

MAYFIELD COMMUNITY BENEFIT SOCIETY LIMITED

FUND RAISING

The offer of community shares in the attached Fundraising Document has now closed. If you would like to make a donation, please use Form C or D at the back of the document.



MAYFIELD COMMUNITY BENEFIT SOCIETY LIMITED

FUND RAISING

An offer of community shares and an invitation to make donations in order to finance the reopening of a post office in Mayfield High Street



Issued 26 October 2024

WARNING

The offer for community shares in this Fundraising Document does not fall within the scope of the Financial Services and Markets Act 2000. This means that applicants for the community shares have no statutory rights of redress through the Financial Ombudsman Service or the Financial Services Compensation Scheme to settle any dispute with the Society or to recover their investment should the Society fail. Community shares are subscribed for fully at risk and you could lose some or all of the money.

The purpose of the offer of community shares is to reopen and operate a post office in Mayfield for the benefit of the residents of Mayfield and Five Ashes. It is likely that this post office will be reliant on continued contributions from residents to be financially viable. It is therefore unlikely that the Society will ever be in a position to pay interest or allow share capital to be withdrawn. Any subscription for community shares should be made in order to support a valuable community resource rather than on normal investment criteria.

Glossary: Definitions of key terms used in this document

Mayfield Post Office – the local post office proposed to be opened in the High Street, Mayfield

Management Committee – the Management Committee of the Society

POL – Post Office Limited, the UK retail post office company

Registered Office – the registered office of the Society at Hoopers Farm, Mayfield, East Sussex TN20 6BD

Rules - the rules of the Society

the **Society** – Mayfield Community Benefit Society Limited

MAYFIELD COMMUNITY BENEFIT SOCIETY LIMITED

a community benefit society registered with the Financial Conduct Authority number 9346

FUND RAISING DOCUMENT

Summary

1. The post office in Mayfield (“Mayfield Post Office”) did not reopen on 7 May 2024 and it is still closed as at the date of this document. Two High Street businesses have tried, unsuccessfully, to run a post office in Mayfield as part of a larger business and no other Mayfield shop has stepped forward to take it on. The nearest post offices are now between four and five miles away.

2. In the 2021 census, Mayfield and Five Ashes had a population of 3,700 in 1,500 households. Of this population, 36% were aged 60 or older, 44% were retired and 7% of households did not have access to a car or van. The village is fortunate in retaining a High Street with a full range of shops. Many neighbouring villages, some with greater populations, have not done so. The reasons for this are complex; but the Management Committee considers that a post office is a vital element, not only for the services it offers, but also for the trade that it attracts to other shops in the High Street. It is of particular importance to Mayfield and Five Ashes as there are many residents who rely on access to cash.

3. Community involvement will be a vital element of reopening the Mayfield Post Office. In its most recent incarnation, the post office was not commercially viable and projections for future operations show that it will be loss-making as a stand-alone business. Mayfield will have a post office only if residents support it financially.

4. Mayfield Community Benefit Society Limited (“the Society”) has been formed to reopen the Mayfield Post Office in new premises in the High Street and it is planned that this will take place in November 2024. This Fundraising Document comprises an offer for community shares to finance the initial costs of reopening and an appeal for continuing contributions to finance the operating deficit of the Society when the Mayfield Post Office is open. Subscribers for shares or donors of £1,000 or more will be publicly acknowledged in the post office, once it is open, as Founders unless of course anonymity is preferred.

5. If you subscribe for shares in the Society or make donations to it, you will be contributing to the continuity of essential postal and banking services for our community and achieving a social return. Your support is crucial in making this community initiative a success. Together, we can create a sustainable and vital resource for Mayfield and Five Ashes.

Mayfield Community Benefit Society Limited

6. The Society is a newly-formed community benefit society that was registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 on 3 July 2024. It has not yet started to trade. Community benefit societies are democratically run by their members. Every member will have one vote,

regardless of how many shares they own. Membership gives the right to attend the Annual Members' Meeting, elect the Management Committee at the Annual Members' Meeting, and stand for election to the Management Committee.

7. The purpose of a community benefit society is to benefit the community. It can have no secondary purpose and may not preferentially benefit its members. No profit can be distributed to members. Community benefit societies must use their assets solely for the benefit of their community. The Society has a statutory asset lock which means that if it is dissolved, any assets remaining after it has paid its debts and returned share capital to its members must go to another organisation that exists for the benefit of the community. Asset locks remove the scope for members to make speculative capital gains from dissolution, disposal or conversion into a company.

