



Zion Community Art Space

# Community Share Offer

Brochure 2022

## Share offer details:

Share offer opens: **25th April 2022**

Share offer closes: **10th June 2022\***

\*Directors reserve the right to extend if necessary

### Share Offer Targets

Minimum Target **£249,300**

Optimum Target **£264,300**

Maximum Target **£299,300**

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

### Minimum investment:

**£50** if you live in BS13 and are in receipt of benefits

**£100** for all other investors

### Maximum investment:

**£29,930** for all investors

Our intention is to pay 3% interest on shares.



Zion (Bristol) Limited is a Community Benefit Society  
Registered with the Financial Conduct Authority (registered number 8818).  
[www.zionbristol.co.uk](http://www.zionbristol.co.uk)



## **Join Us!**

Invest in Zion and save the  
space for future community use







# Contents

- An overview** – page 6
- About Zion** – page 8
- Our local community** – page 12
- The building** – page 13
- Longer term plans** – page 15
- Capital investment** – page 16
- Financial information** – page 18
- Our structure** – page 22
- Risk** – page 25
- Terms & conditions** – page 26
- How to invest** – page 28





# An overview

This share offer document sets out the details for our Community Share Offer, which is looking to support the transfer of ownership into the community. With the aim of raising the necessary capital to purchase the entire building and renovate non-public areas for use by the public and enable new income streams to secure the building’s future for the community it serves.

### A timeline of Zion

1890	Zion Chapel built
2008	Church closes
2011	Building re-opens under private ownership supportive of community use; Zion Community Arts Space formed as a not-for-profit company to operate activities in communal areas
2022	Zion Community Arts Space converts into Zion Bristol Limited - a Community Benefit Society - to better raise funds to purchase the land and buildings

### What is happening at Zion?

Zion Community Art Space currently operates within a building that is privately owned. The current owner has offered Zion Bristol Limited the opportunity to purchase the building and save the space for future community use, if the building is not purchased the building will be put onto the private market and the Community Space will lose its home. With the result of the community being most affected by losing one of the only remaining venues within the local area.

We want to make Zion shares accessible to as many people as possible, while still making it achievable to reach our target.

We have three potential community share offer targets:

Minimum	Optimum	Maximum
£249,300	£264,300	£299,300

### What are Community Shares?

Community Share schemes are a great way of funding projects that benefit the community. They enable communities to invest in projects that matter to them and can be used to save local shops, sports clubs and pubs, and to transform community facilities.

### How can we save Zion?

We believe a Zion Community Share scheme will safeguard our amazing community space for the future. And it will also enable us to create a bigger and better community hub for all in Bedminster Down, Bishopsworth and beyond.

That’s why we are going to launch a Zion Community Share offer on 25th April. Anyone can buy shares, become a member and enjoy a vote on important issues that involve Zion at twice yearly meetings. It’s one member, one vote, so you will have a say, no matter the size of your investment.

But you don’t have to invest your money forever. Investment withdrawals are allowable at a capped rate from year 4\* – or keep your shares invested in Zion for a longer period. A comprehensive set of terms and conditions are set out on page 24.

### How much can you invest?

#### Minimum investment:

£50 if you live in BS13 and are in receipt of benefits

£100 for all other investors

#### Maximum investment:

£29,930 for all investors

### When can you invest?

Share Offer opens: **25th April 2022**

Share Offer closes: **10th June 2022\*\***

Invest via:

**[crowdfunder.co.uk/ZionBristol](https://crowdfunder.co.uk/ZionBristol)**

### What’s the building’s future?

Zion is a lot bigger than you think. At the back of the current community space is a residential part, which could be used for new and exciting community activities – and to generate income. By purchasing the building, community members will have more space, more flexibility and more say about the things they want to see happening at Zion. The options for the area are endless.

If the Community Share offer is successful, Zion will be owned by the community and remain so for future generations.

It will be run day-to-day by staff but will be guided by the Trustees and all members who invest and get involved.

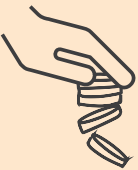
### How will the community pay for it?

It’s easier to apply for funding if Zion is owned by the community. Therefore, it can be done with a combination of grants, community shares and a bank loan. If successful, Zion will become a Community Benefit Society, owned by all the shareholders.

In the event that we do not reach our minimum target, we will not proceed with our Community Share offer. No shares will be allocated and any money committed by our investors will be returned.

Community Shares are a way for people to invest in what matters to them.

### So, how do they work?



1. You can purchase shares in Zion from 25th April 2022.



2. You will be able to vote on important issues that involve Zion. It’s one vote per member regardless of how much you invest or how many shares you hold.



3. Investment withdrawals are allowable at a capped rate from year 4\* or keep your shares invested in Zion for a longer period.

**! Like any investment, any money you invest in community shares is fully at risk. You could lose some or all of your money if the society gets into financial difficulties.**

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

\*Based on our financial projections

\*\*Directors reserve the right to extend if necessary



### 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: [communityshares.org.uk](https://communityshares.org.uk)



# About Zion

## Our Mission:

To create a safe creative space for intergenerational community members to meet and thrive and encourage growth in local decision making.

## What we do

Since its inception in 2011 Zion has delivered projects to an area severely lacking in other cultural and community venues. Our aim of providing a safe space in the community means that offering a diverse range of events is central to our programming. We identify needs and 'gaps' within the local area by a continuing conversation with our customer base through the community café and from an outreach programme that endeavours to reach those that are either reluctant to visit or are still completely unaware of our existence. Reaching out to those isolated or excluded, either through distance or economics, is at the forefront of everything we do.

### Our role as a social hub

Our role as a social hub in BS13 can help bridge divides and allow different members of the community to meet and socialise, addressing some of the key issues within the neighbourhood. We encourage isolated individuals to have an active part in their community by running projects and events that encourage inclusion and participation.

### Raising awareness

Co-produced by Zion Community Art Space and performed by the BS13 Theatre Company "Southside Stories" addressed the high rates of hate crime faced by BS13, and by being shown to audiences from across Bristol, played a vital role in raising awareness of such issues. Selling out two performances in February 2019 at The Bristol Tobacco Factory, and then returning to Zion for two additional performances two months later it was well received in local reviews.

*"A thoroughly Bristolian production, beautifully crafted and performed, Liz Mytton's play doesn't pull any punches in its examination of deprivation, poverty, hate crime and communities who feel left behind"*

### Increasing community cohesion

Our work to challenge hate crime and increase community cohesion has spanned the 10 years of programming and included events such as Eastern European Film Night, Filipino Music Night, Stand-up for Diversity Comedy Nights as well as workshops addressing LGBTQi language and challenges faced by local residents with disabilities. We work in partnerships with organizations such as SARI Bristol (Stand Against Racism & Inequality) as well as local groups based in BS13 such as Vision BAME.



Southside Stories rehearsals at Zion

## Our Vision:

Zion aims to increase community resilience and cohesion in BS13, to help nurture local decision-making and asset management and provide a creative programme that is welcoming to all.



Memories Café at Zion

### Tackling loneliness

Loneliness can have a significant impact on well-being and quality of life and is more likely to affect those in later life. According to Age UK, many areas of BS13 are at high to very high risk of loneliness. Zion is working to combat this by providing a welcoming space for individuals to get out of the house and socialise.

