

**Cymdeithas Budd Cymunedol  
Ysgol Cribyn  
Community Benefit Society**

**Share Offer**

**March 22nd – May 5th, 2024**

# 1 Ysgol Cribyn - Introduction

**Cymdeithas Fudd Cymunedol Ysgol Cribyn Cyf.** is an initiative by local people. Our aim is to enable the local community to buy the school and to run it as a co-operative. Everyone can be a part of the initiative by investing and buying shares. The monies from these shares will enable us to buy the property and make improvements to the building. The opportunity to buy shares will open on **Friday, 22 March** and will be open for 6 weeks, closing on **Sunday, 5 May**.

The aim is to raise £175,000 through the Offer to Buy Shares scheme – an offer that will be open to the community and the public in general. The monies raised, together with grants to be secured from other sources, will be used to buy the school and improve the building. One part will be turned into an affordable home whilst the main part of the will become an attractive, multi-use community centre. It is estimated that the total cost of the project – buying the property, creating the centre and affordable home – will be approximately £850,000.

Buying a share will enroll you as a member of the Society and give you a say on how it's run. Every member has one vote regardless of how many shares are held. One share will cost £1. The minimum amount you can invest is £100, and the maximum £25,000.

This document will...

- outline the project and how members of the community will benefit from it
- explain the nature of the Society and how the share offer will work
- include information on how to buy shares

## 2 The Obvious Goal

### **Y Gymdeithas Budd Cymunedol – The Community Benefit Society**

Cymdeithas Budd Cymunedol Ysgol Cribyn cyf. was established in order to enable the people of Cribyn to secure the future of this asset. It is a business owned by the local community and run for the benefit of the community, rather than for private profit.

The aim is to buy and make improvements to the school and to maintain it as the centre of the essential dynamic of collaboratively creating, maintaining and re-creating community.

The main elements of the initiative are...

- Purchase the property (within 6 months)
- Create a multi-purpose, attractive and comfortable community centre
- Modify a part of the building into an affordable home for a local family

### 3 Our collaborative vision

#### The Community of Cribyn and the wider community of Dyffryn Aeron

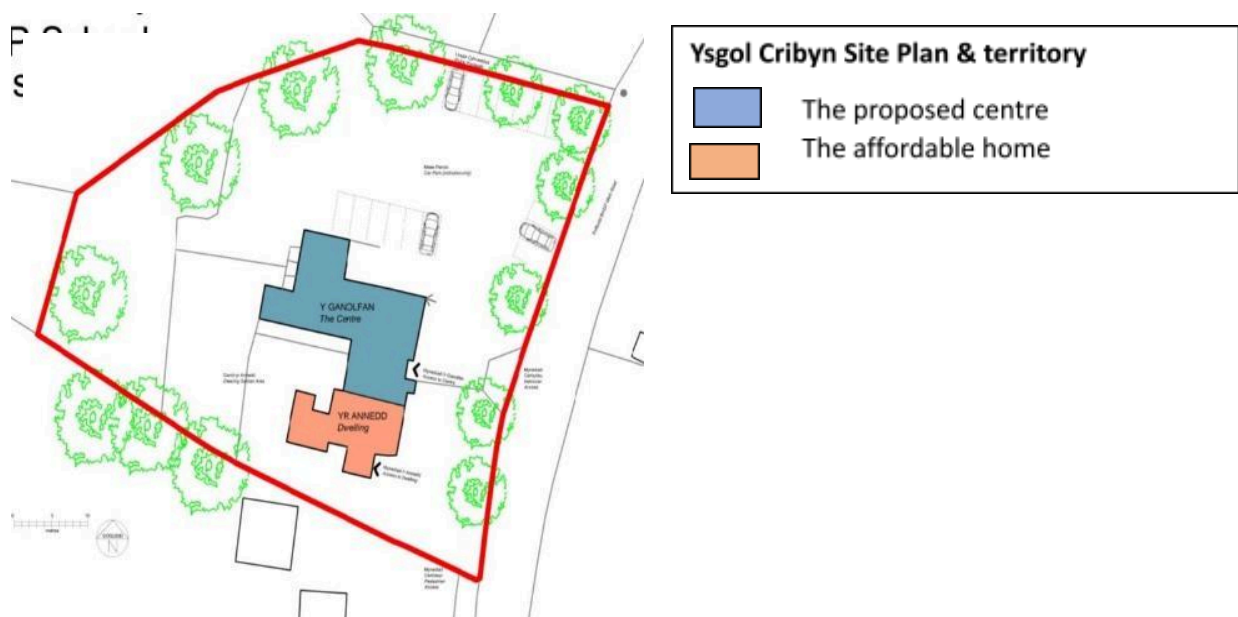
With a population of just 300, Cribyn is a small community. But it's a vibrant community. A vibrant community that is vulnerable.

