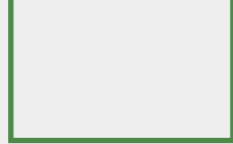
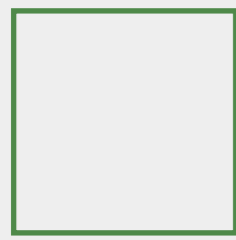


**FRIENDS of the
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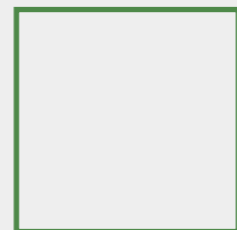
Community
Shares

STANDARD



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



INTRODUCTORY LETTER FROM THE MANAGEMENT COMMITTEE MEMBERS

This campaign began in 2014 to resist the closure of the Joiners Arms, a unique queer venue in East London, and channel our anger into saving the many queer spaces we have lost. With the energy and passion of innumerable queer people, we have evolved and now have the chance to open a new queer space that is truly diverse, accessible, and run by the queer community.

I'm so proud to share the work we've done to turn this utopian idea into a real space - one that can survive as a viable business, will create opportunities for queer people to work, perform, create, socialise and just 'be' on their own terms, and hopefully strengthen the bonds in our community.

Now it's your chance be part of this by buying a share, becoming a member and helping to open and run a queer space that serves our community at a time when we need it most.

The concept is built on the established, successful model of the community-run pub - and we've been supported in developing this offer by advice and input by experts in this area - but this is our chance to make something new, that is queer, radical and long-lasting, that we can all be a part of and will finally allow us to say we have started to turn the tide of queer closures.

I hope this information inspires you to become a member - but whether you do or not, I can't wait to see you in our new queer venue and raise a pint with all members of our diverse, fun, clever, wonky queer community.

Amy Roberts
Chair, Friends of the Joiners Arms

Offer summary

Friends of the Joiners Arms are launching a share issue to raise capital to create London's first Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex (LGBTQI+) community-run pub and venue situated in East London.

Our goal is to create an accessible, intersectional space for marginalised members of the queer community that is truly inclusive and pioneering in its approach to social change. We'll create a community venue that centres LGBTQI+ voices, particularly the most marginalised within LGBTQI+ communities including trans people, people of colour (POC) and disabled people, and deliver opportunities for socialising, performance and jobs, and other community services. We'll be physically accessible, with an aim to run 75% of performance events with paid-for accessibility support (such as BSL interpreters, live-captioning, audio description, and/or live-streaming) by Year 3. We'll also take a multi-generational approach to inclusivity, running events for groups within the LGBTQI+ community who currently are not able to access queer spaces such as families and older people.

Share offer details

Opening date: 6th June 2022
Closing date: 16th August 2022

The Management Committee of the society may choose to extend the period of the share offer by up to 8 weeks if they believe that by doing so they increase the chances of reaching the maximum target.

- Minimum target to be raised: £125,000
- Maximum target to be raised: £175,000
- Minimum share subscription per person: £25
- Maximum share subscription per person: £10,000 or 10% of the total raised, whichever is the lower
- Maximum share subscription per organisation (which is a not a society): £10,000
- Target to allow withdrawal of share capital from year 5 onwards

Both targets to be raised include £25,000 in equity funding which we aim to secure via the Community Shares Booster Fund. The values to be included as part of share withdrawals from Year 5 onwards will honour the terms of the equity provided by the Community Shares Booster Fund.

Friends of the Joiners Arms Ltd is a Community Benefit Society registered on 13th March 2018 under the Co-operative and Community Benefit Societies Act with the Financial Conduct Authority (registration number 7735). We are an Asset-locked body, which means that the assets owned by our society must be used to fulfil our community purposes, and cannot ever be sold for private gain. The registered address is The Green House, 244-254 Cambridge Heath Road, London, E2 9DA. By investing in community shares as part of this offer, you will become a Member of our society. Our rules, business plan, and other supporting documents are available on our website: www.friendsjoinersarms.com

What are Community Shares?

Community shares are withdrawable shares that cannot be sold, traded or transferred between Members, unlike shares in a typical company. When you invest in community shares, you will become a Member of the issuing society, and thus an owner of the society and its assets alongside other Members. All Members are entitled to one vote – regardless of how many shares they hold. Members can withdraw their shareholding subject to the approval of the Management Committee.

