIS, or other HMRC administered tax incentive schemes.

4. The Business Plan

Clynfyw CBS has been established to run community share offers which we hope, over time, will enable the whole farm to become community owned, honouring its current uses, while focusing on progressive community resilience, and regenerative land usage so that it can be enjoyed as a secure community asset, benefiting more people in perpetuity.

A detailed business plan has been created for the first five years of running Clynfyw Farm and Buildings. You can download it from our website: [Business Plan](#) or if you’d prefer a hard copy, please request by emailing: adminCBS@clynfyw.co.uk

Our vision for Clynfyw Farm is based on the sustainable development of the land and buildings to provide for the following:

- Supported accommodation for 10 vulnerable individuals
- Facilities to support and expand the work of Clynfyw Care Farm
- Developing more areas for community growing both on Clynfyw Farm and around the area
- Planting more fruit trees locally.
- Running land-based courses
- Creating services to support wider mental health and wellbeing of our community
- Providing land-based volunteering opportunities

In this first share offer (Stage One) you would be buying a share of Clynfyw CBS which would become the new owner and landlord of a complex of Victorian farm buildings comprising four cottages where people live in supported tenancy and numerous large stone buildings. Some of these already house a pottery, industrial kitchen, juicing room and office, while others are empty and ready for new uses. There is also the land and buildings used by the Care Farm; nine acres including the vegetable gardens, 250 apple-tree orchard and pasture land. The purchase of the land and buildings will be classified as an investment asset.

The rent paid by the tenants and from the Care Farm provides a secure income that enables shareholders to receive generous interest on their shares leaving a surplus for community investment too, while events run on the farm by the CBS will generate additional income for wider benefit.

Stage Two will be to expand on existing Resilience work, developing a centre where people can play a part in the fast-moving zero-carbon social and economic revival. We will give placements, training opportunities, mentoring and support for others following the similar path, sharing our experiences to help make their journeys easier. We could run apprenticeships for people interested in the full care farm experience, or shorter stays with courses around community resilience, regenerative farming, rural micro-enterprises and sustainability from local practitioners. You, as a shareholder/owner, will have a say in the direction we take.

If successful, a future second share offer could enable the CBS to purchase more of the farm, and also to create additional accommodation space which could be used for additional supported tenancy accommodation, affordable housing for local people with access to land for community supported agriculture, or accommodation for people visiting for courses and training. Advice and support has been provided by Cwmpas's Community-Led Housing Team to explore future opportunities. All of these would offer benefits to the close Clynfyw community and also the wider community as a whole.

Stages will be sensitivity managed, taking into account community need, cultural sensitivity and the ever-changing world we live in. Your investment and involvement will enable the next steps in Clynfyw's evolution.

To ensure effective running of the CBS, a part-time Finance and Administration Officer will be

needed to manage day-to-day administration including maintaining CBS shareholder and financial records, managing the website and social media and preparing newsletters. This role will be established at the beginning of the project, and the part-time Maintenance Officer/Caretaker role currently funded through the Clynfyw Countryside Centre (to maintain the cottages and buildings) will be transferred to the CBS on completion of the property purchase. These roles have been costed into the financial plan from Year 1 and will be managed by the Directors in the first instance.

The Board anticipates that as the CBS looks to develop further activities a part-time Development Officer/ Manager will be needed and has costed this into the business plan from Year 2. This person would work on developing Clynfyw CBS activity including grant searching, project coordination, promotion and future planning. Members of the Board will provide supervision and management of staff and volunteers, and cover staff holiday and sickness absence in the first instance, if required. Once the Development Manager is in post (Year 2) they will become the line manager for the Finance and Administration Officer, the Maintenance officer/Caretaker and any volunteers.

Our figures are derived from the historic trading figures of running the CIC and supported tenancies as well as experience of rural services in comparable communities with similar facilities to those we have at Clynfyw. We are aware that the rental figures are comparable to those paid elsewhere through local authority agreements. We have also received advice from people with extensive experience in the Care sector. The aim is to create a sustainable business, by generating a small profit by end of year 1 and increasing it thereafter to grow the business gradually.

The Finances

The following table shows the money we need to buy Clynfyw farm buildings and 9 acres of land:

Purchase of property	£500,000
Land transaction tax*	£20,000
Legal Fees	£10,000
Start-up costs & working capital	£20,000
Total	£550,000

* The Directors have established that the CBS would be eligible for Multiple Dwelling Relief (MDR) on the amount of Land Transaction Tax (LTT) paid.