This fragile state is connected to the change in demographic that is common in so many rural Welsh-speaking parts of Wales, namely the emigration of young people and families on the one hand and the inward migration of mostly older people, on the other. The inherent instability has an obvious effect on language.

Whilst the historic Cribyn was a naturally vibrant community the current activity stems from a conscious effort on the part of an active core not to lose grip on the collaborative dynamic they were endowed with and to find ways to both stimulate and enable newcomers to relate to, and participate in, the ongoing process of creating, maintaining and re-creating community.

The underlying aim of the initiative to buy Ysgol Cribyn is to promote this co-educational vision. This is why the initiative continues to uphold the name "Ysgol Cribyn". Because, above all, the new school will be a place to learn about each other, from each other and with each other - the heart of a **co-creative** and **co-caring** community. A community in which **people know each other, support each other and work and rest together.**

This initiative is not a simple plan to bring people together. Its aim is to **bring people together in a meaningful way. Creatively. Educationally.** This means facing fully the linguistic, cultural and socio-economic challenges that exist. Facing them **together.** Questioning them **together.** And developing positive responses to them **together.**



## 4 Strengthening the Welsh Language's Sustaining Ecology

Taking inspiration from the historical activity of Cribyn, the series of meetings discussing the future of the school has identified a range of activities with the potential to strengthen the sustaining ecology of the Welsh Language whilst simultaneously including and educating newcomers to Cribyn and Dyffryn Aeron.

Broadly, the aim is to support the best creative and educational practices of the past and to use them as a basis for inclusive innovation and growth of confidence and aspiration.

Here are the headlines for the Ysgol Cribyn project...

- Create an affordable home for a young, local family from the vicinity of Cribyn and Dyffryn Aeron
- Develop Ysgol Cribyn into a centre for...
  - innovative activities together with traditional Welsh-and-inclusive celebrations
  - working innovatively to develop roots for children and young people and newcomers in the history, geography, culture, natural environment and bio-diversity of the 'milltir sgwâr' (square mile) in which they live.
  - committees, business meetings and training at the geographic centre of Ceredigion
  - well-being activities for body and soul for the benefit of the residents of Dyffryn Aeron and mid Ceredigion
  - promote new ideas / enterprises to strengthen the basic economy of Cribyn and Dyffryn Aeron.

## 5 A once-only opportunity

Undoubtedly, the school is an asset with great potential. The County Council is giving the community a 6 month opportunity to purchase the property. After that, the authority will have the right to sell on the open market. If the community does not seize this opportunity there is a danger that it will become an asset of sole benefit to a private company or individual, and not for the benefit of Cribyn and the wider community of Dyffryn Aeron. Therefore, buying the school together is the only way to protect it and develop it for the benefit of the community.

The key funding will come from the immediate locality of Cribyn and the wider community of Dyffryn Aeron. However, people from far and wide can also buy shares and by doing so, show their support, become members and contribute to the process of collaboratively imagining and shaping the future of the school in its new form.

## Buying **together**, owning **together**, aspiring **together**

In Wales ('Cymru' = a community of communities) in general and Dyffryn Aeron in particular we have a long history of collaboratively raising money and establishing co-operative enterprises. After all, that's what our chapels and memorial halls are, our drama companies, choirs, rugby and football clubs, not to mention the large farmers' co-operatives (CCF for example). With such a legacy from the past, and more recently, the exceptional success of the "Vale of Aeron" pub in Ystrad Aeron, we have a solid basis for looking forward with confidence towards buying and re-opening Ysgol Cribyn as a centre of hope and strength for the future.