### Providing support through the pandemic

Throughout the recent pandemic we have done our utmost to maintain contact with the more vulnerable members of our community by:

- Delivering monthly activity bags for members of our Memories Café.
- Communicating with members of this group by telephone and in some cases by visit, in accordance with social distancing requirements.

- Creating a "Covid Daily Diary" which allowed individuals in the community to record their own personal "thoughts for the day" on our Social Media platform. Not only did this capture the highs and lows of the everyday folk within our community over two distinct one-month periods. With their agreement, to produce a book that will be a permanent record of the impact the pandemic had and is still has on our community.

- Acting as a hub for a food bank that was operating in our area at that time distribution centre for rapid lateral flow tests.
- Delivering care packages and children's activity bags to local families most in need.

We continually used our social media platforms to keep the community aware of the situation locally. This included the location of food banks, contact details for local support groups and organisations that were able to provide specific support in certain key areas.



# About Zion

## Community Benefit

Through our expansive events programme and the service we offer throughout the year, we provide support for various different social groups and the wider community. We have subsequently seen a real impact on the lives of our users.

### Parents & Children

Activities provide fun, creative outlets for children and allow parents to relax and share experience, making parenting less lonely and daunting. Local partners including Bishopsworth Children's Centre, parents and children are once again being able to access a range of activities that are taking place in-line with the Covid-19 Guidelines that have been implemented.

### Breastfeeding Group

The Babes@Zion breastfeeding group started in 2012 with help from Bishopsworth Children's Centre and has since been peer-led over the last 10 years. The group provides support for all breastfeeding parents at every stage of their breastfeeding journey. Since the restrictions it has continued to provide support via its Facebook page and provides an opportunity for parents to meet and share ideas and experiences online.

*'Inspired me to extended breastfeed and gave me warmth and companionship when I really needed it. Also introduced me to the fabulous Zion, and as a result discover Bedminster Down where we have bought our first house!'*

*'Massive confidence boost. Reassurance and kindness too!'*

*'It helped me meet lovely, supportive local mums when I was new to the area (with a three year old and a newborn), plus I met people who were breastfeeding toddlers. With my eldest I never met anyone who breastfed past 12 months, so it was quite eye opening and inspiring!'*

*'I wouldn't have made it to 3 weeks without this group. Gave me confidence to feed in public and all the helpful tips and facts about breastfeeding helped me feed my lo past the age of two. I'm forever grateful!'*

### Senior Citizens

Zion provides a fantastic social hub for Senior Citizens. Through groups like our weekly Writers Group and monthly Memories Café and Local History Group we provide a safe space for older members of our community to get out and socialise with others. The impacts of these groups are crucial, as they address some of the biggest issues faced by individuals in later life.

More detailed information on our activities can be found in our business plan.



In addition to the regular monthly meetings held by our Memories Café, Local History and Writers Groups, and a Breastfeeding Group Zion has hosted:

