



Bys a Bawd Pawb Community Share Offer

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1. The story so far

Bys a Bawd is a much-loved Welsh bookshop, located in a traditional shop building in the centre of Llanrwst. It is the only Welsh language bookshop in Conwy, and this year celebrates its 70th anniversary.

The current owner wishes to retire. In 2023, she put the business, shop and the two accompanying flats up for sale.

When it became clear no-one wanted to buy the asset, the Books Council of Wales contacted Menter Iaith Conwy to ask if they would support a community-led purchase of the business.

In April 2024, Menter Iaith Conwy organised two public meetings to discuss the idea of launching a community share offer to raise money to buy the shop. Over 50 people attended, with widespread and enthusiastic support for the project.

Following this, a group of ten people came forward to form the board and committee of Bys a Bawd Pawb. The group are a combination of local individuals with a wide range of professional, community and voluntary experience, who are keen to bring new energy and enthusiasm to the shop.

If the group raise enough money to buy Bys a Bawd, the business will be run by the management board, on behalf of investors.

They will employ professional staff, but have also been approached by many people who would like to volunteer.

Over the last few weeks, a lot has been happening, including:

- Work on grant applications
- Creating a website
- Registering as a Community Benefit Society
- Developing the community share offer documents
- Setting up a bank account
- Organising a series of awareness raising events
- Marketing
- Arranging valuations and surveys

2. How are you going to do this?

With the help and support of the Plunkett Society, Menter Iaith Conwy, and the Books Council of Wales, the committee has established a Community Benefit Society – Bys a Bawd Pawb Cyf.

We chose a community benefit society to include as wide an ownership as possible, and enable us to issue community shares.

The community share scheme will raise money from local investors and ensure that the community own the business and have a financial stake in its future.

The society is run by a board of directors, each of whom have one vote, and are legally regulated by rules – a copy of which can be seen on our website.

Unlike a cooperative society, a community benefit society exists to serve the broader interests of the community, in contrast to co-operative societies that serve the interests of members.

So far, the society have secured funding from Conwy Council to create a thorough, properly costed business plan, and from Cwmpas (Wales Co-op) to pay for a valuation and the launch of the community share offer.

Funding from the share scheme will hopefully be matched by grant funding from organisations like the Welsh Government's Community Facilities Programme.

The society then hope to be in a position to purchase the building and move forward with the next task of manging – and hopefully, redeveloping - Bys a Bawd as a thriving Welsh language bookshop and cultural hub.

Any profit made by a community benefit society must be used for the benefit of the community.

3. What happens if you don't raise enough money to buy the building?

The Society's plan is to purchase the whole building, business, as well as the two flats above.

The business makes a small profit; the two flats support the sustainability of the business, and their purchase fits in with our aim to support a thriving local community by providing affordable homes for rent.

For more information and financial projections, see our business plan at www.bysabawdpawb.cymru

The whole entity is currently on the market for £395,000.

Bys a Bawd Pawb has had an independent Red Book Valuation done of the business, flats, and building, which states the value as £322,000.

We will therefore make an offer based on this valuation.

The purchase will be funded in the first instance from the sale of community shares as a result of the Share Offer.

We are also applying for a £300,000 grant from the Welsh Government which would contribute £112,000 to pay for the purchase of the shop element of the building, and any renovation costs to the shop.

We need as much community share funding as possible to match fund this grant.

Therefore, our target is to raise £210,000 from this share offer.

Share offer investment will be used for the purchase, the cost of purchase (legal fees and insurance), and as a contribution to renovation and redevelopment costs.

We will begin negotiations as the share offer proceeds, and will use any share offer funds raised as a deposit to secure our offer.

This is a competitive bid situation, so we need to raise a sufficient sum quickly. Although the shop has been on the market for around two years, there is no guarantee another offer won't be made.

The Society has also been offered the option of a £300,000 Social Investment Cymru loan from the Wales Council for Voluntary Action (WCVA), at a rate of 6% interest. Some of this could be used in the event of a shortfall.

Bys a Bawd is a profitable business and represents a solid investment. Once purchased, the Society will continue running the business for the community.

Bys a Bawd Pawb are confident our plans to renovate the building and business will only add to its profitability.

4. What are shares?

Each community share costs £1. The minimum investment is £50, and the maximum investment is £10,000.

Regardless of how many shares bought, each buyer gets one vote on how things are run at an annual shareholder meeting.

There are limits on how much you can invest to prevent the society being dependent on a handful of large investors.

Your shares can never be worth more than you paid for them.

The money raised will be used to buy the bookshop and enable the community benefit society to apply for grants to renovate the building.

Funds raised through this community share scheme will also be used to pay for the legal costs of purchasing the building, as well as the redevelopment of the shop to accommodate a bigger events space, and possible artists studios.

Every pound we raise to buy Bys a Bawd will also help us apply for grants and funding.

So, if we raise £20,000, we should be able to apply for the same amount as a grant.

And the more we raise, the more grants we can apply for.

You could see your community share doubled in value through match funding.

5. When?

We are launching the community share scheme on St David's Day, March 1st, 2025.

The share offer closes on April 19th, 2025. It runs for a total of seven weeks.

Once we have secured an amount close to the minimum share offer target, we can start the process of negotiating to buy the building, so its future can be secured as a community asset.

If you want to buy shares, please email us at bysabawdpawb@gmail.com or go to www.bysabawdpawb.cymru

You'll be helping to build Llanrwst as a strong, independent community.

6. Do you plan to make any changes to the shop?

If we are successful in our bid to buy the shop, it will continue to stock a huge range of Welsh books and magazines. It is vital this core purpose is protected.

