

BRISTOL
FERRY
BOATS

COMMUNITY SHARE OFFER

Your chance to
support this special
piece of Bristol
by owning a
share in it.

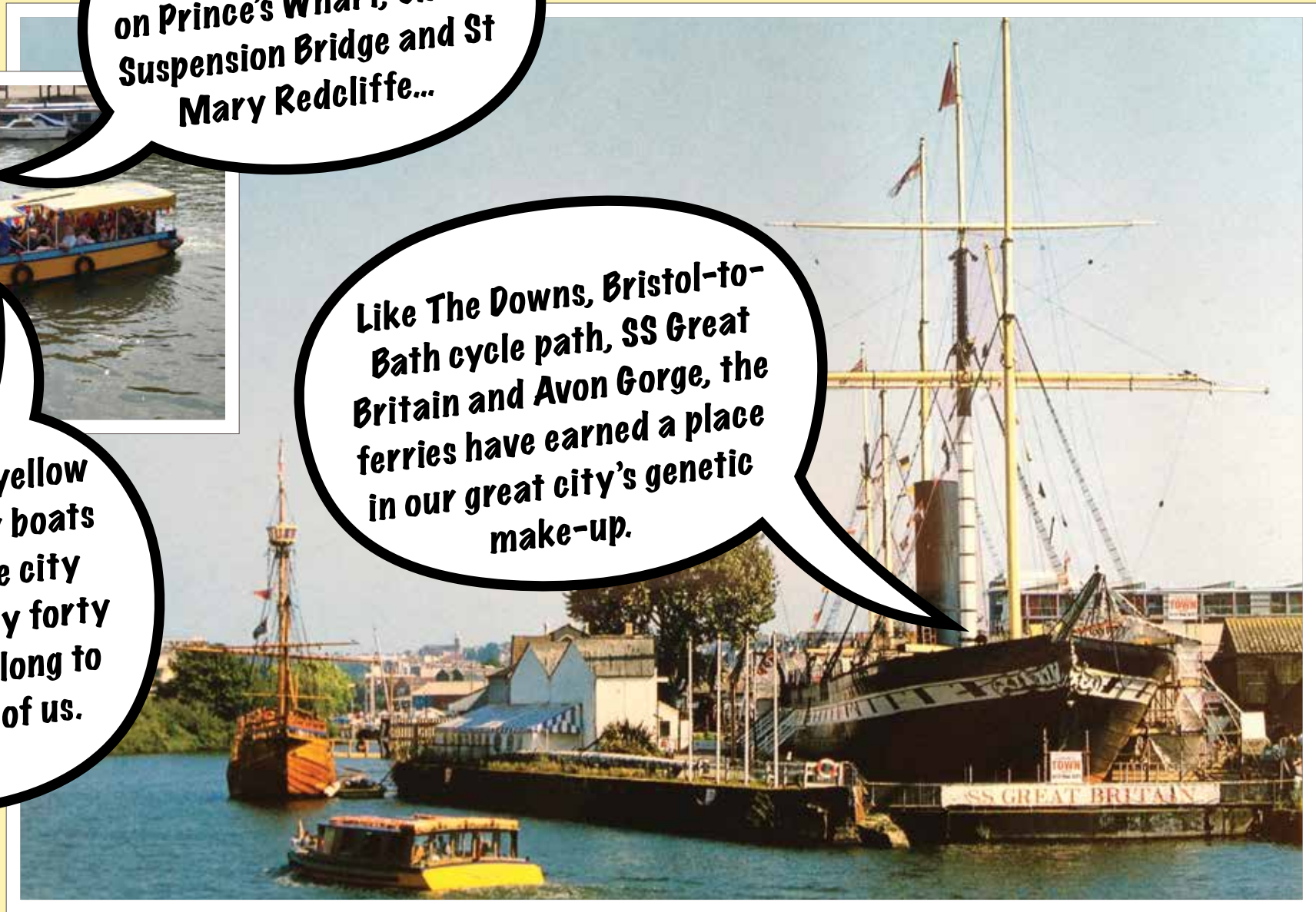


**Up there with the cranes
on Prince's Wharf, Clifton
Suspension Bridge and St
Mary Redcliffe...**



**The familiar yellow
and blue ferry boats
have plied the city
docks for nearly forty
years. They belong to
Bristol, to all of us.**

**Like The Downs, Bristol-to-
Bath cycle path, SS Great
Britain and Avon Gorge, the
ferries have earned a place
in our great city's genetic
make-up.**



Summary statement

Join Bristol Ferry Boats as a Shareholder.