20+

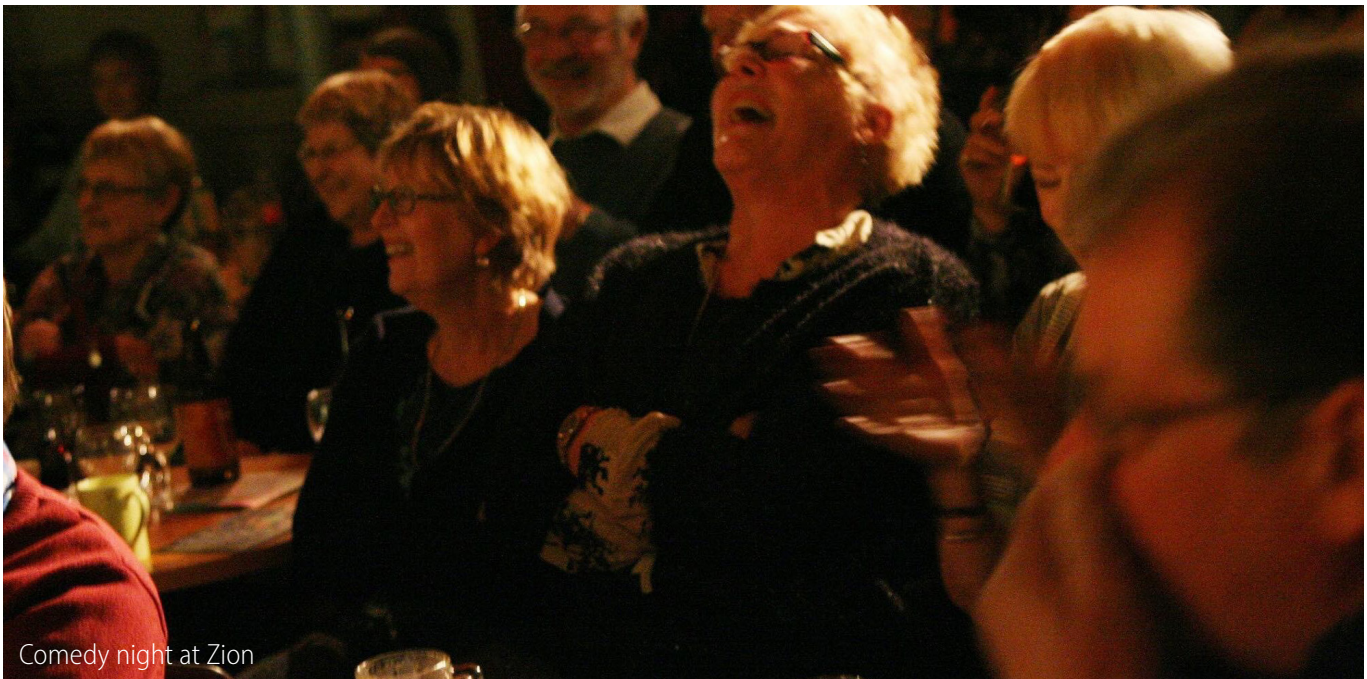
Film Nights

40+

Pamper Nights

85+

Theatre Shows



100+

Food Events  
& Bar Nights

100+

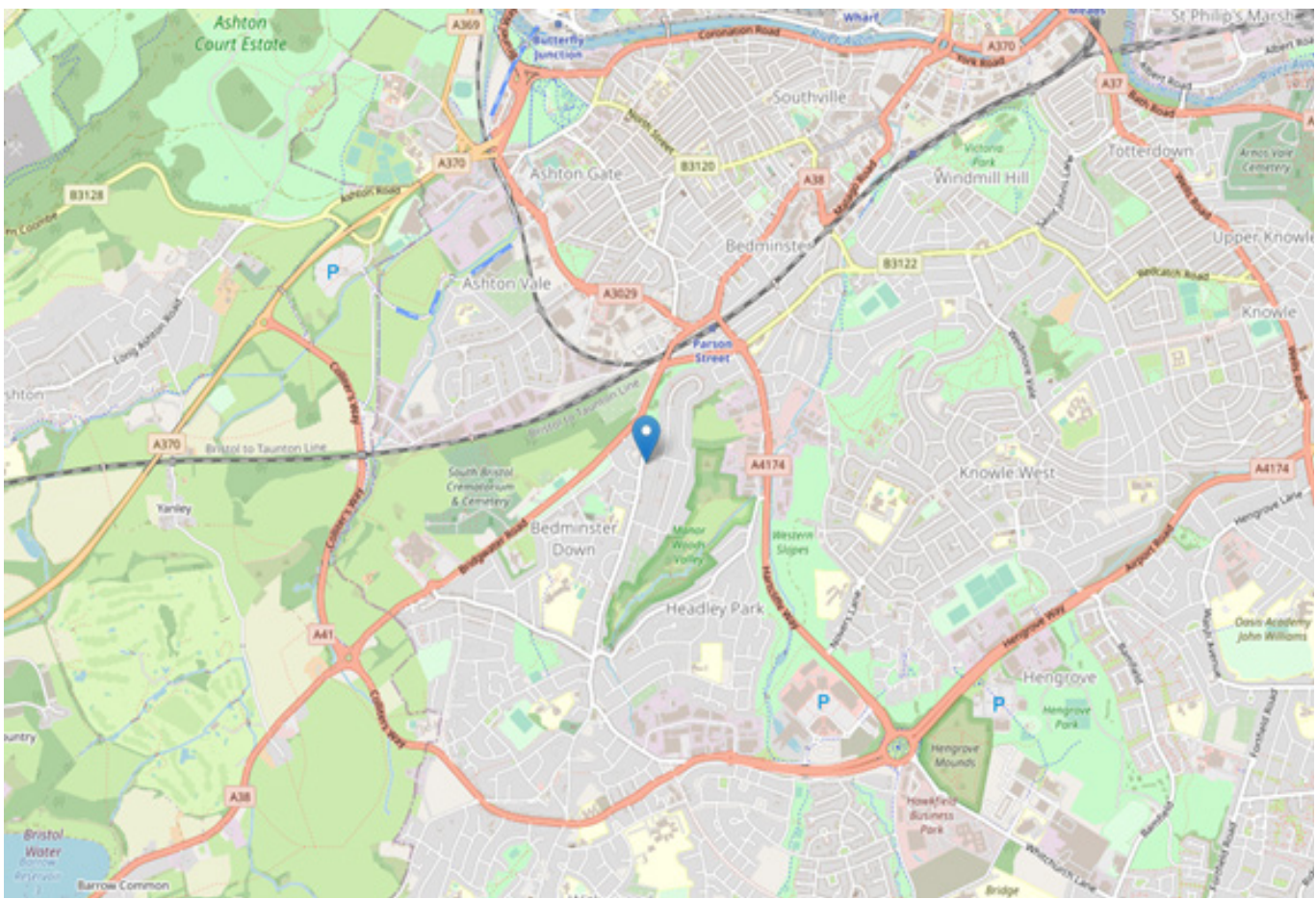
Quiz  
Nights

130+

Events for  
children



# Our local community



Based on 2019 Population Estimates from the Office for National Statistics there are 14,900 people living within Bishopsworth. With immediate surrounding wards being home to a further 45,300 people (Bedminster, Filwood, Hartcliffe & Withywood). The area has a notably higher population of older adults (Over 65s) compared with its surrounding areas and the rest of Bristol. Around 74.6% of homes are owned, rather than socially or privately rented; with 48.6% semi-detached houses – both of these figures are significantly higher than Bristol as a whole. The average household size is 2.4 persons.

The affluence and deprivation within the area is diverse with parts of the ward being within the 10% most deprived areas within the country, whereas other parts of the community are within the 40% least deprived areas. Thus, services need to cater to a range of different local needs. The surrounding council wards of Filwood and Hartcliffe & Withywood are some of the most deprived areas of the country – with high-levels of child poverty.

More information on the area can be found in our business plan [www.zionbristol.co.uk/communityshareoffer](http://www.zionbristol.co.uk/communityshareoffer) in the documents section.

# The building

By purchasing the former Zion Methodist Chapel, we are securing the long-term future of a building that has been a landmark for the area, sitting at its highest point for over 130 years. We will be ensuring that the whole community continues to benefit from a building that was constructed for the sole purpose of benefiting the community that it serves.

### A timeline of Zion

1890	Zion Chapel built
2008	Church closes
2011	Building re-opens under private ownership supportive of community use; Zion Community Arts Space formed as a not-for-profit company to operate activities in communal areas
2022	Zion Community Arts Space converts into Zion Bristol Limited - a Community Benefit Society - to better raise funds to purchase the land and buildings

### In the beginning

Zion Community Art Space operates from a former Zion Methodist Chapel built in 1890, the second chapel building to be built on the site. Constructed in a similar style to many Methodist Chapels from that time, it is the only remaining example of a Primitive Chapel in the City of Bristol. It's located in a prominent position within the BS13 community of South Bristol overlooking an area that was primarily a mining community in the 19th Century. It was built to provide religious and spiritual support to those living in the area. The last service at Zion Methodist Church was held in August 2008. Once a focus for the local community of Bedminster Down, this beautiful chapel was left derelict after the congregation could no longer afford to sustain it.

### Then

It remained empty for two years before being purchased by the existing owner. Having secured ownership of the Chapel and with permission to convert the rear of the building to living accommodation, the current owner immediately began to renovate the building so it could provide BS13 with a "safe creative space" for all to use. In

August 2011 Zion Community Arts Space opened its doors once again to welcome back the community, with events and activities designed to reflect the needs of the diverse range of people within our community.

### Now

Zion provides a daytime café alongside facilities for families with a play area for children. We run over 200 activities and events each year. This inspiring venue is available to rent for meetings, parties, workshops and much, much more. Zion is a free at point of entry space with admission charges only applying for specific events.