8. The objectives of the Society are to operate a post office in Mayfield for the benefit of the residents of Mayfield and Five Ashes and such ancillary activities that may promote the post office and other services for the community. The Society is governed by its Rules which are available at www.mayfieldfiveashes.org.uk/postoffice

9. The Mayfield Post Office will therefore truly be a community owned facility for the parish of Mayfield and Five Ashes and members of the Society will be able, and will be encouraged, to participate in decisions about its future.

Management Committee

10. The Management Committee of the Society was appointed by its first members. The members of the Management Committee, all of whom are residents of Mayfield and Five Ashes, are set out below:

Andrew Ratcliffe, Chair and Secretary – Andrew is a chartered accountant, retired from full-time work and now a non-executive director of a UK retail bank, the trustee of a number of charities and a member of the Mayfield and Five Ashes Parish Council.

Kate Burgess - Kate is a marketing and public relations entrepreneur with experience working for the National Federation of Sub-Postmasters as a PR consultant, in the travel industry and in retail. Kate is a committee member of Mayfield Bonfire Boyes and Belles Ltd and a singer with the Mayfield Festival Choir.

Jo Eates – Jo has had a long career in retail and she has been the Mayfield Postmaster since 2019. She is member of Mayfield and Five Ashes Parish Council and a trustee of the Mayfield Community Centre CIO.

David Hathaway - David worked in the oil industry and, for 10 years before he retired, he was Company Secretary for a large private group with responsibility for legal services and HR. This group operated several sub-postoffices. David is the company secretary of Mayfield Bonfire Boyes and Belles Ltd and marketing manager for the Mayfield Festival.

Shirley Holland - Shirley was the inaugural manager of MAYFACS (Mayfield & Five Ashes Community Services) until her retirement in 2022. A teacher by profession, she has had active roles in many local organisations including primary school governor, Newsletter committee and starting MayZing Community Choir. She is the treasurer of Mayfield Horticultural Society. Her involvement in village life provides a good knowledge of how Mayfield and Five Ashes ticks!

Freya Huxtable – Freya has been a member of the MAYFACS team for the past six years, Freya sees the need to have a post office as an essential part of the community in order to keep the High Street alive.

Post Office Limited (“POL”) requires that Jo Eates, as the registered Postmaster, is a member of the Management Committee. Jo and the other members of the Management Committee recognise that this has the potential to create a conflict of interest. Should any such matter arise, Jo will abstain from discussion or voting on the matter and, if necessary, will not be present at the meeting that deals with the matter.

The Mayfield Post Office

11. It has been agreed with POL that the quickest way to reopen the Mayfield Post Office is to relocate the existing, but currently closed, local post office to new premises. POL has concluded the public consultation that it is obliged to carry out for such a relocation and they will move the safes and other equipment to the new premises, and install the new security systems. Initially, Jo Eates will hold the contract with POL as Postmaster. Once the post office is open in its new location, the Society will seek a new contract between POL and the Society. This can be achieved without any break in continuity of service.

12. The Society has agreed to lease part of the premises of Handley’s in the High Street for an initial term of five years. These premises are three doors away from those of the old post office. Some internal alterations will be necessary before the safes and other equipment can be relocated and new security systems installed by POL. All necessary permissions and consents have been received for the use of those premises and for those alterations.

13. The Mayfield Post Office will offer all the post and banking services that were available at the old post office. The Management Committee is also investigating how the scope of those services may be expanded, including adding more parcel collection and despatch providers. It is also intended that the Mayfield Post Office will stock stationery items, cards and other usual post office goods.

Details of the Share Offer

14. Community shares are withdrawable shares that cannot be sold, traded or transferred between members, unlike shares in a typical company. They are withdrawable at the sole discretion of the Management Committee. The Society’s Rules, which are available at www.mayfeldfiveashes.org.uk/postoffice set out the

rights of the community shares. Subscribing for shares in the Society will be supporting your community. The more community shares that are bought, the more assured the future of the Mayfield Post Office will be.