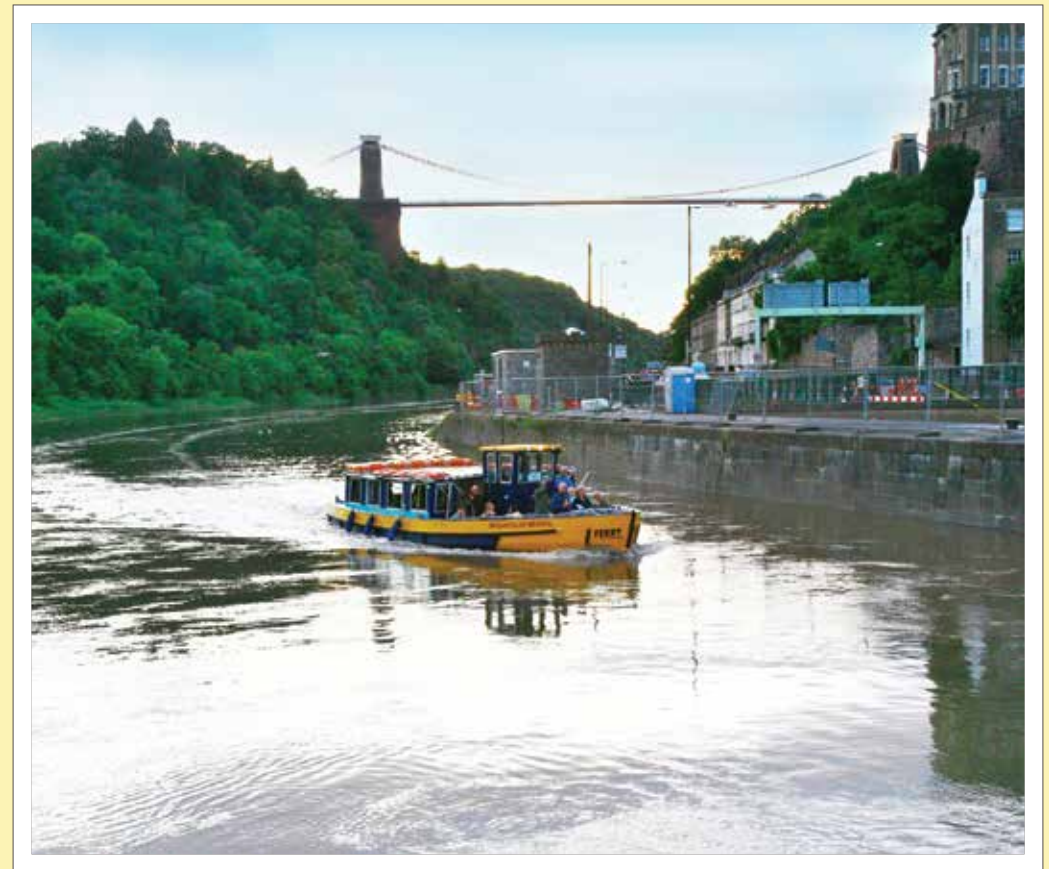
For the sake of Bristol and its great waterways, the ferries should belong to as many of us as possible so that they flourish now and for future generations, never again threatened with extinction.

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Please read this entire share offer document together with the Business Plan and the Society Rules (which are both online at www.bristolferry.com) before you purchase shares.

Launch date: 22nd May 2013
Closing date: 31st July 2013
Amount sought: £250,000



Bristol Ferry Boats - Timeline

Once upon a time... back in 1977, in the early stages of dismantling the City Docks as a commercial port, the Council offered the cranes on Prince's Wharf for scrap.

In those days before mobile phones and email, a small group of 'rescuers' came together, chipped in £50 each and outbid the local scrap merchants.

City Docks Ventures Limited (CDV) was formed and the cranes were 'saved' for Bristol.

That's why they are still there today, because they belong to all Bristol people.

This success inspired the group to take another step to bring the Docks into the public realm, by setting up a ferry service.

Ian Bungard took the helm as the ferry man.

1977 - 2002 The following year, 1978, Ian acquired the Bristol Ferry Boat Company from CDV, offering both a regular time-tabled service and leisure trips, building up a small fleet of six yellow and blue ferry boats over the next twenty-five years.

It wasn't long before the Council began to realise the value of the yellow and blue boats in much of their promotional blurb. The Bungards happily and freely lent their now-familiar brand to the City, running an increasingly popular service for visitors and local people alike as development of the dockside burgeoned.

2002 - 2012 By 2002, the Harbourside now peppered with new commercial and residential development, together with tourism rightly increasing the city's value of and focus on its waterways, Ian and Philippa Bungard decided to step down and pass over to a new husband-and-wife team... together with loyal crew.

The new people took on the task with gusto, keen and excited.

Recognising the success of the ferry service and its growth alongside the enormous investment in development around the Docks, the Council felt obliged to put the ferry service to competitive tender.