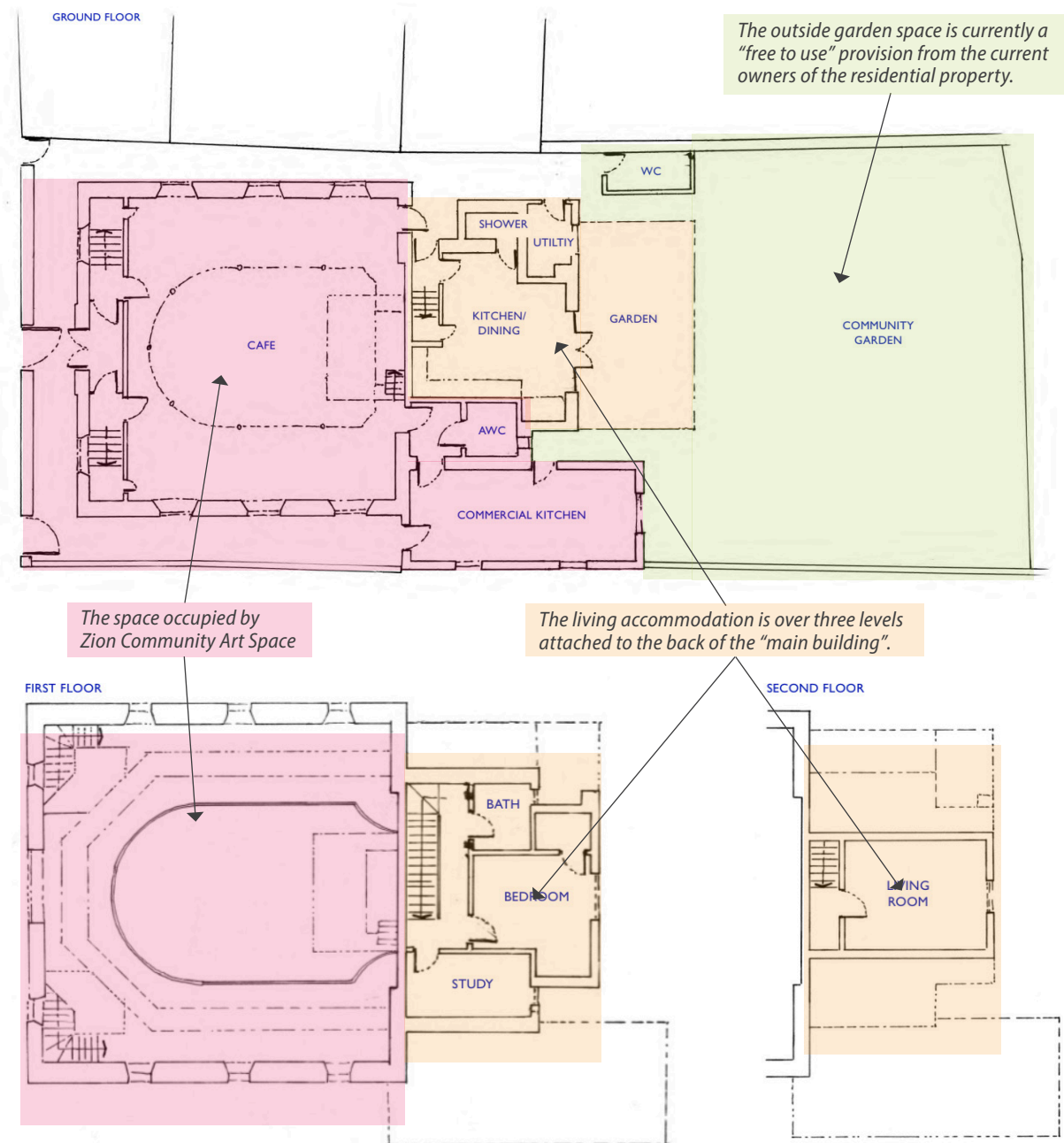
The former Zion Methodist Chapel now consists of two separate properties, the alterations to achieve this were carried out by the existing owner on purchasing the property in 2011.

The space occupied by Zion Community Art Space consists of:

- Main Function Room (operating as a cafe during the day) approx. 122 sq. metres.
- A Kitchen area approx. 30sq. metres.
- A Disabled Toilet Facility.

# The building

# Longer term plans



In line with many Methodist Churches of its time the building has a high-level balcony running around the inside. This was used to sit the overflow of the congregation when all the pews on the ground floor were full. This space is now mainly used for storage but has a small office at the top of one side of the access stairs.

The outside garden space is currently a "free to use" provision from the current owners of the residential property.

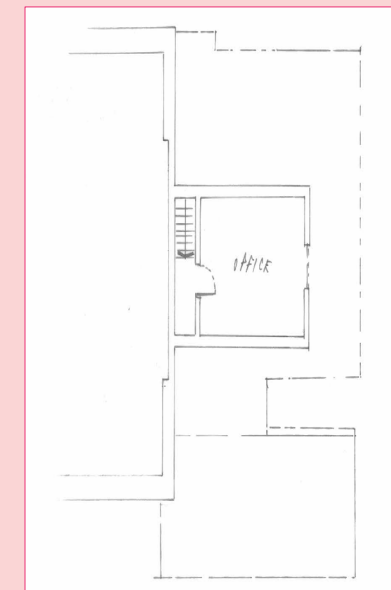
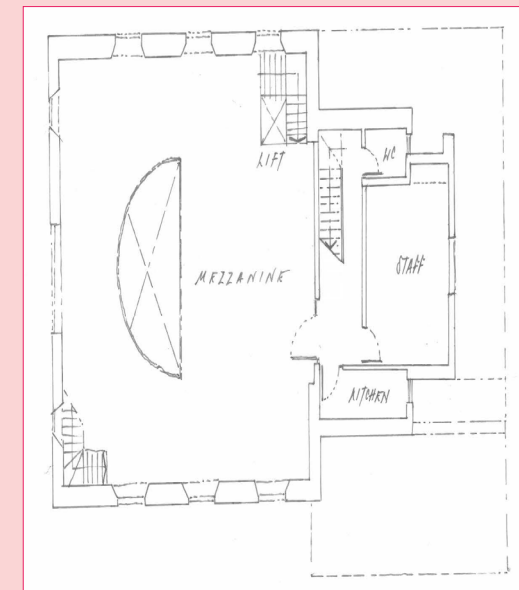
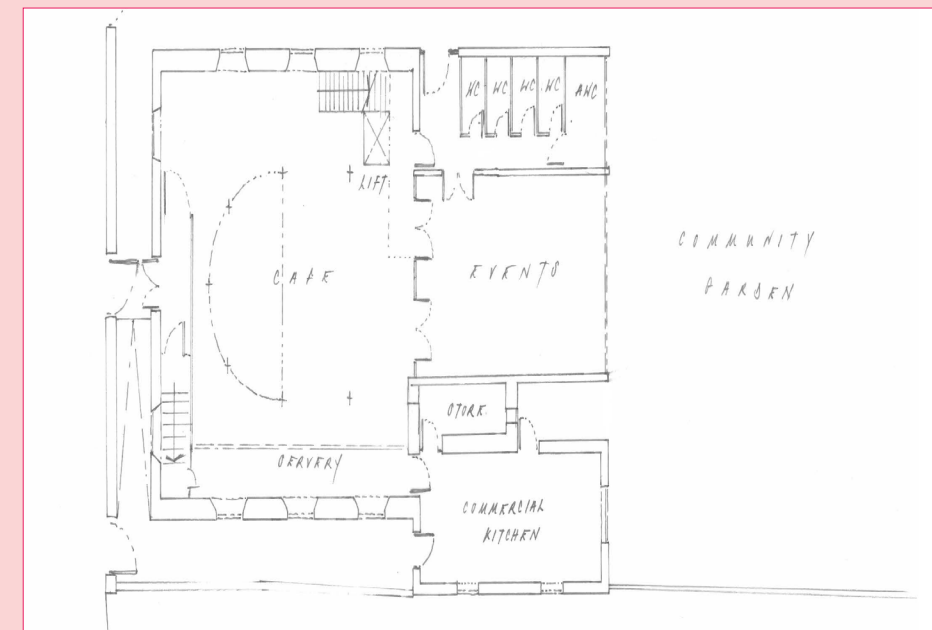
The living accommodation is over three levels attached to the back of the "main building". It also incorporates the

former Chapel's Choirs stalls and organ area, which were part of the circular balcony. Consisting mainly of a Living Area, Bedroom, Kitchen, Small Office and Bathroom – our proposal sees these spaces turned into Offices, subject to Planning Consent (reverting from residential to Dual Use), and Building Regulations.