On the back of our local efforts, we will also take advantage of grants from public bodies and charitable trusts alike.

## 6 The story so far

Ysgol Cribyn closed in 2009. As there were so few children in the catchment area at the time the board of governors did not oppose the closure. Two conditions were attached to this agreement namely (1) that the community would have first refusal to buy the school, and (2) that the people of Cribyn would be allowed to use the school during the evenings and at weekends.

The school was used as a Pupil Referral Unit (PRU) until 2020. Throughout this time the deal was honored. Cymdeithas Clotas\* [\*the name of the Celtic fort near the village] was established with the aim of counteracting the negative effects of its closure. From that time, Clotas has developed a programme of social and educational events with the school as the focal point. Central to these regular and meaningful activities is the dual aim of maintaining and energising the local, inherent Welshness whilst also including non-Welsh speaking newcomers introducing them to, and educating them about the locality's history, language and culture.

During the Covid restrictions, the school's use as a PRU came to an end. Unfortunately, with the transfer of the school from the County Council's Education Department to the Estates Department the deal between the Council and Cymdeithas Clotas was not upheld. As the school was used as storage space for PPE, equipment etc, a struggle ensued. We were given permission to use only one of the classrooms. At the same time, it was confirmed that Capel Cribyn's vestry (effectively the only other large public space in the village) was recognised as being in a critical condition. Due to the weak foundations the building was no longer safe for public use.

As this vibrant community no longer had a suitable meeting place to implement Cymdeithas Clotas' important vision, increased pressure was put on the County Council to sell the school whilst reminding them of the promise to give the community of Cribyn first refusal.

In January of this year, the promise was kept. At the same time, through the leadership of Cymdeithas Clotas, Cymdeithas Budd Cymunedol Ysgol Cribyn cyf. was established and registered with the following organisations: Cwmpas (formerly Co-operatives Wales); Co-operatives UK and the Financial Conduct Authority (30 January, 2024 – registration no: 9225).

Over recent months a number of public meetings have been held at the school. With over 20% of the population of Cribyn in attendance at each meeting, including a good percentage of newcomers to the area, the support and ambition to buy and develop the school is manifestly strong with every meeting ending in an unanimous decision to move ahead..

In the wake of Covid, there are a number of grants available prioritising support for communities. As the investment is based on 'pound for pound', the more money we raise through the share offer the greater will be our ability to take advantage of the grants available.

But, there's no time to waste! When offering the school to the community the council set a limit of 6 months. After this period, (the end of July this year) if the purchasing process has not been established the council will have the option to sell on the open market.

The price set by the council is £175,000.

## **7 The Business Plan**

A business plan has been created for the first three years of the Ysgol Cribyn enterprise.

The basic aim is to ensure the school's sustainability in its new form and purpose.

To this end converting part of the school into an affordable home will provide a source of regular, dependable income for the community centre.

The other main element of the asset's sustainability will be the building's marketing potential as a convenient and attractive centre in the heart of Ceredigion with ample internal space, purpose-built rooms and a good car park.

In accordance with the basic ethos of social enterprises, any surplus at the end of the financial year will be invested into either the initiative itself or another activity of benefit to the community as a whole.

The main aims are...

- To buy Ysgol Cribyn and ensure that it's waterproofed
- To convert the small classroom and the former headteacher's office into an affordable home
- To improve and re-structure the public toilets
- To improve and upgrade the two former main classrooms and re-purpose as...

- o An open, flexible space to be used as a community hall / theater / cinema / lecture room / social or private function room / training room / conferences
  - o Enabling the division of the larger space into two usable spaces, as and when required
  - o Modifying part of the former second classroom into a spacious, purpose-built kitchen
- Improve and upgrade the former dining area (under the school) as a committee room / well-being hub
  - Externally: make safe the trees and prepare the grounds to be developed into a community garden and environmental education area.

## 8 Public Funds for developing the school

The Steering Group has instigated a discussion with the following potential funders...

### • National Lottery Community Fund - People and Places

This fund offers funding between £100,000 a £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.