The cost of purchase is £550,000 including fees. We hope this will be funded from community shares and will only seek grant or loan finance if required. Future capital needs of the business will be funded through profits.

Our optimum target amount will be £550,000.

This target includes a small amount of working capital to cover any unforeseen expenses as well as legal and administrative costs.

Optimum Target	£550,000
Minimum Target	£350,000
Maximum Target	£600,000

We hope we can raise the full amount through community shares - the ideal outcome of the share offer would be to achieve the optimum target and mean that more profit can be returned to shareholders and the community.

Clynfyw CBS has set a **minimum** target of £350,000. If we reach this minimum target, and it is clear that the share offer has reached its limits, then we may still be able to proceed. We will then attempt to meet the shortfall through grant and/or loan finance. However, if we are unsuccessful in raising this minimum, we will initially explore whether the project could be structured in other ways. If this final effort fails, then all funds will be returned to shareholders, minus a small deduction for administrative costs.

If our fundraising performs above expectations, we have set a **maximum** target of £600,000. If we succeed in raising this maximum, we will bring forward plans to develop the income generation and community resilience aspect of Stage 2 and be able to recruit to the Development Officer/Manager role earlier than anticipated i.e before year 2025/26.

Clynfyw Farm Income/expenditure and balance sheet

There is an immediate and regular income stream for the Society with rents from the tenants currently living at Clynfyw and from the Care Farm, of £1400 (including utilities) per week. Costings have included an annual uplift of 2-3%. Income from rents is sufficient to cover the costs of insurance, management and maintenance of the properties, and will provide a net annual surplus. This is reduced from Year 2 by the payment of interest on community shares.

This will mean that the CBS will have a basic annual income of over £75,000 (2024/25), and even with running costs of approximately £54,000, from Year 2 net profit of £36,000+ is predicted, assuming our income generating activities are successful. This would cover a 3% per annum return. However, with some investment in Year 3 and 4 for CBS events, the addition of some new tenants, and an increase in rents we would look to increase the surplus over a 5 year period. This would deliver a 4% per annum return and allow for reserves and further investment to be made.

Costings are based on a successful share offer raise of our optimum target (£550,000). However, for prudence, we have also generated financial forecasts with loan finance (at 7% interest) covering the shortfall amount of £200,000 on our minimum target (£350,000) and reaching our maximum of £600,000. All circumstances have been stress-tested and remain viable but will have an impact on how quickly or to what level we are able to pay interest.

The overall trading position of the Society forecasts increasing cumulative surpluses over the 5 years of the business plan. For prudence, we will aim to build a modest reserve fund to cover unexpected costs.

In summary, the key financial trading forecasts for the first five years of the project, (assuming we are able to purchase the property without loan finance) are as follows (£):

	2023/24 (4 mths)	2024/25 (12 mths)	2025/26 (12 mths)	2026/27 (12 mths)	2027/28 (12 mths)
INCOME					
Tenancy rent	17,442	51,396	52,424	53,472	54,542
Utilities	4,635	13,792	14,205	14,632	15,071
Care farm rent	3,467	10,712	11,033	11,364	11,705
Grants/ donations	13,930	3,000	3,000	3,000	3,000
CBS Events and Activities	0	11,985	18,000	19,500	23,000
Total income	39,474	90,885	98,662	101,968	107,318
EXPENDITURE					
Utilities, cleaning, repairs/renewals	6,476	19,901	20,386	20,884	21,394
Insurance/accountants	1,752	5,416	5,578	5,745	5,918
Fuel costs	2,423	7,487	7,712	7,943	8,181
Administration (inc. p/t staff)	3,467	14,980	28,615	29,474	30,358
Others	11,717	6,252	6,440	6,634	6,833
Total expenditure	25,835	54,036	68,731	70,680	72,684
Net profit before interest payment	13,639	36,849	29,931	31,288	34,634
Shareholder Interest payment	0	16,500	16,500	22,000	20,350
After interest payment	13,639	20,349	13,431	9,288	14,284
Corporate tax	2,728	4,070	2,686	1,858	2,857
Surplus	10,911	16,279	10,745	7,430	11,427
Predicted surplus (culmulative)	10,911	27,190	37,935	45,365	56,792