The new ferry management rose to this competition. There was more than enough new and existing business to share.

The well-established brand of the yellow and blue fleet running popular timetabled services and enclosed weatherproof boats would comfortably maintain its majority holding on the ferry services. Meanwhile, the new competition could gain from high season trips and less tightly-scheduled operation.

However, burdensome debt from purchase of the company, the commission of a costly, purpose-built new boat and expenditure on other cash-hungry projects began to take its toll on the new incumbents' operation.

Reassuring turnover 2011-12

Summer 2012 was as bad as it gets for the tourist trade. You'd think water-borne scheduled public transport services would suffer as well.

However, 2011-12 still showed a healthy turnover of £400,000 for the Ferry Boat Co.

It was the servicing of hefty bank debt, together with unnecessarily costly management and other outsourced advice that killed it for the Company.

Future projections - community ownership

In December 2012 the Ferry Boat Company was wound up and the Liquidator put the assets to sealed bid.

A group of local people raised loans among friends and, together with the original operators who had returned to Bristol, a successful bid was made to rescue the ferry fleet with the intention of moving on to found a service owned across the community.

This is an exciting way forward which will lock the great yellow and blue Bristol brand for the future, owned by as broad a range of people as possible, both within the city and beyond.

The good fortune of picking up all the ferry company's assets for little more than half the cost of the most recent new boat can now be passed to a Community Benefit Society registered as Bristol Community Ferry Boats Ltd. (aka Bristol Ferry Boats).

The Lenders are willing to have their loans repaid with no interest or other charge incurred. Some will wish to become Shareholders/Members of the new Society which takes on ownership of the yellow and blue Ferry Boats. However, many other small investors are now being sought to help spread the company shareholding as widely as possible across the population of Bristol.

Shares in the Ferry Boat Co have been set at a cost affordable for all those people who care for this important city asset.

There's special provision for schools, youthclubs and other junior bodies to become involved too.



Community Benefit Society - a new 21st Century model of equitable and participative public ownership

Bristol Community Ferry Boats Ltd (BCFB aka Bristol Ferry Boats)

One-member-one-vote, the by-word of the Cooperative Movement throughout its history of more than 150 years, means that all Shareholders, whatever their means, will have the same voting rights in BCFB. The Company is registered under the same legal banner as other co-ops.

The new company, now with NO bank debt, run by experienced ferry operators and backed by a start-up team of local people trusted by the City Council and widely-known across Bristol; this must be the best possible foundation for success, together with ownership spread across a wide spectrum of citizens.

Summer 2013 might turn out as bad as 2012 but a repeat of last year's £400,000 turnover will cut the mustard very well, thank you! More will be welcome, of course!

You'll be able to study the figures prepared for the next three years in the Business Plan which you can download at www.bristolferry.com

It's enough to describe a great recipe for the coming seasons ahead.

- Better Summers than last year (if we ever have them again).
- The expanding development around Bristol waterways.
- Increasing use of the ferries by locals and visitors.
- Bristol people's ownership and pride in the delightful mode of public transport which the ferry offers.
- Experienced management running a tighter ship.
- The backing of wide-ranging skills within the Board.

Bristol Community Ferry Boats Ltd is a Community Benefit Society under the Industrial and Provident Societies Act 1965, registered with the Financial Services Authority. Registered Number 32027R.



Why go for a Community Benefit Society?

Localism and Big Society are new tags. Much older, better-trying and honourable models are to be found under the umbrella 'Industrial & Provident Society' (IPS).

A Community Benefit Society (CBS) is one such model.

The IPS has a long and noble history, including the rise of our country's building societies, the Co-operative Movement and more recently a wave of community-owned renewable energy initiatives.

This kind of community ownership is gaining strength and is rapidly becoming the face of community business for the future.

A Community Benefit Society attracts valuable support and advice from the Cooperative Development Agency, as well as tax relief benefits and possible grant income.

What are the Benefits of a CBS?

Ownership is sought to be as wide as possible so no one individual or business can step in and take over.

The breadth and numbers of people involved creates a strong and committed team.

Community Benefit Societies have an 'asset lock'. This means that the fleet of blue-and-yellow ferry boats will be secured for continuing operation on Bristol's waterways - not possible for anyone to dispose of for personal gain.

Shareholding in a CBS is a comparatively safe form of share investment although, needless to say, no shareholding is ever risk-free.

This is intended to be a long-term, interest-paying community investment although you will be able to withdraw your share capital from the Society if you want to free up your money after a period of time.

In the initial three years, share capital may not be withdrawn.

While community benefit is a driving thrust of the company, interest will be paid on shareholdings. This is expected to be in the range of 3-5% p.a.