### • UK Government Community Ownership Fund

This fund is worth £150 million across Wales, Scotland, England and Northern Ireland. The aim is ‘...to enable communities to continue supporting and benefitting from the local facilities, community assets and amenities most important to them. Community groups will be 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.

### • Welsh Government – Community Facilities Programme

This is a capital grant scheme operated by the Welsh Government. Grants are available at two levels: small grants of under £25,000 and larger grants of up to £250,000. Grants can be used to ‘...improve community facilities which are useful to and well used by people in the community’.

At this moment in time (March, 2024) monies from the **Shared Prosperity Fund** (UK Government) is available through **Cynnal-y-Cardi**. Unfortunately, it seems likely that this fund will be exhausted before the school’s initiative can take advantage of it.

The majority of Ysgol Cribyn’s requirements are eligible for funding from the above funds.

The main elements will be:

- 1 To buy the school and ensure that it is waterproofed
- 2 To improve and develop the public spaces (internally and externally)
- 3 Modify the smallest classroom and the former headteacher's office into an affordable home

The priority will be the purchase of the school together with creating the community centre. It is possible that the creation of the affordable home will become the second phase – depending on when funding becomes available.

In the event of the funding being small, the Steering Group is confident that basic repair work and redecorating (with the help of volunteers) would enable the school to re-open.

## **9 Final Plan**

At an appropriate time, and before any significant spend – with the exception of buying the building itself – a final plan – based on the funding secured – will be presented to the members for approval. Any profit generated will be used to pay for the following fixtures and optional items:

- Any tax liabilities
- Interest on loans
- Re-payment of loans
- Repair and maintenance of the building
- Improve and develop facilities
- Interest on share capital
- Occasionally, facilitating the buy back of shares

In the interest of being careful, an attempt will be made to build reasonable reserves in order to meet any unexpected costs.

If the Society is unable to purchase the property, and if the members have not approved an alternative plan, the shareholders' funds will be refunded, less any administrative costs, and an offer will be made at a General Meeting of the members to bring the Society to an end.

## **10 How will our Community Benefit Society work?**

**This initiative is mainly to help support and strengthen the community of Cribyn and the wider community of Dyffryn Aeron.**



The financial gains will be limited, but you might and your liability will be limited. You may also be able to save tax by investing.

### **One member, one vote**

A key rule is that each Member has **one** vote, regardless of how many shares they own. Each share has a value of £1. The minimum shareholding is 100 shares and the maximum number of shares that can be held is 25,000.

Members must be over 16 years old. However, it is possible for an adult to buy shares on behalf of a minor and kept in trust. Shares must be paid for in full at the time of application or via a series of scheduled payments over a period of time.

### **Rules and Governance**

The Society has adopted the Community Benefit Society model - rules drawn up by Cwmpas (formerly the Wales Co-operative Centre) A copy can be found on the school's website.

Day-to-day running of the enterprise will be the responsibility of the Steering Group, who will be the legal Directors of the Society. The appointment of members of the Steering Group and the approval of policies regarding paying interest on shares and share repurchases will be made by the members of the Society at each Annual Meeting.

Elected members of the Steering Group will hold office for a period of three years. Those members who form the initial Steering Group 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 Steering Group will retire in a phased way over the following three years in accordance with the Rules of the Society.

All new Steering Group members will be elected by the Society's members. Members will be entitled to attend the AGM and stand for election to the Steering Group.

Each year, the Steering Group will present a recommendation regarding interest payments on shares to be approved by the Members at the AGM.

### **Buy Back of Shares**

It will not be possible to sell or transfer shares, except in the case of death or bankruptcy. The only way to get the value of your shares back will be by applying to the Society itself to buy them back for their original value. Your share capital can only be drawn from surplus, or from new capital raised by members. You will need to give at least 3 months notice of your wish to withdraw. However, it is important to note that this will not be possible before Year 5.

When it becomes possible to buy back shares, the Steering Group will identify appropriate criteria and annual maximums. It is important to understand that the Steering Group can decide not to agree to the buy back if it is contrary to...

- the long term interests of the Society
- the need to maintain adequate reserves

- the commitment to the community

### **Asset Lock**

The Society's Rules include a legally binding asset lock. This means that after paying interest to shareholders and repaying any capital withdrawn, any remaining earnings must be invested in the business or used to benefit the local community or for another charitable 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.