BALANCE SHEET	2023/24	2024/25	2025/26	2026/27	2027/28
Investment Asset - Property	530,000	530,000	530,000	530,000	530,000
Bank	33,639	67,760	77,121	89,223	58,749
Debtors					
Current assets	33,639	67,760	77,121	89,223	58,749
Total assets	563,639	597,760	607,121	619,223	588,749
Current liabilities	-	16,500	16,500	22,000	20,350
Corporate tax liability	2,728	4,070	2,686	1,858	2,857
Long term liabilities	-	-	-	-	-
Total current liabilities	2,728	20,570	19,186	23,858	23,207
Total assets/liabilities	560,911	577,190	587,935	595,365	565,542
Equity	550,000	550,000	550,000	550,000	508,750
Reserves	10,911	27,190	37,935	45,365	56,792
Total equity and reserves	560,911	577,190	587,935	595,365	565,542

The Business Plan assumes our efforts to raise sufficient funding through a combination of selling shares, securing grants and other fund-raising activities, are successful. A cashflow forecast (headline figures) can be seen below:

CASHFLOW FORECAST Years 1-5 (no loan)							
	PE end 31/03/24	2024/2025	2025/2026	2026/27	2027/28		
Cash bfwd	-	33,638.50	67,760.13	77,120.91	89,223.04		
Initial Investment raised	550,000.00	-	-	-	-		
Purchase of rental properties	-500,000.00	-	-	-	-		
Land Transaction Tax	-20,000.00	-	-				
Legal fees	-10,000.00						
Shares repaid	-	-	-	-	-	41,250.00	
Shares brought	-	-	-	-	-	-	
Net investment proceeds	20,000.00	-	-	-	-	41,250.00	
Revenue received	39,473.67	90,884.46	98,662.49	101,968.12	107,317.45		
Overheads and expenditure	-25,835.17	-54,035.13	-68,731.84	-70,679.86	-72,684.05		
Net operating proceeds	13,638.50	36,849.33	29,930.65	31,288.26	34,633.39		
Interest paid to investors			-16,500.00	-16,500.00	-22,000.00		
Corporate tax		-2,727.70	-4,069.87	-2,686.13	-1,857.65		
Net cashflow for year	33,638.50	34,121.63	9,360.78	12,102.13	-30,474.26		
Cash cfwd	33,638.50	67,760.13	77,120.91	89,223.04	58,748.78		

Should a loan be required to meet our optimum target, the Board of Directors have determined that up to £200,000 would be affordable, based on projected figures (see cashflow below).

CASHFLOW FORECAST Years 1-5 (£200K loan)							
	PE end 31/03/24	2024/2025	2025/2026	2026/27	2027/28		
Cash bfwd	-	26,305.17	39,360.13	34,320.91	32,023.04		
Initial Investment raised	550,000.00	-	-	-	-		
Purchase of rental properties	-500,000.00	-	-	-	-		
Land Transaction Tax	-20,000.00	-	-				
Legal fees	-10,000.00						
Shares repaid	-	-	-	-	-	26,250.00	
Shares brought	-	-	-	-	-		
Net investment proceeds	20,000.00	-	-	-	-	26,250.00	
Revenue received	39,473.67	90,884.46	98,662.49	101,968.12	107,317.45		
Overheads and expenditure	-25,835.17	-54,035.13	-68,731.84	-70,679.86	-72,684.05		
Net operating proceeds	13,638.50	36,849.33	29,930.65	31,288.26	34,633.39		
Interest paid to investors			-10,500.00	-10,500.00	-14,000.00		
Loan interest paid	-4,666.67	-14,000.00	-14,000.00	-14,000.00	-14,000.00		
Loan capital repayment	-2,666.67	-8,000.00	-8,000.00	-8,000.00	-8,000.00		
Corporate tax		-1,794.37	-2,469.87	-1,086.13	-657.65		
Net cashflow for year	26,305.17	13,054.96	-5,039.22	-2,297.87	-28,274.26		
Cash cfwd	26,305.17	39,360.13	34,320.91	32,023.04	3,748.79		

Further financial forecasts can be downloaded [here](#).

Applications for grant funding will be developed during the share offer period and beyond, however the intention is to maintain 'business as usual' for the Care Farm and supported tenants, ensuring that income will be able to be generated immediately.

During the fundraising process the board will communicate with the members at all key decision points. No expenditure will be incurred until the funding total is reached. All expenses up to that point are being covered by the board, together with a small amount of development grant funding towards professional fees.

At an appropriate point a finalised plan, based on funding which has been secured, will be put to the members for approval.

Any profit generated from trading will be used to cover the following fixed and discretionary items:

- Any corporation tax liabilities
- Interest on loans
- Repayment of loans
- Maintenance of the premises
- Enhancing and developing the facilities
- Interest on share capital
- Facilitating the withdrawal of shares from time to time

If the Society is unable to complete its purchase of the Property and no alternative plan has been approved by the members, shareholders' funds will be returned, less any administrative costs incurred, and a proposal will be made to a General Meeting to discontinue the Society.