Bristol Ferry Boats will no doubt be a thriving, profitable business. All the signs are there to expect success, enabling an attractive interest rate to be paid on shares while leaving enough to invest in the business and provide incentives to employees, including a scheme to promote staff shareholding.

What is meant by 'Community'

First and foremost we will be running a local community-led transport service on Bristol's waterways.

There is however, an appetite for reaching much further than simply operating a ferry service.

We will be preserving the ferries as part of Bristol's heritage by adopting a sustainable business model, keeping the iconic yellow and blue boats on the water.

You will be joining others who value the ferries and Bristol's waterways and want to share in the excitement and enrichment they bring.

Finally, we want to create other community benefits so you can expect to inspire - or be roped into - all kinds of wonderful water-based adventures aimed at the young and not-so-young.

Volunteers are always welcome but there is added value when you are also a Member i.e. a Shareholder.

As a Member there will be no pressure to participate in these additional adventures and activities - you may simply choose to sit back and enjoy the interest payable on your shares!



**Picture your
own cabaret
evening afloat.**



Bristol Ferry Boats founded 1977



Prince's Wharf Cranes saved for Bristol 1977

Meet the team

The Ferry Operators

The Company Directors

The Lenders



Philippa Bungard



Ian Bungard



Mike Fripp



Rosie Dee



Neville Goodspeed



Will Smith



Ed Hall



Mark Coombes



Karl Gowling



Andy Brown



Simon Bonham



Ruth Maclellan



Ella Barraclough



Lou Phillips



Carrie Hitchcock



Tilly Bungard



Gabriel Westaway



Vicky Helsby

The start-up Board - voluntary, unpaid
(alphabetical order)

Philippa Bungard

Artist. Married into Ferries 1989. Set up a successful holiday rental business in Spain, 2002-2012. Now back on the ferries.

John Grimshaw

Helped start first modern ferry in Bristol, 1977. Founded Sustrans - Bristol-to-Bath railway path and National Cycle Network. Champion of cycling. Transport advisor to the Mayor.

Katy Hallett

Artist. Has worked for years with artists in public places and with local people mainly on Sustrans's National Cycle Network and Sustrans.

Keith Hallett

Architect; more than 40 years of community activism; advocate for Bristol through and through.

Ross Kinneir

Industrial Designer. Founded Kinneir Dufort Design in 1977. The company now employs 75, working internationally.

Sue Learner

Midwife to Philippa Bungard when daughter Tilly was born (hence 'Matilda' ferry). Helped set up Cosham Birth Centre, run by midwives.

Arne Ringner

Came to the UK to study, liked it and never left. Has created several restaurants in Bristol, including The Glass Boat, Spyglass and the Lido complex.

Mark Tucker

Originally a design engineer, now runs a property development company. Worked in social housing and, for 20 years, Chief Negotiator at Sustrans.

Marian Tucker

Physiotherapist. Currently doing research into knee osteoarthritis. Active in local community initiatives in Hotwells and Cliftonwood.

These are the people who helped save the ferries from extinction, in readiness for the new Community Benefit Society now being launched.

Mark Tucker · Stephen Noreiko · Alastair Sawday · John Grimshaw · Marian Tucker · Anthea Bruges · Alf Perry · Ian Learner · Arne Ringner · Nick Gough · Carol Gough · Magnus McDonald · Keith Hallett · Sue Learner · Katy Hallett · Annie Menter · Mike Richards · Andrew Garrad · Sarah LeFanu · Dave Sproxton · Jay Tidmarsh · Keith Riches · Carrie Riches · Ross Kinneir · Martin Parsons · Steve Berger · Kevin and Mary Lehane · Chris Curling · Robin Mallett · John and Jane Normanton · Peter Westby · Fred Larkham · Toby Hannam · David McKeown · Katy Salvidge · Ros Kennedy · Judith Sluglett · Helen Tierney and Simon Banbury · Giles and Lesley Woodward · Dave Cooley · Belinda Price · Martin Parsons

All plus a huge amount of help from Hilary Sudbury and the Co-op Development Agency.

← Staff paid to carry out day-to-day operations. *Incidentally, we aim to pay the "Living Wage" to all employees as well as incentivising staff in a variety of ways, to be negotiated...*

The fleet of five boats

...and you people of Bristol whose share investment will make it all work



Brigantia



Matilda



Independence



Emily



Margaret



and £250,000 is what is needed!

Answers about Share Ownership - FAQs

How much can I invest?

The maximum set by law is £20,000.

The minimum you can invest is £100.

This will enable you to be a Member on a one Member one vote basis, irrespective of size of shareholding.

Shares are set at £1 face value so that schoolchildren, members of a youth club or football team etc. can join together to create one Shareholding/Membership, so long as the person who represents their interest is 16 or over.