Who are Friends of the Joiners Arms?

Friends of the Joiners Arms (FOTJA) are an award-winning campaign group who fought for historic planning protections for the Joiners Arms on Hackney Road, which secured a long-term replacement space for the Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex (LGBTQI+) community of East London.

FOTJA are passionate about breaking down barriers and empowering LGBTQI+ people, and believe having access to LGBTQI+ spaces is fundamental to our wellbeing as well as creating much-needed employment opportunities for LGBTQI+ people. FOTJA aim to open the London's first community-run LGBTQI+ space and want to help reverse the pattern of mass closures of queer venues.

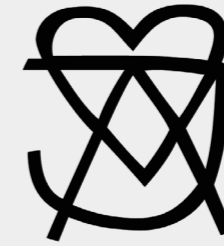
FOTJA use the term 'queer' not only because it is a radical word which encompasses the widest range of sexualities and genders but *"queer not as being about who you're having sex with (that can be a dimension of it); but queer as being about the self that is at odds with everything around it and has to invent and create and find a place to speak and to thrive and to live."* – bell hooks

Community shares are at risk

There is a risk that you could lose some or all of the money you invest. You have no right to compensation from the Financial Services Compensation Scheme, nor any right of complaint to the Financial Ombudsman Service. Please don't invest any money you can't afford to lose.

FOTJA are registered as a Community Benefit Society (CBS) to allow us to operate with the community as our focus, and aim to open a space that is fun, accessible, inclusive, diverse and builds community cohesion in the process.

Since registering as a CBS, FOTJA have operated fundraising events (including our bi-monthly drag-king night, Lèse Majesté) and sold merchandise to cover our running costs. We have received grants to enable us to register as a CBS, and to launch our share sale. All of our sales and grants will have been used to get us to this position and so we will be starting from a position of having no financial reserves. Our grant from Foundation for Future London is partially confirmed, with the remainder to be confirmed over summer 2022.



Queer not as being about who you're having sex with

(that can be a dimension of it);

but queer as being about the self that is at odds with everything around it and has to invent and create and find a place to speak and to thrive and to live

- bell hooks

Who will run us?

As a Community Benefit Society (registration no. 7735) we operate by our society rules which have been approved by the FCA and the Plunkett Foundation. Following our share sale, our members (shareholders) will be responsible for the overall direction of the organisation. Our Management Committee will lead on the strategic oversight of the organisation and the venue. Our current Management Committee consists of 8 members. Places on the Management Committee will be up for election when a current member retires, steps down or is removed, and/or until we reach our maximum members of the Management Committee (set at 10 people). Our rules state Management Committee members have to stand for re-election after 3 years, for a total of 3 terms (9 years). Additionally, the Management Committee will continue to seek support from outside advisors, and hope to formalise this into a Community Advisory Board.

FOTJA will hold an Annual General Meeting for all members, at which elections and other decisions will be voted on. Members can request an extraordinary meeting at any point, and have other democratic rights.

Our Management Committee

Our current Management Committee consists of the following members:

Name	Role	Skills	Pronouns
Amy Roberts	Chair	Academic scientist with expertise in data analysis and evidence-based decision making. Lover of pubs and queer spaces.	She / her
Peter Cragg	Treasurer	Project manager, writer, queer campaigner, and big fan of going home early (or sometimes "one more pint")	He / him
Prinx Silver		Drag king, Trans icon, event producer, social media wizard	They / He
Cal Marrin		Child & adolescent counsellor for Place2Be and Mosaic LGBT+, also a sex + relationships educator for Brook and starfish.	They / them
Jon Ward		Queer Black academic who teaches and researches cultural representations of the body, identity, and nation. Lover of pubs, queer spaces, and dancing in both.	He / him
Izzy Lewis	Deputy Chair	Project Manager in the sexual health sector with a background in events production spanning Latin America and Europe, queer campaigner and always up for a dance.	They / them
Joe	Secretary	Trainee art psychotherapist, not psychoanalysing these profiles. Loves moving body but also loves having a sit down.	He / him
Dr Olimpia Burchiellaro		Academic and anthropologist of gender/sexuality, queer politics and political economy.	She / her

Our Society's Rules

We currently operate under the Plunkett Foundation v4 model rules, but have applied to the FCA to update to the Plunkett Foundation v6 model rules, together with three additional changes based on the Co-operatives UK model rules. The proposed model rules are included in full in the appendix (see Appendix 2 of Business Plan).