Please note that further details on how the trading forecast were derived and the research undertaken and assumptions made can be found within the Business Plan itself, see link [Business Plan](#)

Return on Investment

We are aiming to offer three levels of return: A Benefactor Rate of 0% interest for those who do not presently need a return, a Supporter Rate equal to half of the proposed payout (2%) and a Standard Rate of the full amount proposed (4%). If shareholders would rather receive a lower interest rate, this would create increased surpluses to help develop the plans we make as a Society.

After completion of a full year of trading, and if the business is running successfully and has sufficient surpluses, we hope to be able to pay annual interest on members' shares of 3% as an initial return following the end of Year 2. This would ideally increase over Years 3-5 and be at 4% in Year 5. The Directors will each year submit a recommendation regarding interest payments on shares for the approval of Members at the AGM. It is important to note that if we do not make any money at all or less than £30,000 we would not be able to support the 3% return and so may pay less or nothing at all.

As we have additional Stages planned, we intend to seek grant funding to run alongside the Community Share Offer. With a grant, there would be a reduction in the amount we need to repay each year, so increasing the surplus for community ventures, while it could also help us raise additional funds towards Stage Two (the Resilience Centre) in the same Share Offer as Stage One. But at this stage (September 2023) we have no funding secured.

Additional Funding

Several Board members and advisors have experience of raising funds to support community projects. Previously, via UK Government Community Renewal Funding, Clynfyw CIC secured £7,000 to support the development of a business innovation plan for the CBS and recently the CBS received £10,930 of Welsh Government Perthyn funding to support the development and promotion of this share offer.

Furthermore, in July 2023, we were very grateful to receive a donation (£3000) from the directors of Ty'r Eithin - a biodynamic farm charity combining the aims of bringing young people to experience small farm life, creating a community for people with special needs of many kinds and supporting wildlife. The donation will support our efforts to secure the farm.

Should we reach the minimum target and funds be required to reach the optimum, the Board will explore all options available to them including grants and/or loans.

The option of securing loan finance to meet any shortfall has been explored and will be accessed should the share offer raise not meet all costs. Advice has been received from Social Investment Cymru, and eligibility for their Community Asset Loan Fund (CALF) confirmed. An initial application

has been prepared for up to £200,000 with the view that only the amount that is needed will be taken up. We have been advised that if we meet certain conditions (Real Living Wage and Sustainability) we may be able to reduce any loan interest from 7% to 6%, but our financial modelling has allowed for 7%.

Pembrokeshire Association of Voluntary Services (PAVS) are also able to support the work of developing funding proposals. Possible grant funding to complement the share offer identified includes:

UK Government Community Ownership Fund, established to help ensure that communities can support and continue benefiting from the local facilities, community assets and amenities most important to them. Community groups are able to bid for up to £250,000 match-funding to help them buy or take over local community assets at risk of being lost, to run as community-owned businesses.

National Lottery Community Fund - People and Places

Offers funding from £100,001 to £500,000 for projects where people and communities are working together and using their strengths to make positive impacts on the things that matter to them the most. 'People and Places' can fund capital and revenue costs up to £500,000, such as equipment, staff costs and refurbishments. It can fund projects for up to five years.

- Pembrokeshire County Council's Enhancing Pembrokeshire Grant

We have spoken to officers from PCC's Enhancing Pembrokeshire Grant who are encouraging about our plans, so long as we can demonstrate the project is strategic, can be used to help other groups and benefits the wider community. They have given grants of over £100,000, while others are a few thousand. 5% of what we are aiming for (£27,500) is plausible.

Subsequent funding will be sought once the property has been secured. With a successful Stage One, we will be able to demonstrate community support for the CBS which would enable us to apply for grant funding to develop the project further. Examples of possible funding sources for the building refurbishment and development work and possible revenue funding sources for staffing are included in the detailed business plan.

At an appropriate point, and before major expenditure is incurred (the actual purchase of the premises), a finalised plan, based on funding which has been secured, will be put to the members for approval.

5. Managing Risk

Nothing in this world is guaranteed, but buying a property is said to be one of the most secure investments. Your money would be secured against the property so, if sold, you would be most likely to get it all back.

HOWEVER we hope never to sell!