Any amount from £100 to £20,000 is fine, in multiples of £100. The more the better e.g. if you have £900 available, that's an ideal amount to invest. Or £100 if that's all you can commit.

What return on my money will I get?

At the discretion of the Board of directors, if it is financially prudent to do so, interest will be paid on your share investment each year. We expect the interest rate to be in the range 3-5%, on current projections.

Will I get tax relief on my investment?

Yes, Bristol Community Ferry Boats Ltd is currently applying for HMRC approval under the Enterprise Investment Scheme (EIS) and the Seed Enterprise Investment Scheme (SEIS). Subject to this approval, you will be allowed 30% relief on the amount you have invested under the EIS (or 50% under the SEIS) against your income tax liability for the current or previous year.

You may also invest any capital gains you made last year and so defer paying Capital Gains Tax.

To qualify for EIS, you must hold the shares for a minimum of three years and shares must be paid for in full when you buy. More information about the schemes is available on the HMRC website.

Sounds complicated, what does that mean?

The effect of the EIS and SEIS is that it will reduce the net cost of buying your shares after tax relief, in other words increasing the effective interest rate you will receive on your original investment.

For example, if the interest paid on shares is 4% and you claim and receive SEIS tax relief at 50%, the effective interest rate you will receive on your original investment in shares is 8% p.a.



What happens if I want to withdraw my shares?

Let's hope you want to hold your shares for many years and pass them on to your children but, after a minimum period of three years, you can ask the Society to buy back your shares if you wish, subject to a few simple conditions, at original face value.

Otherwise, all you have to do is wait for your interest payments; that is unless you want get involved more, to enrich what the ferries are able to offer Bristol beyond providing just a darned good ferry service.

What voting rights will I have as a Member?

Like any other company, BCFB Ltd will have a Board and Company Secretary, elected from the Members. Each year there will be a meeting of Shareholders Members to vote on these and other issues anyone wishes to raise.

Each Member will have one vote regardless of the amount of money invested.

The day-to-day managers of the Bristol Ferry Boats operation will be answerable to and appointed by the Board.

Are there any other benefits ?

The Board would like to be able to offer some special tickets and discounts on trip bookings to Members. We also plan to have at least one special Members' excursion each year such as a Summer picnic up the river. Details are under consideration and will be sent to Members later this year.

How can I be involved in the business?

There are lots of ideas to reinvigorate and expand the business beyond its operation as a time-tabled ferry service.

For example, why not arrange a 'grand day out' for pensioners, from Lockleaze, Henleaze or wherever, as an outreach service? Or cabaret evenings with live music or other performances?

As a Shareholder, you can help make such things work, or put forward your own ideas, as well as share in the profits as they are boosted by all the excitement and new focus to the city's waterways generated by community ownership.

OK, so how safe is my money?

Unlike a start-up business, this is a ferry business which recorded turnover of around £400,000 in 2012 despite one of the wettest and worst Summers since Met Office records began.

We know from the financial evidence of the liquidated ferry company exactly where it went wrong and why a Community Benefit Society, with a wide range of Shareholders, tons of enthusiasm, no bank debt and experienced operational and management backing can make the business work efficiently, profitably and to everyone's advantage.

What is the worst-case risk?

As with any investment, the ultimate risk (if the business fails) is that you lose all your invested money. In that extremely unlikely event, you would have no right to compensation from the Financial Services Compensation Scheme.

...but don't stop here and say 'forget it!' You've already heard that the Society assets include five boats. Brigantia, the newest of the five, purpose-built only five years ago, alone cost quite a bit over £200,000.

And the Society will have no debt, once the shares have been allocated.

The Society is not planning to take on any additional loan finance beyond our target of £250,000 for this community share offer.