Community Benefit Societies are encouraged by Plunkett Foundation to update their Model Rules for a variety of reasons: to make them more streamlined or readable, to be more descriptive, to inform users about new best practise and to adhere to legal requirements of new laws (such as the GDPR). We have also sought expert external advice and wish to propose the inclusion of additional rules (based on rules included in Co-operatives UK's model rules) which will

- Cancel the shares of any members removed from the Register of Members (preventing unpayable debt)
- Alter the composition of the minimum required shareholding from 1 share at £25, to 25 shares at £1 each (to enable us to alter the cost of the minimum required shareholding, with approval from members, at a future date should we wish to)
- Include provisions to reduce the share values, should the liabilities of the society be judged to exceed the assets (enabling us to pay back a proportion of share value to members, in the event of winding up the society)

We expect these changes to be confirmed by the FCA by the time we close the share offer, and prior to formally subscribing new members.

How will we operate?

For the day-to-day running of the venue, we will hire paid employees who will all be paid at least London Living Wage. Prior to opening, we'll hire to fill the roles of Bar Manager, Operations and Marketing Manager, Assistant Manager, and 3-5 FTE Bar Staff. Our security staff and accessibility support staff will be employed on a freelance basis.

FOTJA intend to implement policies including a positive discrimination policy (to allow us to target hiring marginalised members of the LGBTQI+ community) and a flexible working policy (to allow staff members to work in patterns that meet their lives and needs). We haven't yet identified potential candidates for the aforementioned roles, but we intend to begin our hiring process once we have a confirmed timeline for the opening of our space.

OUR COMMUNITY SHARE OFFER

This is a **community share issue**, which means we are offering our community an opportunity to invest in community shares and become members of our community benefit society – **Friends of the Joiners Arms Ltd.**

Unlike shares in companies, you won't be paid a dividend and you won't be able to sell your shares to anyone else. You'll be able to withdraw your shares from the society further down the line, as laid out in this document. However, the society can only facilitate withdrawals if we're generating sufficient trading surpluses that enable us to pay back our investors without risking the overall financial viability of the society.

We're aiming to make around 7.5% of the total share capital we hold available for withdrawal each year, starting in year 5. Each year our Management Committee will decide if the society is able to facilitate share withdrawal, and how much share capital we can make available to be withdrawn without risking our financial viability. If 7.5% of shares are withdrawn each year from Year 5, it would take 13 years after the first withdrawal for all share capital from the first share offer to be paid back to investors (based on minimum share target of £125,000).

We plan to open up the share offer to new Members in the future, and this will support our ability to facilitate withdrawals. We are asking people to invest in the first share offer as a long-term investment, with a plan to allow 7.5% of capital to be withdrawn each year after Year 5. If the second share sale requires a change to this, this will go to our Members to be agreed.

Some societies choose to pay interest on community shares, but we've decided not to. Rather than using our trading surpluses in a manner that will disproportionately benefit those who can afford to invest more, we'll use our financial resources to ensure that all our members equitably reap the rewards of our success.

Our long term aim is to open a venue in a permanent space (securing a long term lease of at least 25 years) which is likely to require raising more capital in the future. However, we will go back to our members with proposals on these plans beforehand.

Individuals over the age of 16, charities and other organisations are able to invest in this offer.

What do investors get?

Investors will get:

- A vote at the AGM on important issues facing the society and for the Management Committee Members
- The chance to stand for and be elected to the Management Committee of the society
- The chance to get their money returned on a first-come-first-served basis if share capital is available for withdrawal from year 5 onwards
- Expected 30-50% Tax Relief on your investment

Tax Relief

This share offer is eligible for Seed Enterprise Investment Scheme (SEIS) and Enterprise Investment Scheme (EIS) which will enable investors to claim between 30-50% of the value of what they invest back against their tax return (provided they are personally eligible). SEIS will apply to the first £100K of investment we receive, so anyone who invests before we reach this threshold will be eligible for 50% tax relief. EIS will apply to any investment we receive above the first £100K, up to our maximum target of £150K (this target excludes the £25k we will secure as equity funding via the Community Shares Booster Fund). Investments that qualify for EIS will be eligible for 30% tax relief.