There is a solid business model behind this plan, but there are always risks associated with investments. You will be buying shares in a solid, tangible asset, the value of which is unlikely to go

down, but please don't invest more than you can afford to lose. **Success cannot be guaranteed, and your investment is at risk.**

Working with Cwmpas (previously the Wales Cooperative Centre) to achieve the Standard Mark for Share Offers, we believe we are demonstrating good practice, due diligence and financial viability. Nothing is guaranteed, but we aim to follow best practice at all times to secure your investment and the long-term future of the farm.

Clynfyw CBS Business Plan (Section 5) sets out our analysis of how we manage and mitigate risk. This includes the risks of not achieving the expected level of share investment and/or grant income and how the CBS intends to manage risks such as the potential costs associated with unexpected future building repair costs and reduced tenant occupancy.

As with any investment there is risk involved. should Clynfyw CBS get into financial difficulties:

- We may have to suspend your rights to withdraw shares
- You may lose some or all the money you pay for your shares

If Clynfyw CBS is wound up, its assets will first be used to meet its liabilities; next to repay members for their shares; finally any surplus remaining will be passed on to a charity, Society of other asset-locked body serving the community of north Pembrokeshire.

Unexpected Building and Maintenance Costs

The cottages form part of a complex of Victorian farm buildings. Over the past 20 years, all of the cottages and some of the other outbuildings have been renovated to meet Building Regulations and have been well maintained. Surveys of all the properties conducted by Building Surveyor, Nigel Stone, in April 2022 have provided comprehensive reports into the condition of the buildings. While they did not highlight any immediate repairs required, his reports have provided a list of maintenance tasks that can be carried out as part of general maintenance going forward.



The buildings will be fully insured. As a pragmatic landlord, our figures include insurance and contingency funds to cover replacement costs, for instance if a boiler was to break down.

The Society will fund general repairs and maintenance through annual repair costs covered by income and will establish a sinking fund as part of the reserves policy of the Society to cover longer-term building repairs. This should ensure that a managed maintenance programme will prevent undue deterioration of the building and raise any repair issues before they become major repairs. As a last resort, Clynfyw CBS will raise additional funds for major building works through further community shares issues or through social investment funders.

6. How will our Community Benefit Society work?

This is not just about buying a property – it is primarily about helping to sustain the community. There will be limited financial reward, but you may earn interest and your liability will be limited. Anyone over the age of 16 can invest (but only people aged 18 or above can serve as directors) and by investing you become a member of the Society. While members must be over 16, shares may be bought on behalf of a minor and held in trust by an adult (see 'Buying Shares in Trust' below).

We want Clynyfw Farm to remain your community asset for generations to come - a stable point in an unstable world and a hub of increased resilience against the challenges to come. We consult with our members on our strategy, our focus and our future. Being a member provides you with a say in how the CBS evolves, whether it is here on the farm, or wider more progressive resilience endeavours locally. Members will decide on community benefits and help to 'bolster' the business model by being involved in making sustainable choices. Regular member e-newsletters and posts to our Facebook page (<https://www.facebook.com/clynyfwcbs>) will keep everyone up to date with the latest news, events and activities of Clynyfw CBS.

Reflecting community benefit and Clynyfw's purpose to support vulnerable people, the CBS has agreed that supported residents living at Clynyfw be enrolled as members through a nominal £1 share (each) with no financial return, to ensure they have a say in the future of their homes. Their security and that of the community, is paramount.

You cannot demand the farm is sold if you need your investment back. The CBS aims to have a list of people waiting to buy a share, and we plan to set aside part of the surpluses each year so we can buy back shares that people want to sell. None the less, we ask you NOT to INVEST if you expect to need your cash back urgently.

Through Annual General Meetings (AGMs), you can review progress, make important decisions, elect - and stand for election to - the Board of Directors and hold that Board (who are responsible for monitoring progress of Clynyfw CBS) accountable. As a Member you will have the right to nominate yourself to join our Board of Directors. You will also be able to join sub-committees according to your interests (such as those that might be set up to support events or explore development opportunities for buildings) and this provides a further opportunity for you to share your skills and experience to help move Clynyfw CBS forward. Members will have a say about where any additional surpluses are spent, and on what types of community projects are supported in future.

We will hold an annual special Members' barbeque. This will be a free event held to provide an informal space to meet other members, discuss progress with staff and share stories in addition to the annual general meeting. We know there is an increasing demand for practical courses around horticulture, environmental resilience and other areas of low impact living, restorative farming and sustainability and members will have the opportunity to shape what courses are run, as well as contribute skills and experience. Any expenses incurred in facilitating income generation will be returned to the CBS through sales of courses and items (e.g. food and produce).