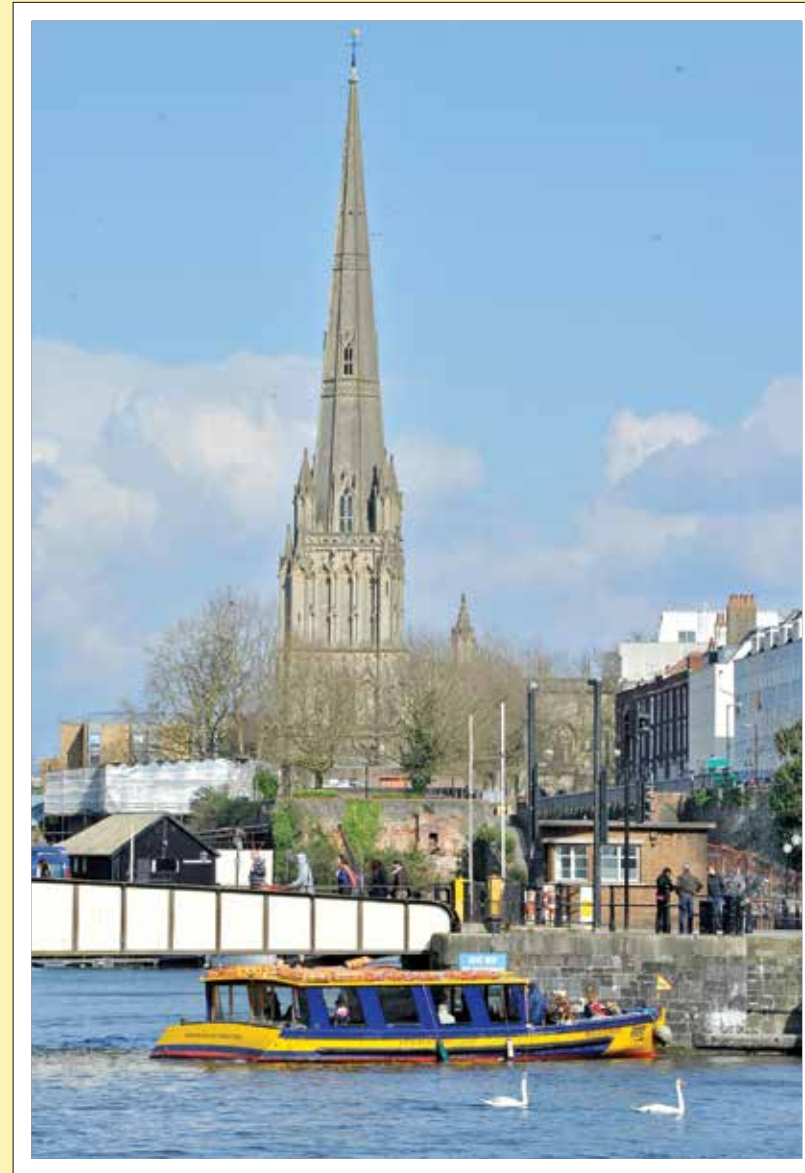
**Future projections/
ambitions/ideas**

Bristol's waterways are one of our city's greatest blessings, among its top assets. It's your water for you to get out there and enjoy on your own ferries. And it's not just the Floating Harbour; it's all the way up the river from Avonmouth, through the Harbour and on to the Feeder canal; on special occasions beyond...

We prize our parks and open spaces. Ashton Court and The Downs were endowed for our citizen's leisure. Bristol's water is another wonderful endowment of open space which doesn't stop at the quayside – it can best be enjoyed out there on the water itself! And have you noticed how the city looks so different from the water?

So, let's all make sure we lift expectations well above a normal scheduled ferry service, to show that a community-driven ferry brings fun and frolics in all kinds of imaginative, whacky ways.

Community-shareholding means it's a project which belongs to all of us; to bring a new creativity to the waterways; to find inspiration yourself or be energised by others' imagination.



What limits to aim for with share capital?

The £ 250,000 we are seeking to raise will enable the company to continue fulfilling its principal ambition to run an efficient, time-tabled ferry service on all days of the year except Christmas Day.

No-one else provides that in Bristol. No-one else wants to provide that service. Others offer trips around the docks on high days and holidays, taking people on pleasure rides, for purely leisure purposes; that's their business.

Bristol Ferry Boats runs 364 days a year regardless of weather. It's essential for a city with a wealth of waterways to be able to rely on a regular time-tabled ferry service as a properly regulated part of Bristol's sustainable public transport network.

There is more to be done, though. And community ownership is the best way to ensure that wider ambitions happen.

This is a wonderful opportunity for a wide spread of Bristol people, young and not-so-young, from Kingswood to Hartcliffe across to Lawrence Weston and back to Horfield and Easton, to be engaged in this new form of more democratic business.

People who throng to the Harbour Festival; the many who take their visiting friends for weekend walks around the docks; all with pride in ownership of this part of one of Bristol's greatest assets!

It's up to you and your appetite for a community based business model in which anyone can invest and take part if they wish.



Now for the legal stuff

Please make a cup of tea or maybe have something stronger, settle into a comfy chair and read this carefully.

We have a legal and moral obligation to be very clear to you how the process of buying a share works and what it means, both to safeguard the ferries' finances and yours, so please don't skip this part!