So, if you invested £1,000 before our total raised reaches £100K, you'd get £500 knocked off your tax due either this current tax year, or backdated to the last tax year ending in April 2022. If you invested £1,000 after we've reached £100K total raised, you'd get £300 knocked off your tax bill.

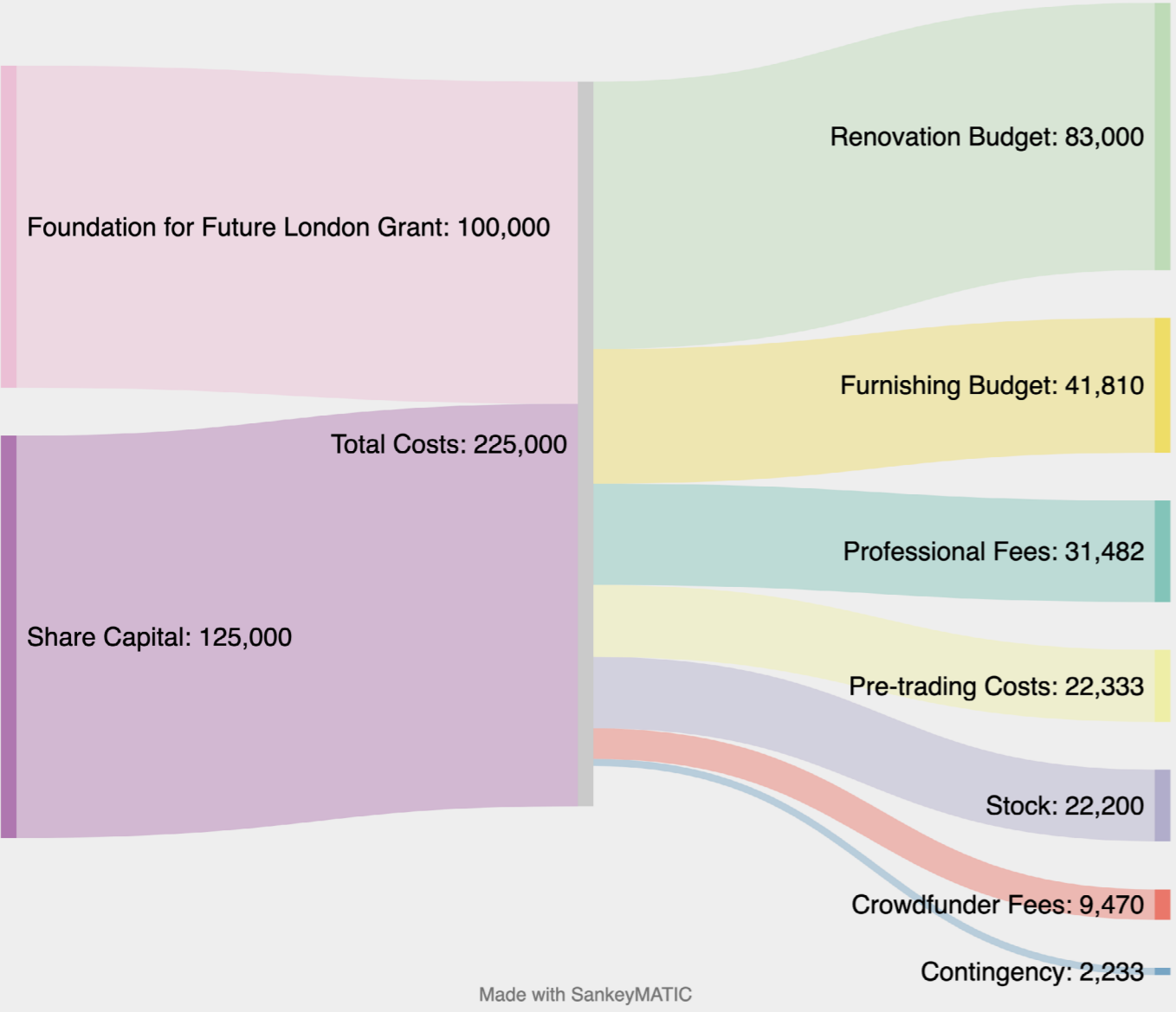
We have received advanced assurance from HMRC regarding SEIS and EIS.