We also want to develop Bys a Bawd into a cultural and literary hub, open throughout the day and evening. We will offer a programme of community activities and events that support wellbeing, creativity, connection, and literacy. We plan to support this programme by opening a café and tap room. The back rooms could host artist's studios, or an events space.

We also plan to offer a wider range of contemporary crafts for sale, supporting local Welsh producers and artists, as well as some English-language books about Wales and Welsh culture.

The tenants who currently live in the flats will continue their tenancy throughout the change of ownership. This rental income provides an important income stream, as well as affordable local accommodation.

Our plans will attract more customers and support the sustainability of the whole project.

7. More share questions

How much can I invest?

Maximum investment is £10,000 – minimum is £50.

How much are shares?

The shares are £1 each – and the minimum investment is £50.

What happens if I want to withdraw my shares?

We hope you will want to hold your shares for many years and pass them on to loved ones, but after a minimum period of three years, there is a mechanism whereby the Society can buy back your shares, subject to a few simple conditions, at original face value.

Conditions for share capital withdrawal are laid out fully in the 'Legal stuff' section of this document.

What return on my money will I get?

When the business starts generating a profit then the committee may decide to pay a small interest on shares. Other Community Benefit Societies pay small community grants from their profits, and this is something Bys a Bawd Pawb Cyf. would aim to do.

We also hope to reinvest in the business and physical structure, putting value on this community investment for the future. The Society's business plan is available online at www.bysabawdpawb.cymru

Is there a time limit on the initial share offer?

This is a competitive bid situation, so we need to raise a sufficient sum quickly. The share offer lasts for seven weeks.

The faster we can raise this money, the more chance we have of buying Bys a Bawd. So please don't put off filling in the form.

What happens if you do not manage to buy Bys a Bawd for the community?

All of your money will be returned to you.

8. Our aims and values

Bys a Bawd Pawb's aim is to:

Purchase Llanrwst's Bys a Pawb bookshop and run it as a community-owned business that will provide social, economic and cultural benefits for everyone who lives, works in and visits the town of Llanrwst, while protecting the future Welsh literature and the language for the whole of Dyffryn Conwy and beyond.

Our values are to:

- *Improve health and wellbeing:* We will provide services that our community needs, to improve our wellbeing and sense of belonging
- *Strengthen the culture:* We will promote and share our passion for the Welsh language, its powerful literary traditions, and share them with all
- *Promote and enhance literacy:* We will provide improved access to books and literature, and foster a culture of creativity in the town of Llanrwst
- *Encourage sustainability:* We will contribute towards a more prosperous and resilient local economy and High Street by protecting local jobs, housing, and an important local business
- *Promote inclusivity:* We will bring together people from diverse backgrounds, to build a sense of unity through a shared love of language, books, and learning
- *Encourage collaboration:* We will bring businesspeople, community networks, entrepreneurs, local politicians, and campaigners together in one shared cooperative endeavour under the medium of Welsh
- **We will deliver social, economic, cultural and environmental benefits to the community of Llanrwst, and beyond.**

9. Legal Stuff

We have a legal obligation to be very clear to you how the share process works and a moral obligation to be true to the twin aims of safeguarding Bys a Bawd for the community and safeguarding your money.

- Shares are priced nominally at £1. The minimum investment is £50 – maximum investment is £10,000.

- Members must be at least 16, and must pay for their shares in full at the time of application
- Shares are not transferable, except in case of death or bankruptcy. Shares may be withdrawn from the Society after a minimum of three years, subject to terms listed below (see item 8).
- Nominal share value cannot increase. The value may, however, fall if liabilities exceed assets i.e. if the business fails. (We think this very unlikely).
- Our aim is to pay interest at a rate decided by the committee, at a point in the future decided by the Committee.
- Your personal liability in all circumstances is restricted to the value of your shares.
- We intend to and are allowed to pay interest on shares, provided the business's profits allow it.
- After the minimum three years, you may withdraw your share capital from the Society provided: a) notice of three months is given in writing b) trading surpluses or fresh share capital allow it, financially c) the board do not block the request for any reason, as they are entitled, legally, to do. (This would be the case, for example, if there was a sudden rush of people wanting to withdraw share capital). NB The board have a duty always to consider the long-term interests of the Society and the community asset. d) the yearly share withdrawal does not equal more than 10% of total initial share issue value.
- All monies will be held in safekeeping in an account in the name of Bys a Bawd Pawb until the founder members are clear that the minimum amount has been reached to make the purchase viable. Should this not occur, your money will be returned in full.
- Once you purchase the minimum shareholding or more, you will become a member of the Society and will be entitled to full voting rights at general meetings. If your shareholding drops below the minimum amount, you will lose this right. All members have an equal vote.
- The Society has a common ownership dissolution clause (an 'asset lock' designed to safeguard Bys a Bawd for the future) meaning that if the co-op is dissolved, then once shares and other liabilities are paid, residual assets (the pub) cannot be distributed amongst the members. A 75% member vote is needed to remove this clause.
- Bys a Bawd Pawb Cyf. is registered with the Financial Conduct Authority. However, 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.
- This share offer closes at midnight on April 19th, 2025.
- With no guarantee that the bookshop will not be sold at any time, we will make our acquisition offer as soon as we have accumulated a minimum share investment – or an amount near this sum - to make an offer.
- Full Society rules and a copy of our business plan are to be found online at www.bysabawdpawb.cymru
- Our official FCA registration number, and all other developments will also be posted at www.bysabawdpawb.cymru as soon as we have them.