



## **Findon Village Collective Ltd – Findon Village Store**

### **Member/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.

The initial share offer was made to raise funds urgently to purchase and save the store for the village, but it is still possible to purchase shares to provide ongoing support for the venture.

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

The community shop model has proved itself to be very robust. Of a total of almost 400 similar start-ups across the country, there has been a 92.5% 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?**

The Rules state that the Society may (but is under no obligation to) pay interest to holders of shares, as compensation for the use of such funds, and that any payment of interest must be from trading profits and is at the discretion of the Management Committee having regard to the long term interest of the Society, the need to maintain prudent reserves and the Society's commitment to community benefit.

However, it should be noted that the Management Committee has chosen not to pay interest.

#### **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 Committee in accordance with the Share Surrender and Withdrawal Policy. No withdrawal can take effect (except in exceptional circumstances) until 3 years have elapsed

from the date of issue. Withdrawal will be at the discretion of the Management Committee. It will judge if the business is trading profitably and if it has adequate cash reserves to fund withdrawal. The Management Committee 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 member, subject to funds being available, a repayment of the shareholding can be made if so requested by the beneficiaries. Replacement share certificates can be issued to beneficiaries choosing to continue as shareholders.

It should be noted that in addition to members making provision in their wills to transfer shares, under Section 37 of the Co-operative and Community Benefit Societies Act 2014, they are also able to make a nomination for shares to be transferred on their death (or second death in the case of a joint shareholding) to a nominated individual or to Findon Village Collective Ltd. In that case, the share will be cancelled and its value becomes a donation.

### Can I get tax relief under the Social Investment Trust Relief?

The initial issue of shares on 20 July 2017 qualified for relief under the above scheme. Subsequent issues of shares do not qualify under the scheme.

### How can I find out more about the Society's Rules?

The easiest way, will be to go to the Members/Shareholders' page on our website: [findonvillagestore.org](http://findonvillagestore.org) - for those with no access to the internet, the Rules may be viewed by request to the Company Secretary, c/o Findon Village Store.

### What does Findon Village Store offer?

The shop and Post Office are open every day except Christmas Day (mornings only on Sundays and Bank Holidays) offering everyday essentials such as milk, bread, newspapers, tea and coffee etc.

The Post Office provides all the normal facilities including cash withdrawal, ordering foreign currency and cash deposit to the larger banks.

### How is it run?

It is run by the Management Committee, which is elected by Members at the AGM. The shop is staffed by a Shop Manager, some paid staff, and a group of local volunteers.

### Who's who on the Management Committee?

Chairman: Patrick Colville; Vice-Chair: Annie Whitchurch; Treasurer: Alan Holmes; Company Secretary: Richard Pratt; Compliance: Anne Colville; Logistical & Maintenance Support: Chris Blacker; Buildings Advisor: Stephen Porti.

### When is the AGM held?

The AGM is held towards the end of each calendar year, normally in November. The Annual Report and Draft Accounts are presented to members and tri-annually, there is an election for membership of the Management Committee.