- Office: approx. 8sq. metres
- Bedroom: approx. 20.5sq. metres
- Living Area: approx. 19sq. metres
- Kitchen: approx. 19sq. metres

Looking to the future for Zion Community Art Space, we have already consulted with Purcell Architects, an award-winning practice who specialise in transforming heritage buildings. They have drawn up plans that would further enhance the building and increase again the amount of space that we would be able to offer the community that would be accessible to all. This would ensure that Zion could grow with the community in keeping with the nature of the structure.

The Board will be responsible for determining feasibility and viability of any future development plans. It is possible that a further share offer may also be developed. Members and the local community will be consulted in any future development process.



Zion Community Art Space plans from Purcell Architects



# Capital investment

Community Shares make up part of the total capital required with the remainder of funds coming from other sources as demonstrated below

Income	Target levels		
	Minimum £249,300	Optimum £264,300	Maximum £299,300
Community Shares	+	+	+
Loan	£240,000	£240,000	£240,000
Grants	£0	£0	£0
Existing Capital (Reserves)	£5,000	£5,000	£5,000
	=	=	=
Total	£494,300	£509,300	£544,300

The table below shows how the money will be used at each share offer target level.

Expenditure			
Building Purchase	£475,000	£475,000	£475,000
Refurbishment	-	£15,000	£15,000
Renovation	-	-	£35,000
Legal Fees & Stamp Duty	£19,300	£19,300	£19,300
	=	=	=
Total Capital	£494,300	£509,300	£544,300

## How will the capital raised be used?

- The purchase of the building by the community would include the main hall already occupied by Zion Community Art Space, which includes its café and other facilities. As well as previously unused space in the adjoining residential property currently occupied by the existing owner of the complete site.
- This would enable the centre to grow its activities by expanding operations into this new space, creating opportunities for new revenue streams, such as use of the space for co-working, offices and meeting space.
- The gardens at the rear of the property, which are currently utilised by the Community Space at the goodwill of the owner, would become a true part of the centre allowing for opportunities to expand the garden space at the rear.

At all target levels the majority of the investment shall be used for the purchase of the freehold of the entire building, and professional and legal fees associated with the purchase. Zion will then own the parts of the building that it currently rents and operates from and additionally the current residential space and garden area, which we plan to also open up as additional trading space for Zion for use by the community of BS13 and surrounding areas.

The Building has been independently valued at £475,000.

## The minimum target

The investment is primarily focused on the opportunities associated with the community purchasing the building at the minimum target level. If we only meet our minimum share target then the capital will be used to purchase the buildings, however, this will limit the option of refurbishment of the residential space. In this scenario, there will still be options that can be explored for generating revenue from the additional floor space within the building.

- Renting space as planned in an as-is state, with small amounts of cash reserves being used to purchase furniture.
- Renting space short-term as residential space, requiring minimal material changes to the building.
- This decision will be made with consideration to the business impacts, risk to investors, as well as the availability and affordability of alternative sources of finance.

## The optimum target

At optimum level an extra £15,000 has been allocated for refurbishment of the residential space to prepare it for use by the public as meeting room hire and office space as additional income streams.

## The maximum target

At maximum level an additional £35,000 will enable additional material renovations to be carried out on the hall area and current residential area. This would enable more extensive renovations of the building to be carried out to better adjoin the existing hall space to the new space created within the residential property.

At all target levels, we are looking at loan finance of £240,000 from Triodos based on terms of 4.5% over base rate over 20 years, which has been agreed in principle.

We shall be applying for grant funding, including the next round of the Community Ownership Fund which is expected to reopen for applications in Spring 2022 with successful applicants notified within 3 months. Any grant finance that Zion is successful in applying for during the share offer timeframe will reduce the total loan finance required and this will be announced at an appropriate time.

The remaining capital required at minimum and optimum target levels is £5,000 from Zion's current reserves.



# Financial information

## Trading History

The previous three years Annual Accounts are available for download on our website [www.zionbristol.co.uk/communityshareoffer](http://www.zionbristol.co.uk/communityshareoffer) in the documents section.

Zion Community Art Space began trading in 2011. Prior to covid in 2019 and 2020 it was trading around £125,000 per year. 2022 draft accounts are showing an out turn of £226,000. It has traded close to break even or at a profit in the last four years as shown in the table below.

Management Accounts for the period to 31/12/22 can be found in the Business Plan at Section 8.2. at [www.zionbristol.co.uk/communityshareoffer](http://www.zionbristol.co.uk/communityshareoffer) in the documents section.

Zion Bristol Limited				
Profit & Loss	Actual	Pre-covid	Covid	Covid (Draft)
	2019	2020	2021	2022
Sales	126,404	90,360	33,485	99,779
Cost of Sales (total)	76,544	80,601	65,719	100,720
Grants income & Donations		34,803	159,897	125,972
Gross Trading Surplus (total)	49,860	44,562	127,663	125,031
Overheads (total)	53,173	46,489	51,116	118,650
Operating Surplus (loss)	-3,313	-1,927	76,547	6,381
Corporation Tax	0	0	7,910	0
Net Surplus (loss)	-3,313	-1,927	68,637	6,381

Zion Bristol Limited				
Balance Sheet	Actual	Pre-covid	Covid	Covid (Draft)
	2019	2020	2021	2022
Tangible Fixed Assets	2,808	4,564	9,617	4,564
Current Assets	12,901	8,279	57,562	50,073
Current Liabilities	41,775	40,836	26,535	7,612
Net Current Assets (liabilities)	-28,874	-32,557	31,027	42,461
Long-term Liabilities (total)	0	0	0	0
Total Assets less Total Liabilities	-26,066	-27,993	40,644	47,025

Represented by:				
Reserves (Retained Surplus)	-22,753	-26,066	-27,993	40,644
Surplus in year	-3,313	-1,927	68,637	6,381
Total Capital and Reserves	-26,066	-27,993	40,644	47,025

## Financial Projections

The financial projections for the three share offer target levels are attached as appendices to this business plan.

The fixed assets relate to the purchase of the building itself by Zion Bristol Limited.

The cash balance from the draft accounts to 31/3/2022, which should form the opening balance for year 0 in the projections, is £45,238. We expect a successful trading year in 2022 (year 0) but have allowed a leeway by using zero as the opening balance for 2023 (year 1) in the projections.

All three scenarios show the capital purchase of the building plus legal fees as £494,300. The minimum target scenario shows no spend on renovations and refurbishment, while the optimum target scenario shows £15,000 spent on refurbishment and the maximum target shows an additional £35,000 spent on renovations.

The purchase date is assumed as the March 2023 and the income is assumed to continue without significant interruption from April 2023. The income is projected to increase as set out in the section above.

£489,300 capital investment is required for the minimum target scenario with £240,000 loan and £249,300 from shares. £504,300 capital investment is required for the optimum target scenario with £240,000 loan and £264,300 from shares. £539,300 capital investment is required for the maximum target scenario with £240,000 loan and £299,300 from shares.

The cost of sales and overheads proportions are based on historical data.