15. Each community share costs £1, with a minimum subscription of £10 for ten community shares and a maximum subscription of £100,000 for 100,000 community shares. Regardless of shareholding, each member will have only one vote. Application to subscribe for community shares may be made by any person, whether an individual, a corporate body or a representative of an unincorporated organisation. Individual applicants must be 18 years of age or older. Corporate members must nominate a named representative to act on their behalf. In its absolute discretion, the Management Committee may refuse any application.

16. You may subscribe for shares by completing one of the Share Application Forms which can be found at the end of this document. The whole of the subscription price for shares is payable on application. The Society will not accept part payment.

17. The total number of shares issued by the Society may fluctuate in number. The shares will remain at par value of £1 per share and do not confer a right to a share in the underlying assets of the Society. Community shares cannot increase in value; but they may decrease if the Society fails to finance its continuing operations.

18. The community shares are not transferrable, except on death or bankruptcy. They are withdrawable, meaning that the share capital may be refunded to the relevant shareholder and the shares cancelled, but only in accordance with the Rules of the Society and only at the discretion of the Management Committee. The Management Committee will review its share withdrawal policy annually in the light of the Society's financial position, but see paragraph 32 below.

19. The Society may, but is under no obligation to, pay interest to the holders of community shares, as compensation for the use of such funds, subject to the Rules of the Society and at the discretion of the Management Committee. However see paragraph 32 below.

20. Subscription monies for community shares will be held securely in the Society's bank account and will not be spent by the Society until the Management Committee is confident that the funds raised are sufficient to proceed with reopening the Mayfield Post Office.

21. If the subscription monies received for community shares are insufficient to finance the initial costs of opening the Mayfield Post Office, or if the Management Committee is not satisfied that there is sufficient support to finance the continuing operations of the Mayfield Post Office or, if for any reason, the Management Committee is not satisfied that the Mayfield Post Office can be reopened, the subscription monies received as applications for community shares will be returned to the relevant applicants to the extent they have not been expended.

22. Subscriptions for community shares in the Society are not eligible for gift aid. The Management Committee will apply for the Share Offer to be eligible under the Seed Enterprise Investment Scheme in due course. If such eligibility is granted, subscribers for the community shares will be entitled to a deduction from their income tax of 50% of the amount subscribed. However, it is not certain that such an application for eligibility would be successful and subscribers for community shares should place no reliance on such a deduction becoming available.

23. The issue of these community shares does not fall within the scope of the Financial Services and Markets Act 2000. Applicants for community shares have no statutory rights of redress through the Financial Ombudsman Service or the Financial Services Compensation Scheme to settle any dispute with the Society or to recover investment should the Society fail.

Timetable of the Share Offer

24. The Share Offer will open on 26 October 2024 and close no later than 6 December 2024 although the Management Committee may, at its absolute discretion, close or extend the Share Offer at any point prior to that date.

Financial Information

25. The Mayfield Post Office will earn revenue principally from the remuneration paid by POL for the transactions it undertakes. In the year ended 31 March 2024, the previous post office earned remuneration of £15,489. After allowing for closures in that year which will not recur, the Management Committee estimates that, with current usage, the remuneration of the Mayfield Post Office will be £16,000 per annum. The Management Committee has budgeted that the costs of operating the Mayfield Post Office, principally staff remuneration and premises rent, will be £32,000 per annum. On this basis there will be an annual deficit of £16,000.

26. The Management Committee will seek to reduce this deficit in future years by promoting the use of the Mayfield Post Office as a community facility in which residents have a real interest in order to increase the remuneration received from POL, and by expanding the range of mail and banking services offered. Additional revenue is also expected from selling cards, stationery and similar post office goods.

27. However, concurrent with making the Share Offer, the Society is also seeking donations from residents to finance the deficit. An initial Facebook test in May of the community's preparedness to help finance a new post office produced 247 "likes". A subsequent poll of interest in making monthly contributions had 166 responses and indicated likely donations of about £11,500 per annum. This would not be sufficient to cover the deficit above; but, based on the many personal approaches received and discussions with various groups, the Management Committee is confident that this support will increase to the level required now it has launched a comprehensive campaign to all residents, including those not on Facebook.