Sources and uses of capital

We're aiming to raise a minimum of £125K through Community shares (£100,000 from the sale of shares to investors plus £25,000 in equity funding which we aim to secure via the Community Shares Booster Fund). The funds we raise will be used to secure a short term lease on a venue space, and undergo the necessary renovations to make it suitable for our intended use. By utilising this initial short-term space to develop a solid trading history and grow our community, we'll be able to strengthen our position with a view to eventually securing a more long term space. Although we haven't yet identified a premises, we are working closely with key stakeholders such as the GLA and TfL to secure a suitable site.

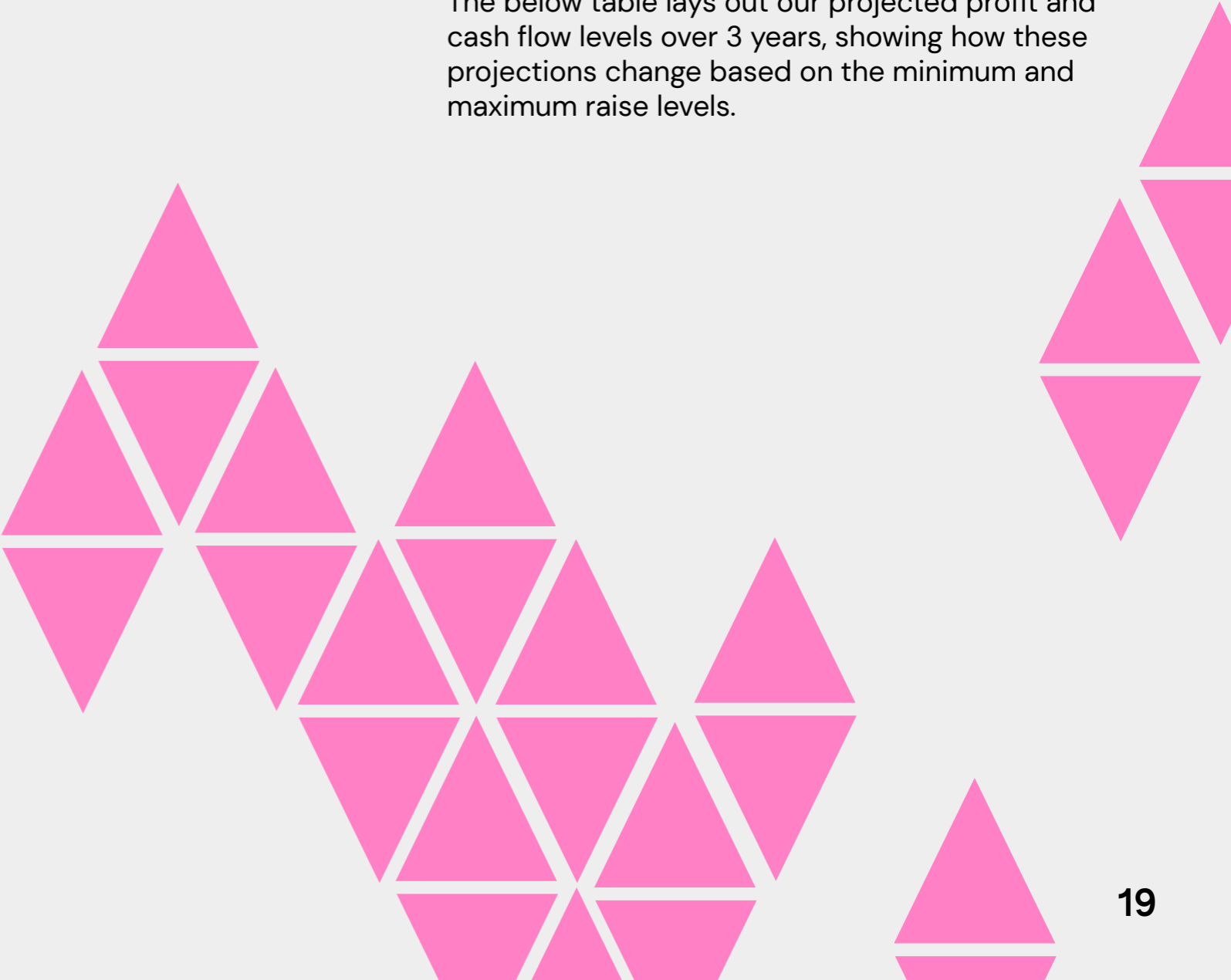
We've developed financial models that demonstrate our financial position under two different scenarios in which we achieve our minimum target, or our maximum target. Both financial models are available via our website.