### **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.

Mae'r fenter hon yn ymwneud yn bennaf â helpu i gynnal a chryfhau cymdogaeth Cribyn a chymdeithas Dyffryn Aeron.

Mi fydd yr enillion ariannol yn gyfyngedig, ond falle y byddwch yn ennill llog ac fe fydd eich atebolrwydd yn gyfyngedig. Falle y bydd modd i chi arbed treth trwy fuddsoddi hefyd.

## **11. How to apply for shares**

If you wish to support the school and become a member of Cymdeithas Budd Cymunedol Cyfyngedig by investing in the initiative, complete the **Investment Form** either...

- on-line at [www.ysgolcribyn.cymru](http://www.ysgolcribyn.cymru) or ...
- by returning the form below to: **Menter Ysgol Cribyn c/o Uned 2, Bryn Salem, Felin-fach, Dyffryn Aeron, Ceredigion, SA48 8AE.**

### **Important Notice**

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 the school's website.
- III. PLEASE NOTE: 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 fourth year of trading has been completed and enabling shareholders to withdraw investments after the fifth 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.
- 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 reimbursements, is to give the Society notice of withdrawal. This cannot happen during the first five 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. They are discretionary, being subject to the Steering Committee's 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 10% 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 Cymdeithas Budd Cymunedol Ysgol Cribyn Cyfyngedig. and used solely for the purchase of the school, renovating and adapting the building, along with working capital and costs when launching and administering the work of the Society. If the purchase does not go ahead, all contributions will be refunded net of the costs that have incurred.
- IX. It may be possible for taxpayers to get a 30% refund on the cost of shares under the Enterprise Investment Scheme (EIS). But it will be up to HMRC to follow up on that or not. Although the Society has taken steps to ensure that nothing in this share offer, or in the way the funding will be received, is used contrary to the rules of the EIS (and has sought assurances from HMRC on that basis) it assumes no responsibility for any failure by individual investors to recover tax in respect of their investments. Furthermore, it will their sole responsibility to ensure the accuracy of their tax status provided by them at the time of investing.
- X. Cymdeithas Budd Cymunedol Ysgol Cribyn Cyfyngedig is registered with the Financial Conduct Authority 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, perhaps you would like to seek independent financial advice before doing so.

For more information about the project visit the website [www.ysgolcribyn.cymru](http://www.ysgolcribyn.cymru) or contact us at [ysgol.cribyn@gmail.com](mailto:ysgol.cribyn@gmail.com) .

## 12 The Investment Form

To pay...

- **By cheque:** payable to **Llanelli & District Credit Union Ltd**
- **On-line:** [www.ysgolcribyn.cymru](http://www.ysgolcribyn.cymru)
- **Direct Debit:** to our bank account using **10343** followed by the first initials of your name and the last three digits of your telephone number as the reference (e.g. Fireman Sam's reference would be 10343-FS999): -

Business name: **Llanelli & District Credit Union Ltd (L&DCU)**

Sort Code: **30-95-14** (Lloyds Banc)

Account Number: **00036705**

Cheques payable to: **Llanelli & District Credit Union Ltd**

I confirm that I have read and understood the Share Offer in full and agree to the following information be stored on an electronic database: my name; address; telephone no; email; number of shares purchased.

This information will be used for the purpose of maintaining a register of members and shareholders in accordance with the rules of the Society for informing members about the activities of the initiative.

The amount invested will remain anonymous and not information will be shared with a third party.

No. of shares purchased: \_\_\_\_\_ Value of purchase: £ \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_ Post Code: \_\_\_\_\_

Telephone no \_\_\_\_\_ Email: \_\_\_\_\_

Date \_\_\_\_\_

Send to: **Ysgol Cribyn c/o Uned 2, Bryn Salem, Felin-fach, Dyffryn Aeron, Ceredigion, SA48 8AE** or email: [ysgol.cribyn@gmail.com](mailto:ysgol.cribyn@gmail.com). Where possible, receipts will be issued by email (to reduce administration costs). A share certificate will be sent to you in due course.