Everyone involved at Clynyfw already has the permissive right to access the paths criss-crossing the

395 acres of adjacent farm and woodland. Timber from the adjoining woods is used to heat the Clynyfw Cottages, while the vegetable garden supplies visitors and residents with a valuable part of their diet. The woodland and orchard supply the charcoal and apple juicing enterprises, and then some of the waste (along with horse manure) feeds the vermiculture. We've made a start, but there is more to do. Your investment and involvement will enable the next steps in Clynyfw's evolution.

Each community shareholding comes with a beautifully presented share certificate. These shares are completely non-profit making and cannot be sold on or transferred (unless stated so in a Will) – you are investing in the future.

We strongly recommend that you read our Society Rules before purchasing a share in the CBS.

How much is a share?

Shares are £1 each and the **Minimum** shareholding is £100 and the **Maximum** is £35,000 or 10% of the total share capital raised, whichever is the greater. Your return and perks on investment will be proportionate to the sum (i.e. up to 4% on value invested). We welcome investors buying shares in installments if that is easier (either up to the maximum value through using your unique membership number, or to reach the minimum).

You can buy them with friends, family, or as part of a group if you'd rather (although one individual will need to be nominated as the named shareholder). This project is all about the future, helping secure the work and develop wider community resilience. If you would like to purchase Clynyfw CBS Community Shares as a gift for someone aged 16 years or older, please get in touch with us at adminCBS@clynfyw.co.uk

Incorporated organisations can also invest; however, organisations and informal groups must name an individual on the share application form, who will attend meetings and vote on their behalf.

Buying shares in trust for under 16s

An investment in Clynyfw is an investment for the generations to come. Maybe you will be buying shares for your children or grandchildren? Shareholders need to be aged sixteen or over, but you can purchase for children and act on their behalf until they reach that age.

Should you wish to invest but do not have £100 immediately, you can invest as little as you like, until you reach the minimum to purchase 100 shares – please contact adminCBS@clynfyw.co.uk for further information.

The society has made provision for members to bequest shares on their death. This is done through completing a nomination form which is available to download online, see [Nomination Form](#) Please refer to section 8. 'Other important legal information' for more details.

Once we have achieved 10% of our target (£55,000) we will hold a 'banquet' to thank our 'Pioneer Investors' and we will have another when we reach 50% (£275,000), and a third when we reach the target sum. At £100/shareholding, we could have 5500 investors!

One member, one vote

A key rule is that each Member has one vote, regardless of how many shares they own. This means the Society remains completely democratic. Each share has a value of £1. The minimum shareholding is 100 shares and the maximum number of shares that can be held is 35,000 (or 10% of the overall number of shares whichever is higher) but your voting rights will be one vote per investor, not by the sum invested. Being a member provides you with a say in how the CBS evolves, and the direction we take.

CBS Rules and Governance

The Society's Rules can be viewed online: [Clynyfw CBS Rules](#)

Overseeing the day-to-day running of the enterprise will be the responsibility of the Board, who will be the legal Directors of the Society, and will hold shares in the CBS. The appointment of members of the Board and the approval of policies regarding payments of interest on shares, and share repurchase requests, will be made by the members of the Society at each Annual Meeting.

Elected members of the Board will hold office for a period of three years. Those members who form the initial Board will all retire at the first AGM (in accordance with the Society's Rules) but may offer themselves for re-election. Thereafter, members of the Board will retire in a phased way over the following three years (also in accordance with the Rules of the Society). All new Board members will be elected by the Society's members. Members will be entitled to attend the AGM and stand for election to the Board.

The board is supported by advisors who provide feedback on decisions, support the Board and will provide help with administrative tasks and initiatives during the fundraising process.

In addition to the Board, once the purchase process is underway, we will draw on the support of volunteers to get the enterprise up and running and help keep things going once we have completed the purchase. Different working groups will focus on issues such as Business and Finance, the Buildings, the Land/Growing produce, Events and Marketing and other areas as appropriate, ensuring that we involve and utilise members' range of skills and experience for the benefit of the CBS. Members of these working groups may be drawn from the advisors and also from the wider membership. All groups will report to the Board.

Members will drive our strategy, our focus and our future. They will decide the way in which any future CBS surpluses are distributed, and shape future projects and direction of the Society through voting majority. Volunteers (members) will also have opportunities to be involved in land and orchard management, growing, produce harvesting, running events and courses and other activities at the Care Farm (outside of Day Service hours).