In all three scenarios, the debt service coverage ratio (DSCR – the proportion of cash income in a period v cash required to pay back and pay interest on a loan in that period) is always greater than 1.5, which is healthy. The loans are not all shown as repaid in the ten-year projections but they do clearly show that the loans can be repaid over their 20-year repayment period. The loans are modelled at 4.75% above base rate (5.5% in total). A cheaper loan will be sought during this initial financing phase. Also, grant applications will be made in order to reduce down the requirement for this debt finance.

Share capital is repaid at £6,000 per annum, starting in 2026-27, in all three scenarios with the total reserves continuing to rise each year, showing that the annual profits more that cover the planned share withdrawal.

Interest on shares held is projected to be paid at 3%, starting in 2024 for all three scenarios. All Interest is shown as being paid out in the projections for simplicity.

The property is taken as 50% building that depreciates at 2% per annum and 50% land which does not depreciate. If a capital grant is received then that will reduce the loan capital required accordingly. Note that any capital grant will not be shown as income in the profit and loss when the cash is received but is shown as a long-term liability. The capital grant is released into the profit and loss at the rate of 1% per year to cover a proportion of the depreciation of the purchased capital assets.

The working capital available is show as between £1,000-£15,000. At the high point of this range, this is approximately equivalent to one month's running cost. For financial conservatism, the projections assume that all trade creditors

are paid on receipt of invoice to avoid the projections inflating cash held through slow payment of bills.

The corporation tax due is a worse-case scenario based on none of the purchase, renovation and refurbishment costs being used as capital allowances and set against profits in the tax calculations.

Even with corporation tax liability included, the net current assets is always greater than £0, indicating continuing solvency throughout.

## Financial Projections at Minimum share offer level

The tables below show five year financial projections at the minimum target level however, detailed 10 year financial projections at all share offer target levels can be found in the Appendices of the Business Plan at [www.zionbristol.co.uk/communitysharesoffer](http://www.zionbristol.co.uk/communitysharesoffer) in the documents section.

Year End	2022	2023	2024	2025	2026	2027
Income Statement	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£	£	£	£	£	£
Sales		200,316	206,366	212,598	219,018	225,633
Cost of Sales (Total)		(132,209)	(136,201)	(140,315)	(144,552)	(148,918)
Gross Trading Surplus (Loss)		68,107	70,164	72,283	74,466	76,715
Grant & Donation Income (Total)		12,000	12,060	12,301	12,547	12,798
Overhead (Total)		(50,079)	(51,591)	(53,149)	(54,755)	(56,408)
Interest on Loans		(12,600)	(12,229)	(11,838)	(11,427)	(10,995)
Interest on Shares		-	(7,479)	(7,479)	(7,479)	(7,299)
Depreciation		(4,943)	(4,943)	(4,943)	(4,943)	(4,943)
Operating Surplus (Loss)		12,485	5,982	7,175	8,410	9,869
Corporation Tax		(3,311)	(2,076)	(2,302)	(2,537)	(2,814)
Net Surplus (Loss)		9,174	3,906	4,872	5,873	7,054
Cash Flow Statement	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£	£	£	£	£	£
Total Cash Flow	(5,000)	10,360	174	2,212	(3,191)	(2,399)
Balance Sheet Statement	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£	£	£	£	£	£
Tangible Fixed Assets	494,300	489,357	484,414	479,471	474,528	469,585
Net Current Assets	-	7,048	8,458	10,443	7,018	4,341
Long-Term Liabilities (Total)	(240,000)	(232,931)	(225,492)	(217,662)	(209,420)	(200,746)
Total Assets Less Total Liabilities	254,300	263,474	267,380	272,253	272,125	273,180
Represented by:						
Share Capital	249,300	249,300	249,300	249,300	243,300	237,300
Reserves (Retained Surplus)	5,000	14,174	18,080	22,953	28,825	35,880
Total Capital and Reserves	254,300	263,474	267,380	272,253	272,125	273,180
EBITDA		30,028	30,633	31,435	32,259	33,105
DSCR		1.53	1.56	1.60	1.64	1.68



# Financial information

## Assumptions:

The following figures have been used to create the Business Plan. It shows expected income per month with established and new income streams and how the figures were calculated.

Income stream	Shown monthly	Projections
Donations and Grants	<b>£1,000</b>	This figure is based on average income for project grants for 20/21 that are used for community events and programmes that fulfil our 'Objects' as a Community Benefit Society. These cover costs and do not necessarily create a profit.
Sales - Office Space	<b>£320</b>	Calculated on £20 p/h x 4 hours x 4 days a week. Minimum projection and benchmarked. See 5.6 of the business plan (available at <a href="http://www.zionbristol.co.uk/communityshareoffer">www.zionbristol.co.uk/communityshareoffer</a> ).
Sales - Meeting Space	<b>£320</b>	Calculated on £20 p/h x 4 hours x 4 days a week. Minimum projection and benchmarked. See 5.6 of the business plan (available at <a href="http://www.zionbristol.co.uk/communityshareoffer">www.zionbristol.co.uk/communityshareoffer</a> ).
Sales - Advertising	<b>£350</b>	Based on an average of £250 per month from historical data with an £100 increase per month for increased costs and increase in interest/circulation of programme due to raised awareness of Zion.
Sales - Art	<b>£50</b>	Based on historical data with increase for increased expected footfall post pandemic.
Sales - Bar	<b>£2,500</b>	Historical 2019 - Average of £1650 per month pre-pandemic. Expecting an increase in events/weddings and price costs. October 2021 £3479, November 2021 £2039, December 2021 £1108 (closed 2 weeks) income in each month. Expected increase to 8 events per month with average takings to £313 per event.
Sales - Cafe	<b>£4,400</b>	Based on 2019 figures the Café/Kitchen combined took £350 per day. Going forwards, we are projecting taking £500 per day on combined takings plus an additional £150 extra per day in takings due to footfall from usage of the additional rented spaces. Based on 48 weeks 4 days per week, this is a combined monthly total of £10,400 which we have split out as £4,500 to Cafe and £6,000 to Kitchen on a separate line.
Sales - Hall Hire	<b>£1,070</b>	Based on average pre-pandemic figures, 8 kids parties at £90 plus 1 adult evening hire per month at £350.
Sales - Kitchen	<b>£6,000</b>	See note above under Sales - Cafe.
Sales - Tickets	<b>£850</b>	Based on Pre-pandemic events - events vary on ticket price, capacity, number per month, type of event. Averaged out over a 12-month period on historical data.
Sales - Wedding	<b>£833</b>	Additional to Hall Hire - 4 weddings per year at £2,500 each.
<b>Monthly Total Sales</b>	<b>£17,693</b>	
<b>Annual Total Sales</b>	<b>£212,316</b>	

Additional factors adding to the increase in trading can be attributed to:

- An increased awareness of Zion during the pandemic due to services, support & Mutual Aid Network
- Significant change in local demographic - 10% change in house owners in one local residential street (Eastlyn Road) moving from Bedminster to Bedminster Down
- New Housing Development within view of Zion. Average house price £445k (Zoopla) whereas the average price in the rest of Bedminster Down £375k

The model works on yearly percentage increases on income as follows:

- Annual increase in sales prices 2%
- Annual increase in donations & grants 0.5%
- Annual Increase in total sales 1%