1. Shares are priced nominally at £1. The minimum holding is £100 and the statutory maximum is £20,000 for an individual or a company. Any amount in between, in multiples of £100, is fine.
2. Members i.e. Shareholders must be at least 16, and must pay for their shares in full at the time of application.
3. Shares are not transferable, except in case of death or bankruptcy. Share capital may be withdrawn i.e. the shares may be redeemed by the Society after a minimum of three years from the purchase date, subject to the terms below in item 7.
4. Nominal share value cannot increase. However the value could fall if liabilities exceed assets i.e. if the business fails.
5. Your personal liability in all circumstances is limited to the value of your shares.
6. We intend, and are allowed, to pay a reasonable rate of interest on shares, provided the profits of the business can afford it. Our aim is to pay between 3% and 5% p.a. on share capital. The rules of the Society allow interest payments to be at the discretion of the Board of Directors (the Board) and payments will be suspended if the financial performance of the business cannot support them.
7. After the minimum three years, you may withdraw some or all of your share capital from the Society provided:
 - a) Notice of 3 months is given in writing.
 - b) Trading surpluses or fresh share capital allow it, financially.
 - c) The Board does not refuse the request, as it is legally entitled to do. (This would be the case, for example, if there was a sudden rush of people wanting to withdraw share capital). The Board always has a duty to consider the long-term interests of the Society and the community asset it holds.
 - d) The total yearly share withdrawal by all members does not exceed £25,000.
8. All monies will be held in safekeeping in a bank account in the name of the Society. After the share launch the monies will be retained until the Board are clear that the minimum amount has been reached to repay those Lenders, (i.e. those who made the temporary loans to purchase the boats) insofar as

- they do not wish to convert their loans to shares. In the unlikely event insufficient share capital has been raised to enable the Society to take over the assets i.e. primarily the boats, you will be informed by email and your money will be returned to you in full. Information on the progress of the share issue will be online at our website.
9. Once you purchase shares, you will become a Member of the Society and will be entitled to full voting rights at the AGM and other general meetings. All Members have an equal vote regardless of the number of shares held.
 10. The Society has a statutory asset lock the same as a charity or community interest company structure. This ensures that the assets are held in perpetuity for the aims of the Society. If the Society is dissolved then the residual assets (after shares have been repaid) cannot be distributed amongst the Members.
 11. The Society is registered with the Financial Services Authority. However, special rules apply to the IPS form and you have no right of complaint to an ombudsman. See www.fsa.gov.uk/doing/small_firms/msr/societies for full details. If in doubt, you should seek independent advice before making an investment.
 12. This share offer closes on 31st July 2013. We will make a decision on whether we have raised enough through the share issue to acquire the assets as soon as possible after this date and will inform all those who have subscribed for shares. In the event that the share offer limit of £ 250,000 is oversubscribed, the Board reserve the right to limit any individual shareholding or not accept further share applications. In these cases, all surplus monies will be promptly returned.
 13. Full Society rules and a copy of our business plan are to be found online at www.bristol ferry.com
 14. Confirmation of SEIS and EIS status and all other developments will also be posted on our website as soon as we have them.

You've come this far...

Share Application

Now is the moment of action, the moment when you make this happen.

It's so simple and easy. Just fill out the application form and return it. You can pay by BACS transfer or with a cheque.

You can post to Philippa Bungard
Bristol Ferry Share Offer
44 The Grove
Bristol
BS1 4RB

..email Sign, scan and send your completed form to shares@bristolferry.com
In this case, because the form is signed as a Deed, you must also post the original paper copy.

or call in personally The office is open during working hours where you can pay in cash or by bank card (address as above).

Payment You can pay by cheque, made out to: Bristol Community Ferry Boats Ltd or by BACS transfer (on-line banking) direct from your bank account to the Ferry bank account number 51695260 sort code 30-94-83. Give your name as the Reference.

Any problems, please call us on 0117 9292333.



Share Application Form

Title	<input type="text"/>
Full Name	<input type="text"/>
Date of Birth	<input type="text"/>
Address	<input type="text"/>
Postcode	<input type="text"/>
(please write clearly) Email	<input type="text"/>
Phone Number	<input type="text"/>

I am an existing Lender to the Bristol Ferry Boats. Yes No

Share certificates will be sent to you by first class post. All other communication will be by email. If you require everything to be sent by post please tick this box.

In the case of this offer being over subscribed.

The Board will allocate shares to as many people as possible. In this circumstance you may receive a reduced number of shares or none at all. If you do not receive the shares you applied for your money will be returned in full within 4 weeks of the share offer closing.

If there is an undersubscription by the closing date, the Board will continue to seek further investment.

Note: In signing this form you agree to your personal information being held on a database, which will not be passed to third parties, in accordance with the Data Protection Act (1998). To ensure compliance with the Money Laundering Regulations (2003) The Bristol ferry Company may require verification of the applicant's identity.

Declaration

I am 16 or over, have read the entire share issue document and agree to the terms and conditions of this offer. I understand that this form is a legal deed and must be signed only by the person to whom the shares will be allocated.