Interest payments

After completion of a full year of trading, and if the business is running successfully and has sufficient surpluses, we hope to be able to pay annual interest on members' shares up to a maximum of 4%. The Directors will each year submit a recommendation regarding interest payments on shares for the approval of Members at the AGM.

Withdrawal of shares

Shareholders should be prepared to tie up their capital for a number of years. Shares cannot be sold or transferred except on death or bankruptcy and their value cannot be realised except on application to the Society itself for their original value.

Share capital cannot be withdrawn for the first three full years of investment and thereafter only at the Directors' discretion, and as per the terms of the business plan. Directors reserve the right to refuse an application for withdrawal of investment to protect the stability of the Society's financial position.

If a member dies their personal representative can apply for withdrawal of the share capital. Return of share capital under this provision will be prioritised by the Board over any other return of members' capital. We encourage prospective members to view their investment as a long-term commitment to the project; a one-off investment to generate a long-term financial benefit to yourself and a chance to help provide the West Wales community with something to be proud of.

Withdrawals must be funded from surpluses or new capital raised from members. You will need to give at least three months' notice of your wish to withdraw; however, it is important to note that we do not anticipate being able to allow any withdrawals before year 4. When it is possible to consider share repurchase, the Board will set out appropriate criteria and annual limits.

It is important to understand that the Board may suspend withdrawals depending on the long-term interests of the Society, the need to maintain adequate reserves, and the commitment to the community.

Asset Lock

The Society's Rules include a legally binding asset lock. This ensures that any surplus earnings remaining after it has paid interest to its shareholders and repaid any capital which is withdrawn must either be reinvested in the business or used for the benefit of the local community or for another charitable or community cause. This means that, if the Society should close but the building has appreciated in value, it would be possible to sell the assets and return capital to members up to the value of the original investments, but not to distribute any surplus value in that way.

Shareholder rights and benefits

As owners, shareholders have a say in what happens to our asset, and can shape its future within the purposes of the CBS (see [Rules](#)) which have been written to provide stability and security for the people living at Clynyfw and the Care Farm endeavours, but which carry the flexibility to cope with needs in the future. Shareholders could not choose to undermine these purposes, e.g. Society members could not asset strip it, sell out to big Biotech or set up a firing range.

By buying shares in Clynyfw CBS you would have a say in the next stages of Clynyfw's evolution. You would co-own an historic asset, and influence the transformation that ripples out from it, bringing benefit to the wider community. As shareholders, you will be welcome to visit your asset but please get in touch first to arrange a time so that you are made welcome. We hope to be able to provide you with accommodation in future - see Stage Two within the Business Plan.

Clynyfw arranges regular community coffee mornings, usually with an estate tour offered, and a talk from affiliates. Before COVID-19 times these talks were monthly. You'd be welcome at these, and

maybe you'd like to give a talk about some other endeavour in which you are involved. If you are an artist, perhaps Clynfyw could be a suitable venue for your show or performance? If you have a birthday coming up, an anniversary or if you simply want to celebrate with a picnic, where better?

As a Share Holder, you would also be able to purchase certain products (including the apple juice, vermicompost and charcoal made on the farm) at a discounted rate.

Remuneration

Directors and members will not benefit financially in any way from the activities of the Society, other than through participation in the Society's shares and loan offers.

7. How to apply for Shares

All applications for Clynfyw CBS's share offer are being managed through our website, www.clynfyw.co.uk (supported by Siop Havards Gymunedol Tydrath Management Committee and the online system they developed).

Once the share offer is officially launched in September 2023 you will be able to invest directly via the share offer documentation that can be accessed [here](#).

If you wish to become a member of Clynfyw Community Benefit Society and invest in our venture, please complete the online [Investment Form](#).

Once you have completed the online investment form you will receive an email giving you a unique reference number and instructions of how to transfer funds directly to our bank account.

Once you have transferred funds to the CBS's bank account, these will be held secure and will not be made available to Clynfyw CBS to complete the purchase until after the share offer has closed and all due diligence checks have been undertaken.

We would prefer all applications and payments for shares for this offer to be handled electronically through the online system. However, if you would prefer to submit a paper application and pay by cheque or BACS, please contact us at adminCBS@clynfyw.co.uk or call 01239 831236 to request an application form and return this to us at the address provided.

8. Other Important legal information

Anyone interested in applying for shares in Clynfyw Community Benefit Society Ltd. is strongly advised to take appropriate independent advice. The list of risks contained in this document is not necessarily comprehensive.