28. Based on quotations received for the necessary work and its budget for the costs of operating the Mayfield Post Office, the Management Committee estimates that the Society needs initial funds for the following purposes:

	£
Internal alterations to the new premises	15,000
Relocation of safes and equipment	9,000
Legal fees	3,500
Initial working capital	8,000
Total	£35,500

29. The proceeds of the Share Offer will be used to fund this amount. The Management Committee is most grateful for indications of support received so far, which are sufficient for the Share Offer to achieve this amount. To the extent that more monies are raised from the Share Offer, the further proceeds will be used to contribute to the operating deficit of the Mayfield Post Office.

30. The Management Committee will also seek grants towards the costs of establishing and operating the Mayfield Post Office. However, there is no guarantee that any such grants will be received.

Donations

31. As explained above, in addition to the Share Offer to raise money for the initial cost of reopening the Mayfield Post Office, the Society is seeking donations from residents to finance its operating deficit. These donations may be a single or a regular payment and can be for any amount. Purchasing community shares in the Society and becoming a member will entitle you to participate in running the Society as described above in this document. Making a donation will not do so. It is possible to do both: subscribe for shares to help meet the initial costs and make a donation to help fund the continuing deficit. You may make donations by completing one of the Donation Forms at the end of this document. The Society has placed no time limit on accepting donations.

Risk Factors

32. The Society draws attention to the following risks:

- The share issue may not raise a sufficient amount to finance the initial funds needed to open the Mayfield Post Office, or the Society may not receive sufficient initial donations from residents to meet the continuing operating deficit of the Mayfield Post Office. In this case, the Mayfield Post Office will not open and the Management Committee will return share subscriptions and donations received to the extent they have not been expended.
- If the Society does not receive sufficient donations in the future to finance the continuing deficit, and the Management Committee is not satisfied that the Society can pay its liabilities as they fall due, then the Mayfield Post Office will close and it is unlikely that any share capital will be withdrawable.

- The Mayfield Post Office will be subject to normal commercial risks of operating a business. The Management Committee is seeking appropriate insurance cover.
- The Society may never be in a position to pay interest or allow share capital to be withdrawn. Any purchase of shares should be made in order to support a valuable community resource rather than for normal investment criteria.

Legal and Regulatory Information

33. The Society is a community benefit society, number 9346, registered with the Financial Conduct Authority. It can be found on the Mutuels Public Register at mutuals.fca.org.uk. The financial liability of the Society's members is limited to the value of their shareholding, in the same way as for a shareholder in a limited company incorporated under the Companies Act.

34. The Society is a member of the Plunkett Foundation, a charity established to support community businesses.

35. The Society's Registered Office is at Hoopers Farm, Mayfield, East Sussex TN20 6BD. Once the Mayfield Post Office is opened, the Registered Office will be moved to the address of the new premises.

36. The Society's accounting reference date is 30 June and it will prepare its first set of financial statements for the period from its registration to 30 June 2025. These financial statements will be presented to the first Annual Members' Meeting and filed with the Financial Conduct Authority no later than 31 January 2026.

Contact Information

37. If you have any questions about this Fundraising Document or how to apply for community shares or any other matter, please contact the Secretary, Andrew Ratcliffe, at the Registered Office, or by email at secretary@mayfieldpostoffice.org or by phone on 01435 873310.

Approval

38. This Fundraising Document and the accompanying Share Application and Donation Forms were approved for publication by the Management Committee on 26 October 2024.

MAYFIELD COMMUNITY BENEFIT SOCIETY LIMITED

a community benefit society registered with the Financial Conduct Authority number 9346

SHARE APPLICATION AND DONATION FORMS

If you would like to apply for shares in the Society as an individual, please use Form A.

If you would like to apply for shares in the Society on behalf of a business, an organisation or some other body, please use Form B.

If you would like to make a regular donation to support the Mayfield Post Office, please use Form C.

If you would like to make a single donation to support the Mayfield Post Office, please use Form D.

Please return your application and donation forms to the Society by email to secretary@mayfieldpostoffice.org or by post to Mayfield Community Benefit Society Limited, Hoopers Farm, Mayfield, East Sussex TN20 6BD. You may also leave it in the collecting box at The House Café in the High Street.

FORM A - SHARE APPLICATION FORM FOR INDIVIDUALS

Application to become a member of Mayfield Community Benefit Society Limited
("the Society")

I wish to become an individual member of the Society.

In accordance with the Rules of the Society, I apply for community shares
(minimum 10) of £1 each by payment of the amount of £.....