Signature

Date

Number of £1 shares (in multiples of £ 100)
you wish to purchase (between £100 and £20,000). £

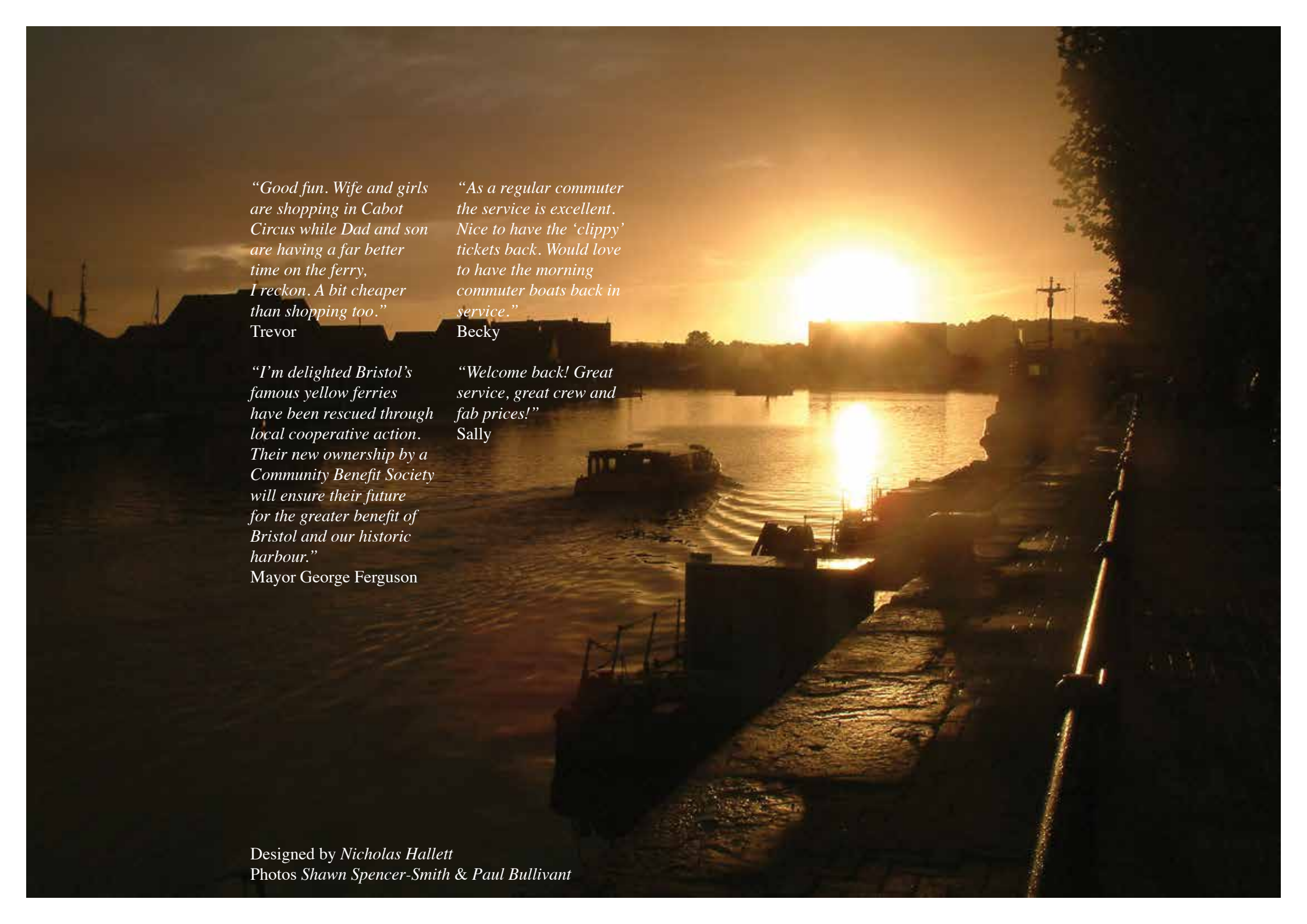
£

I am sending a total of £ as a cheque enclosed with this form.

OR

I am making a BACS electronic transfer total of £
Give your name as the reference as entered on your BACS instruction to your bank.

Ref



*“Good fun. Wife and girls
are shopping in Cabot
Circus while Dad and son
are having a far better
time on the ferry,
I reckon. A bit cheaper
than shopping too.”*

Trevor

*“I’m delighted Bristol’s
famous yellow ferries
have been rescued through
local cooperative action.
Their new ownership by a
Community Benefit Society
will ensure their future
for the greater benefit of
Bristol and our historic
harbour.”*

Mayor George Ferguson

*“As a regular commuter
the service is excellent.
Nice to have the ‘clippy’
tickets back. Would love
to have the morning
commuter boats back in
service.”*

Becky

*“Welcome back! Great
service, great crew and
fab prices!”*

Sally