In terms of expenditure the table below shows the assumptions used in the projections at all levels:

### Expenses and Taxes

Cost of Sales as % of turnover	55%
Overheads as % of turnover	25%
Corporation Tax	19%
Business Rates	0%

### Debt Funding

Interest	4.50%
Base Rate	0.75%
Loan Repayment Period	20
Compounding Period (Months)	12
Monthly Repayment	<b>£(1,617)</b>
Annual Repayment	<b>£(19,669)</b>

### Equity funding

Interest on Shares	3.00%
Year Interest starts	2024
Share withdrawn per year	£6,000
Year share withdrawal starts	2026





# Our structure

## We are a Community Benefit Society (CBS)

In 2011 Zion Bristol Limited was incorporated as a Company Limited by Guarantee, however in early 2022 the Board decided to convert to a Community Benefit Society (CBS), registered under the Co-operative and Community Benefit Societies Act 2014 and registered with the Financial Conduct Authority (FCA). The FCA states that 'the conduct of a community benefit society's business must be entirely for the benefit of the community'. Any surplus made in the future will remain within the society to further develop its community benefit.

The main driver behind this conversion is the ability for a CBS to issue withdrawable share capital to the public.

## Society Rules

Zion (Bristol) Limited converted from a company ltd guarantee to a Society in February 2022 using a set of pre-approved society model rules developed by Co-operatives UK, the umbrella body for co-operatives and community benefit societies in the UK.

The rules include a provision to issue a form of shares to members known as withdrawable share capital, which is unique to society law. Withdrawable share capital, also known as Community Shares, can be withdrawn from the Society by the member, subject to terms and conditions. The liability of its members is limited to the value of their shareholding, and the value of members' community shares will never go up but may go down. At such future time that the asset value is restored by profitable trading, the shares can be restored to their original nominal value.

The rules include a Statutory Asset Lock which restricts the use of the society's assets and the way the society deals with them to those purposes set out in the society's constitution. In particular:

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

The Society is a community-led, democratic organisation that operates on the principle of one-member-one-vote regardless of their shareholding. Membership is open to anyone over the age of 16. The Directors, at their

discretion, approve applications for membership from anyone who also applies for the required minimum number of shares. Each member then has one vote to exercise at General Meetings, including the Annual General Meeting. Members own and control the Society, exercising their ownership rights by electing members on to the Board. Members can stand for election onto the Board. The Rules also provide for several other ways in which the membership may hold the Board accountable for the running of the Society, including calling a General Meeting if required. Corporate bodies and associations who support our objectives can also become members, and such entities and associations must nominate a named individual to represent them at General Meetings.

A copy of the Rules of the Society can be downloaded from our website [www.zionbristol.co.uk/communityshareoffer](http://www.zionbristol.co.uk/communityshareoffer) in the documents section.

## Membership

On conversion the directors became the initial members of the society, however we are hoping to also attract many new members through our share offer.

As a community-led organisation, members are encouraged to participate in the society in many ways including being customers, champions for the organisation and active members at General Meetings. All Members agree to participate in general meetings and take an active interest in the operation and development of the Society and its business. Members have a duty to respect the confidential nature of the business decisions of the Society.

Members of the Society will be invited to Annual General Meetings and additionally Extraordinary General Meetings as required. Our Rules and Annual Accounts will be available to all members and on the Society's website.

## The Board

The Board is responsible for managing the affairs of the Society on behalf of the membership and to report back to the membership at General Meetings in the same way as the Board of Directors is responsible for managing the affairs of a limited company.

On conversion, the Board members serving at that time continued to form the initial board under the new society structure.

Going forwards, our Board will be elected by and from the membership on a three-year retirement cycle, additionally the Board may co-opt up to two external independent Directors, who need not be members, for specific skills and experience. These co-opted places are appointed and removed by the Board and are for a fixed time period, which should be reviewed annually.

## Board Members

The Board of Zion is a voluntary board and the directors receive no fees or salary for being a director. The minimum number of directors is three and they must be aged 18+.

## The Board are responsible for:

- Developing and launching the share offer to raise the capital to purchase and renovate the building
- Monitoring and managing the Society's financial

affairs for the benefit of the community

- Overseeing the day-to-day operations and managing the relationship between the Society, its members and employees and the community
- Ensuring that the Society complies with all applicable regulations
- Encouraging further community activities, as appropriate

## Conflict of Interest

Members of the Zion Board must at all times act in the best interest of the organisation and are required to declare any external interest that maybe in conflict of their role. At present a potential conflict of interest is that currently Emma Moore is also an employee of Zion. The issue is managed carefully by both parties to insure that there is no involvement in discussions such as remuneration.

## The current Zion Board members are:



### Martin Grant

Local resident and chair of Manor Woods Valley Group; life-long environmentalist with a passion for urban green spaces.



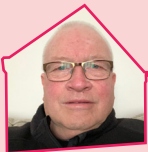
### Sereena Knapp

Creative designer supporting Zion with community engagement since it's opening. Zion wedding planner, coordinating and promoting weddings in our unique space.



### Claire Lambson

Recently joined the team of Directors. Local resident for 13 years. Breastfeeding Peer Supporter at the Babes@Zion breastfeeding support group for 7 years. Special interest in wellbeing and public health.



### Andy Lewis

A retired Senior Manager with a proven track-record in people management, managing change and budget control. Former local Youth Worker and School Governor who now "writes for a pastime".



### Emma Moore

Outreach Coordinator who has been working and volunteering at Zion since its opening. Local resident for 20 years with expertise in Finance, Auditing, Community Engagement and Horticulture.



### Aimee Owen

Active local resident, Zion volunteer for 1 year but customer & supporter since the beginning. Experience in project management, children & youth services. Advocate for equality.



### Hannah Tweddle

Resident of Bedminster Down for 10 years. Zion Director for the past 4 years, Mother Supporter with the Babes@Zion group. Works in community engagement at a local University.



# Our structure

## Staff

Over the past 10 years Zion Bristol has developed a small, dedicated team currently made up of seven employees to provide the day-to-day operations of the centre including the running of the café, events, and weddings.

## Volunteers

As part of the local community Zion has been blessed with the support of a small group of volunteers to support in the running of the building. These roles are as diverse as delivering the new programme, assisting with the regular groups such as the Memories Café and Babes @ Zion and helping with the maintenance of the outdoor space.

## Member Engagement and Development

We know how valuable this centre is to those that use the space, and we held a public meeting in October 2021 to outline our proposal of a community share option and to ask for feedback. We had over 130 attendees at the meeting with an overwhelming response in terms of pledging support both financially and voluntary.