Name.....

Address.....

.....

.....Post code.....

Email (please print clearly).....

Contact number.....

Payment (choose one)

☐

I enclose a cheque, made payable to Mayfield Community Benefit Society
Limited, for the above amount.

☐

I will pay by electronic bank transfer to the Society's account with The Co-
operative Bank, sort code 08-92-99, account number 67366046.

I confirm that I am 18 years old or older. I have read the Fundraising Document and I
understand and accept the terms of the Share Offer and the Rules of the Society. I
consent to the Society sending me, at the email address above, formal notices or
documents (or links to the Society's website) relating to the Society and information
relating to the Mayfield Post Office.

Date.....

Signed.....

Data Protection: The data provided by you will be stored on a hard copy and an electronic database.
The data will be used for the Society's purposes and will not be disclosed to any third party. You can
find our full data protection notice on our website.

**FORM B - SHARE APPLICATION FORM FOR BUSINESSES,
ORGANISATIONS, OR OTHER INCORPORATED OR
UNINCORPORATED BODIES**

Application to become a member of Mayfield Community Benefit Society Limited
("the Society")

The organisation below wishes to become a member of the Society.

In accordance with the Rules of the Society, the organisation applies for
community shares (minimum 10) of £1 each by payment of the amount of £.....

Name of organisation.....

Representative's details

Name.....

Address.....

.....

.....Post code.....

Email (please print clearly).....

Contact number.....

Payment (choose one)

☐

I enclose a cheque, made payable to Mayfield Community Benefit Society Limited, for the above amount.

☐

I will pay by electronic bank transfer to the Society's account with The Co-operative Bank, sort code 08-92-99, account number 67366046.

I confirm that I am 18 years old or older and that I am authorised to act on behalf of the above organisation. I have read the Fundraising Document and, on behalf of the organisation above, I understand and accept the terms of the Share Offer and the Rules of the Society. I consent to the Society sending me, at the email address above, formal notices or documents (or links to the Society's website) relating to the Society and information relating to the Mayfield Post Office.

Date.....

Signed.....

Data Protection: The data provided by you will be stored on a hard copy and an electronic database. The data will be used for the Society's purposes and will not be disclosed to any third party. You can find our full data protection notice on our website.

FORM C - REGULAR DONATION FORM

I wish to support the Mayfield Community Benefit Society Limited to operate a post office in Mayfield by making regular donations.

EITHER:

I have set up a standing order to pay £..... every {month/quarter/year} to the Society's bank account with The Co-operative Bank, sort code 08-92-99, account number 67366046.

OR

I have completed the standing order form below to pay £..... each {month/quarter/ year}.

Signature.....

Name.....

Address.....
.....
.....
.....

Email (please print clearly).....

Date.....

Please note that donations to the Society are not eligible for Gift Aid.

Data Protection: The data provided by you will be stored on a hard copy and an electronic database. The data will be used for the Society's purposes and will not be disclosed to any third party. You can find our full data protection notice on our website.

To The Manager

Name of bank.....

Address.....

Account number.....Sort code.....

Please pay the sum of £..... each month/quarter/ year commencing on

To The Co-operative Bank, name of account: Mayfield Community Benefit Society Limited, sort code 08-92-99, account number 67366046.

The payments should continue until cancelled by me.

Signature.....

Address.....

Date.....

FORM D - SINGLE DONATION FORM

I wish to support the Mayfield Community Benefit Society Limited to operate a post office in Mayfield by making a single donation.

EITHER:

I have made a payment of £..... to the Society's bank account with The Co-Operative Bank, sort code 08-92-99, account number 67366046.

OR

I enclose a cheque payable to Mayfield Community Benefit Society Limited for £.....

Signature.....

Name.....

Address.....
.....
.....
.....

Email (please print clearly).....

Date.....

Please note that donations to the Society are not eligible for Gift Aid.

Data Protection: The data provided by you will be stored on a hard copy and an electronic database. The data will be used for the Society's purposes and will not be disclosed to any third party. You can find our full data protection notice on our website.

Mayfield Community Benefit Society Limited is a community benefit society registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014. Registration number 9346.

Registered Office: Hoopers Farm, Mayfield
East Sussex TN20 6BD

www.mayfieldfiveashes.org.uk/postoffice