

Case Study 8.1

Childbase

Childbase, an operator of children's nurseries in the south-west of England with turnover of £25m in previous years, successfully transitioned the ownership of the company to employees using a dual approach. In 2007, the company drafted a new set of memorandum and articles of association to place the employees as the primary beneficiaries of the business. From the point onwards, the company has created an employee ownership structure using a combination of an employee-benefit trust (EBT) and individual employee share holdings (maximum individual holding of 2.5). Childbase has financed the acquisition and distribution of company shares to employees by using profits to purchase shares from the current owners.

Source: A. Bibby, *From colleagues to owners: transferring ownership to employees* (London: Employee Ownership Association, 2009).