Capital at risk

You could lose some or all of your money in this share offer. Community share offers are exempt from or outside the scope of the 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.

If Clynfyw CBS made significant losses, the Directors may need to write down the value of the shares upon the advice of the auditor or accountant. Should you then wish to withdraw your shares, you will then only receive the written down value of those shares.

Leaving shares in your will

Any shares up to a value of £5,000 can be left to anyone over the age of 16 without probate by completing the nomination form available online: [Nomination Form](#)

Any shares you have over the value of £5,000 or if you don't complete the nomination section will be added to your estate and distributed through the stipulations of your will.

In this circumstance, if a beneficiary of your will does not wish to become a member of the Society, we will pay the value of the shares to the beneficiary. If we are not in a position to make a payment within the rules of the Society, we will convert the value of the shares to a loan.

Clynfyw CBS asks that you do consider a bequest to the Society by nominating our organisation for receipt of your share capital.

Documentation

Further documentation is available free of charge as downloadable .pdfs on Clynfyw's website at www.clynfyw.co.uk (CBS tab) and includes:

- A full business plan for Clynfyw CBS including details of the wider operations of the Society
- A copy of Clynfyw CBS's rules ('the Constitution')
- A copy of this Community Shares Offer document
- Details of our Equalities, Diversity & Inclusion Policy
- Details of our Privacy Policy

The website also has further details about the activities of Clynfyw Care Farm.

If you are unable to access the internet and require a copy of any of these documents, please write to The Secretary, Clynfyw CBS, Clynfyw Farm, Abercych, Boncath, Pembrokeshire SA37 0HF or make an email request at: adminCBS@clynfyw.co.uk

Data

Your personal details as submitted on the application form will be held by the society and used in accordance with the provisions of the rules and of the 2014 Co-operative and Community Benefit Societies Act. The society will not share, sell or provide my details to any other individual or organisation and will ensure compliance with the UK GDPR regulation in accordance with its responsibility as a data controller. Our privacy policy is available on the website www.clynfyw.co.uk/cbsprivacypolicy.

You must read the following points about the share offer before deciding whether you wish to participate:

I. When you are considering buying shares it is essential that you understand that this is an investment in our community, intended to create a secure and lasting asset for us all.

II. The intention is to build on our social infrastructure and help to create a thriving and sustainable community. This is not a conventional investment, and you should not expect high or direct financial returns. Full information is set out in the Society's rules available on our website.

Please note:

III. The value of shares cannot increase beyond their original value. You should be aware that the value of shares may be reduced if the business is unsuccessful.

IV. As an investor your liability is restricted to the value of your shares. In the unlikely event that the business fails you would have no further liability.

V. Currently, the Society plans to consider paying interest on shares after the first full year (March 2025) of trading has been completed and enabling shareholders to withdraw investments after the third full year. The rules of the Society allow for interest payments to be suspended if the financial performance of the Society does not justify such a payment. Detailed financial projections for the Society's performance are included in the Business Plan.

VI. The only way in which an individual's investments can be recovered (whether the initial sum or any reduced value), other than interest payments or general re-imburements, is to give the Society notice of withdrawal. This cannot happen during the first three years after the date of this share issue.

VII. The specific conditions for withdrawal include:

A. Withdrawals must be funded from trading surpluses or new share capital and are discretionary, being subject to the Board of Directors' satisfaction that withdrawal is consistent with the long-term interests of the Society.

B. The total repayable each year is limited to a maximum of 7.5% of the current value of the share issue.

C. Three months' notice must be given.

VIII. All funds invested in this share offer will be held in the bank account of Clynyfw Community Benefit Society and used only for the purposes of purchasing Clynyfw Farm, for maintenance of the facilities, for working capital and for costs incurred in launching and administering the Society. In the event that the purchase does not proceed, all contributions will be repaid net of costs incurred.

IX. Clynyfw CBS is registered as a Society with The Financial Conduct Authority (FCA), but the sale of community shares is not regulated by the FCA. **Like many investments, community shares are at risk and you could lose some or all of the money you invest.** Community shares are not covered by the Financial Services Compensation Scheme, nor is there any right of complaint to the Financial Ombudsman Service. If you are considering investing a significant amount, then you may wish to seek independent financial advice before doing so.

X. Welsh Translation – This document was first written in English. Whilst every attempt has been made to ensure the accuracy of translation into Welsh, for legal purposes English will be the contracting language.

For further information on the project, visit our website <http://www.clynyfw.co.uk> or contact us on adminCBS@clynyfw.co.uk.