A comment from one of our regulars describes what we aim to provide;

*'Every person is greeted by name and listened to – sometimes for long periods, so patiently, as they talk about what's going on in their lives, people aren't walking into a café, they are walking into a community... Zion is the best thing that has happened to BS13 in recent years'.*



Zion staff: Tanya, Sadie, Stuart and Bianca

# Risk

Risks	Likelihood	Impact	Risk Score	Mitigations
We do not meet our community share targets	2	5	10	Other additional grant or debt funding options could be explored to fund additional capital required for the purchase.
Planning permission for conversion of the non-public space within the building from residential to dual use is not granted	2	3	6	Alternative revenue stream from rental can be explored, based on the space being appropriate for residential use.
Lottery match funding is not secured to minimum-level	3	3	9	Other grant schemes are available and could be explored to gain additional funding required.
Building renovations reveal structural issues within the building that need further capital investment to repair	2	3	6	Existing mitigations in place, with regular and ongoing maintenance and appropriate checks of the building. Dependent of funding-level then some funds in excess of the building purchase could be used for structural work on the building.
Funding is only secured to minimum amount	3	3	9	Alternative revenue stream from rental can be explored, based on the space being appropriate for residential use. If planning permission for change in use is appropriately gained, then the space could be used as-is; with limited investment in new furnishings.
Change of management associated with the change in capital structure on the staff	4	2	8	Good communication with staff throughout the process – informing them of developments and impacts upon them as soon as appropriate.
Change of management associated with the change in capital structure on the operations	4	2	8	Bringing new people into role, with crossover with existing management to ensure continuity in provision and appropriate skilling up of team members.
Sales income targets are not reached	2	4	8	Regular tracking of management accounts vs budgets, reduce cost of sales, reduce withdrawals, reduce share interest payable.

# Terms & conditions

## Community shares

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

## Type of Shares Issued

The value of each share issued is £1.

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

## Who can apply?

Applications are open to individuals over 16 years old.

An association, corporate body or firm may apply and must authorise a named representative.

The minimum investment for an individual living in BS13 and in receipt of benefits is £50.

For all other individuals and corporate Members the minimum investment is £100.

The maximum investment is £29,930 for individual and corporate Members, as long as your total shareholding in the organisation does not exceed 10% of Zion's total share capital when allotted.

## Interest Payments

The society aims to pay interest at a rate not exceeding 3% per annum on the sum invested,

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

The intention is for members with shareholdings of £200 or more, on which £6 or more would be due, if interest is payable at 3%, to receive payment of their interest. Members with a shareholding of less than £200 will have their interest added to their share accounts.

Interest will be paid gross to all UK residents and those Members, who are liable to pay income tax, will be responsible for declaring this income to HMRC. Non-UK residents will have tax deducted prior to payment.

Interest will only be payable if the society can afford to pay it. Our intention is to pay 3% interest on shares.

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

## Withdrawal of shares

The financial projections assume that shares in Zion may be withdrawn with effect from year 4, subject to the following constraints:

- Applications are made in line with our Withdrawal Policy.
- In exceptional circumstances, the Board of Directors may, at its discretion, waive the notice required for a withdrawal.
- The Board of Directors has the discretion to suspend withdrawal of shares, if circumstances dictate.

## Shares on Death of a member

On the death of a member, their personal representatives can apply for withdrawal of the shares. The Directors will prioritise the withdrawal of shares relating to those Members who have died. Alternatively, Shares can be inherited in accordance with the terms of the Member's will or under the rules of intestacy, subject to Board approval of the new member who shall hold the shares.

## Reduction in Share Value

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

## Shares on Dissolution

On the solvent dissolution or winding up of Zion Bristol Limited, holders of the shares will have no financial entitlement beyond payment of outstanding interest approved by the Board of Directors and repayment of paid-up share capital. Any remaining funds must be transferred to another asset locked organisation.

## Community Shares Booster Programme Involvement

We have been supported in the business development of this share offer through the Booster Programme, which is funded by Power to Change and run by the Community Shares Unit.

We are now in negotiations to secure equity investment through the Booster Programme, through which up to £25,000 of match funding is available. But without individuals investing in this share offer we will not be able to access that match funding.

The match shares will be held by Co-operatives UK, a partner in the Community Shares Unit, and will be subject to the same terms and conditions as other members, except for its right to withdraw share capital, which will be restricted to a pro-rata amount.

## Timeframe

Offer opens 25th April 2022 and closes on 10th June 2022.

Directors reserve the right to extend the share offer so it is open for a total of six months from launch, should the minimum not be reached by the initial offer closing date.

## What happens if?

If we reach the maximum of £299,300 share capital the offer will be closed early.

If we reach the minimum target of £249,300 the Directors reserve the right to extend the share offer to be open for a total of six months from launch, to raise further share capital towards the maximum target. If during this extension, we reach the maximum target the share offer will be closed.

If at the end of the six-month maximum timeframe from launch, we have not reached the minimum share target the share offer will be closed and all monies returned.

Any grant finance that Zion is successful in applying for during the share offer timeframe will reduce the total loan finance required and this will be announced at an appropriate time.



# How to invest

Visit  
**crowdfunder.co.uk/ZionBristol**

## 1 Visit [crowdfunder.co.uk/ZionBristol](https://crowdfunder.co.uk/ZionBristol) between 25th April 2022 and 10th June 2022

Our share offer is being managed by Crowdfunder which is an internet platform that hosts a variety of crowdfunding projects and community share offers. More information about Crowdfunder can be found on the about section of their website.

All applications and payments are online via Crowdfunder

If you have difficulty accessing Crowdfunder on the internet we will be happy to help you if you drop in to Zion and ask a member of the team.

## 2 Choose your investment amount

Minimum investment:

£50 if you live in BS13 and are in receipt of benefits  
£100 for all other investors

Maximum investment:

£29,930 for all investors

## 3 The Board of Directors will consider your application at the first board meeting after the offer closes.

You will then be advised as to whether your application has been accepted and the date on which your membership becomes effective. Share certificates may be provided or share account statements will be available.

Here are some key investment projections about the number of investors needed to reach our optimum target of £264,300

Investment amount	Average numbers of investors
£50*	5,286
£100	2,643
£200	1,322
£500	529
£1000	265
£5000	53
£10,000	27
£26,430	10

An investment of  
**£200**  
per investor

would need

**1,322 Investors**

to reach

**£264,300**



We believe a Zion Community Share scheme will safeguard our amazing community space for the future, enabling us to create a bigger and better community hub for all in Bedminster Down, Bishopsworth and beyond.



### Crowdfunder Hold Your Money

The share offer will be run on Crowdfunder on an 'all or nothing' basis. This means that if it does not reach its minimum share offer target and secure the required grant and loan finance by the closing date (or extended closing date) then all monies will be returned by Crowdfunder.

### Data Protection and Anti-money Laundering Checks

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

Crowdfunder is managing the share offer on Zion's behalf. It will have access to this data which will be treated in accordance with its [Privacy Policy](#) and [How does Crowdfunder protect my data?](#) that can be found on their website via the Help Centre.

### Risks and Rights

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

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

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

### Further Information

Please read this entire Community Share Offer document together with our business plan, previous years' annual accounts and the society's rules which are available on our website [www.zionbristol.co.uk/communityshareoffer](https://www.zionbristol.co.uk/communityshareoffer) in the documents section.

! Like any investment, any money you invest in community shares is fully at risk.  
• You could lose some or all of your money if the society gets into financial difficulties.

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

\*Only available for residents of BS13, who are in receipt of benefits.



**Thank you**  
for your support





Zion (Bristol) Limited is a Community Benefit Society  
Registered with the Financial Conduct Authority (registered number 8818).  
[www.zionbristol.co.uk](http://www.zionbristol.co.uk)