The below diagram sets out our intended use of capital raised based on us achieving our minimum raise target of £125,000.



Renovation budget will be subject to a full building condition survey, but has been based upon securing a site that does not require major structural work. Pre-trading costs include funds required for lease (anticipated at £1 per annum); insurance; licences; promotional/marketing costs; legal fees; utilities; and pre-trading staffing costs.

Share capital raised above the minimum level will be used to bring forward the employment of an Operations & Marketing Manager (1 FTE) to Year 1; to bring Security staff in-house from Year 2; and to offer accessibility support workers for a larger number of performance events. It will also help us sustain cash flow in our first few years of operation, and would eventually be added to our cash reserves to be used towards securing a permanent space. The below table lays out our projected profit and cash flow levels over 3 years, showing how these projections change based on the minimum and maximum raise levels.



Minimum Raise Scenario	Year 1	Year 2	Year 3	Year 4	Year 5
	£	£	£	£	£
Turnover	370,550	649,443	773,791	804,743	836,933
Less Cost of Sales	-146,310	-257,453	-306,748	-319,018	-331,778
GROSS PROFIT	224,240	391,990	467,044	485,725	505,154
Less Overheads	-249,528	-350,283	-441,414	-456,479	-472,570
		-	-	-	-
EBITDA	-25,288	41,708	25,629	29,246	32,584
PROFIT TRANSFERRED TO RESERVES	-66,901	31,898	15,819	19,436	22,774
CASH AVAILABLE	16,193	59,957	86,715	116,272	139,840

Maximum Raise Scenario	Year 1	Year 2	Year 3	Year 4	Year 5
	£	£	£	£	£
Turnover	462,562	712,843	849,213	883,181	918,508
Less Cost of Sales	-182,887	-282,813	-336,916	-350,393	-364,409
GROSS PROFIT	279,675	430,030	512,296	523,788	554,100
Less Overheads	-325,583	-397,441	-470,715	-489,543	-509,549
		-	-	-	-
EBITDA	-45,908	32,590	41,582	43,245	44,551
PROFIT TRANSFERRED TO RESERVES	-91,381	22,779	31,771	33,435	34,740
CASH AVAILABLE	47,996	76,749	119,534	163,107	194,911

SHARE OFFER FAQs

How can I invest?

We're running our share offer through the Crowdfunder website. When you invest in shares, Crowdfunder will take payment immediately using a credit or debit card and will hold the funding until the project is either successful and they will pass the money to us, or unsuccessful in which case they will refund your payment.

What is the minimum and maximum investment?

The minimum investment is £25 and the maximum is £10,000 or 10% of the total amount raised (the recommended maximum for societies by the Community Shares Unit). Any investment over this 10% level will be refunded.

Who can invest?

Anyone over the age of 16 can invest.

Can organisations and businesses subscribe for Community Shares?

Yes. A representative of that organisation will need to become a member of the society as a nominee for their organisation/business.

Can people club together to buy shares?

Yes, but as with organisations, you'll have to nominate a member of your group to be the named shareholder in our share register.

Can I buy Shares as a gift for someone else?

Yes! You can buy shares on behalf of someone else over the age of 16, but in order for them to actually become a shareholder, the gift recipient will have to fill out an application form themselves and consent to becoming a member of the society and accepting the rules.

What happens if we don't raise our minimum target?

If we don't raise our minimum target, or if we do not receive an equity offer from the Community Shares Booster Fund, we will extend the deadline of the share offer by 8 weeks. If we still have not raised the required amount of capital by the extended deadline, Crowdfunder will hold the share capital we have raised for around 2 months to allow us to seek loan funding or grant funding to make up the shortfall in our capital requirements. If we are unable to secure alternative funding, Crowdfunder will refund everyone's investment in full.

What happens if we raise more than our maximum target?

Shares will be allocated on a first come first served basis, and once we hit our maximum target we will close the share offer. Any share pledges received over the target will be refunded in full. We will prioritise accepting share pledges from prospective members over any equity offer that we might be awarded from the Community Shares Booster Fund.

