

## *Findon Village Collective Ltd - Findon Village Store-*

### *Shareholder FAQs*

#### **How does the share issue work?**

The company we have set up is a Society for the Benefit of the Community, operating on the basis of one member one vote, irrespective of the number of shares purchased. It should be considered primarily as an opportunity to contribute financially to the community of Findon with the expectation of a social dividend rather than a financial reward. It is NOT the same as a purely profit-driven enterprise where the investor seeks to share in profits through dividends and to make capital gains from increased value in shares.

#### **Is it a good investment?**

The community shop model has proved itself to be very robust. Of a total of 324 similar start-ups across the country, there has been a 96% success rate and it is well proven that communities that work together to set up such a venture will support it in the future. The value of shares in Findon Village Collective Ltd cannot increase beyond the nominal value of £1000 per share and could even decrease if liabilities exceed assets. However, the Society confers limited liability so, should the project fail, there would be no further liability on shareholders.

#### **Will I earn interest on my shareholding?**

Any payment of interest must be from trading profits and is at the discretion of the Management Team, having regard to long term interests of the Society and the need to maintain prudent reserves. The rate of any interest payable is subject to approval by the voting Members at an Annual General Meeting, and shall not exceed 5% or 2% above Bank of England base rate whichever is the greater.

#### **What about joint ownership of shares?**

Joint shareholders are **eligible** for voting membership but must nominate **one** of the parties to represent the interests of the others when voting. Nominations will be recorded by the Company Secretary on the Register of Shareholders.

#### **Can I sell my shares?**

These shares cannot be sold or transferred.

#### **Can I withdraw my investment?**

The only way to recover the sum initially invested (or any reduced value) is to give notice of withdrawal to the Management Team. No withdrawal can take effect (except in exceptional circumstances) until 3 years have elapsed from the date of issue or the date the Findon Village Store begins trading, whichever is the later. Withdrawal will be at the discretion of the Management Team who will judge if the business is trading profitably and if it has adequate cash reserves to fund withdrawal. The

Management Team will also have the right to set a cap on how many shares can be withdrawn each year.

### **What happens in the event of the death of a shareholder?**

In the event of the death of a shareholder the intention would be to make an earlier repayment, if requested, subject to funds being available.

### **Can I get tax relief under the Enterprise Investment Scheme?**

After 4 months of trading we shall find out whether we are a qualifying company under the EIS scheme. We will keep shareholders informed on this.

### **How can I find out more about the Business Plan and Society Rules?**

The easiest way is to go to the Shareholders' page on our website: [findonvillagestore.org](http://findonvillagestore.org)  
For shareholders with no access to the internet, the Business Plan and Rules may be viewed at Findon Village Store.

### **What will Findon Village Store offer?**

The shop will be open every day and will offer newspapers, Post Office, groceries, local produce, and household goods which villagers want and need.

### **How will it be run?**

It will be run by the Management Team, elected annually by Members at the AGM. The shop will be staffed by a Shop Manager, some paid staff, and a group of local volunteers.

### **Who's who on the Management Team?**

Chairman: Peter Goldsworthy; Vice-Chair: Jo O'Dell; Treasurer: Helen Woods; Buildings Advisor: Stephen Porti; Management Accountant: Dee Rempel; PR & Marketing: Becky Fagan; Company Secretary: Jan Vandavelde.

Co-opted Members: Auds Stapleton, Shop Manager; Julie Leitch, Volunteer Co-ordinator.

We are also grateful for ongoing support from Sean Smith, Parish Councillor.

### **When will the AGM be held?**

An inaugural meeting of shareholders is planned for November 2017, when there will be the opportunity to discuss the Business Plan for the coming year, to contribute ideas on what could be offered by the shop, and to put questions to the Management Team. The first formal AGM will be held after one year of trading, in 2018. The Annual Report and Accounts will be presented to shareholders and there will be elections for membership of the Management Team.