What if the society isn't financially successful enough to survive?

We are confident that FOTJA is unique in its ambition to launch a space as a CBS – there are no community businesses in London run by and for the LGBTQI+ community. We carried out a competition analysis of LGBTQI+ and community-run spaces in London. Our analysis revealed there are no accessible LGBTQI+ or community-run spaces, and there are zero not-for-profit LGBTQI+ spaces in London. Because of the uniqueness of our offer, and the precedent set by the robust community-business sector, we're confident that we'll be able to be financially successful.

However, if we did become insolvent, the ability of investors to recoup the funds they have invested would depend on firstly the value we (or the appointed insolvency practitioners) could get for the assets of the society and secondly, the value of our debts at that point.

In the event of our insolvency or orderly winding-up, the proceeds from the sale of those assets and our cash would firstly pay off all our creditors, and if there were any funds left at that point, would be used to pay back shareholders as much of their investment as they have outstanding as possible, on a pro-rata basis.

As we are a society with a statutory asset lock should there be any surplus after returning funds to investors this would have to be given to another organisation with similar aims and a similar asset lock. This cannot be changed by members and is enforced by law.

What happens if the society can't find a suitable premises to deliver the project?

We're working closely with key stakeholders such as the GLA and TfL to find suitable premises for our community-run venue. However, in the event that no suitable premises can be identified by 2024, we will return everyone's investment, less any fees that we incur when we draw down the funds raised from Crowdfunder (these are usually around 7.7%)

What happens if I don't get all my investment back?

Although we are registered as a society with The Financial Conduct Authority (FCA), the sale of withdrawable shares in the society is not regulated by the FCA. Like many investments, these 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.

Investors who have claimed tax relief would also be eligible to claim loss relief against their tax liability for the difference between what they invested less any tax relief already claimed and what was returned to them.

Can my investment be gift aided?

No, because we aren't a charity.

Can I sell my shares?

No. This investment is in withdrawable share capital which cannot be transferred, sold or given to anyone else, except on your death. You can tell us in advance who you wish to transfer your investment upon your death, and we can transfer the first £5,000 of your investment to them; any investment above £5,000 requires your beneficiary to be explicitly named in your will. If you do not nominate anyone, then the Management Committee will rely on the instructions given by your executors. Bequests of shares should be exempt from Inheritance Tax, provided the society is still trading.

Can shares increase in value?

Shares cannot rise in value, so there will never be a capital gain. They may be reduced in value if our auditors instruct us to do so if they believe that the value of our assets has fallen.

Will I get a Share Certificate?

Everyone who invests will receive a community share certificate.

What will you do with my personal details and data?

Your personal details as submitted on the application form will be held by the society and used in accordance with the provisions of the rules and of the 2014 Co-operative and Community Benefit Societies Act. Only members can inspect the members' register and view members' names and addresses (but not how much they have invested) but the society will not share, sell or provide my details to any other individual or organisation and will ensure compliance with the GDPR regulation in accordance with its responsibility as a data controller.

ACKNOWLEDGEMENTS

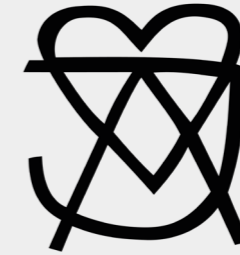
We are incredibly grateful for the support we have received, and continue to receive.

Thank you to the Foundation For Future London, Community Shares Booster Fund, and Social Investment Business for the grants that have enabled this work to happen. Thank you also to Co-operatives UK, Stir to Action, Plunkett Foundation, Power To Change, and to Arman, Raja and the Culture & Community Spaces At Risk team at the GLA for their invaluable support.

We are indebted to Lenny, Andy, Dave, and James for not only sharing their expertise with us, but for believing in us too. And thank you to Fran, Aska, Hetty, and all at (ab~) – we can't wait to build our queer utopia with you.

Most importantly, thank you to everyone who has ever volunteered with FOTJA. We are greater than the sum of our parts and your contribution is felt and appreciated, and what a privilege it has been to be on this journey with you. And thank you to the queer community for sharing your queer and trans joy with us at our Lèse Majesté events.

And finally, thank you to David Pollard for giving us the spark to start a fire. Rest in Power.



LONG

LIVE

QUEER

SPACES

Designed by Florence Low / @lowlowlow.studio