



## Chiddingly Village Shop & Café

• COMMUNITY HUB • LOCAL FOOD • GIFTS • FRESH BREAD • ESSENTIALS •

# The Chiddingly Community Shop Limited Community Share Offer Information

## Now available ALL YEAR ROUND

Chiddingly Community Shop Ltd. FSA Registration No: 31345R

You are invited to invest in the existing community shop that provides us with a local food shop, cafe and community hub. The Chiddingly Community Shop Ltd, is the body which was created to bring the shop to fruition. This shop is a “first” for our community -a not-for-profit organisation created and managed by the village for the village. You can join us by becoming a Member of the Society.

This document:

- Explains about the Society & how the share offer works
- Invites you to help us to sustain and develop the existing shop.

Find out more about Chiddingly Village Shop & Café including the Community Ownership Rules as well as the latest accounts at [www.chiddinglyshop.org](http://www.chiddinglyshop.org)

The back page includes VITAL details you must read before deciding to invest.

### What is Chiddingly Community Shop Ltd?

The Chiddingly Community Shop Limited is the company which was formed to bring the Chiddingly Village Shop to fruition. It is a not-for-profit Community Benefit Society (known as an Industrial & Provident Society or IPS) working to Plunkett Foundation Rules and registered with the Financial Services Authority (FSA). In its rules is embedded the principle that if the Society has a surplus, this may be made available for distribution to other community projects. A copy of the Constitution for Chiddingly Community Shop is on our website, [www.chiddinglyshop.org](http://www.chiddinglyshop.org) or can be requested from a member of the Management Committee. By investing in this community shop, i.e. by buying community shares, you are making a direct contribution to the village shop project.

### Who is leading this initiative?

The Management Committee making this share offer is a group of shareholders and local residents publicly elected at the shop's AGM by members of Chiddingly community shop Ltd. In keeping with the ethos of community investment, we have invested our own money in the project. As members of **The Chiddingly Community Shop Limited**, we form the current Management Committee. The current Management Committee is: **Mike Goss (Chair) Michael Parr (Treasurer) Belinda Taylforth (Secretary) Gail Giles, Stella Rock and Matthew Platts**

## OUR VISION AND THE BENEFITS

The shop opened in August 2012 by securing grants both locally, nationally and through a European Grant. In addition, funds were raised through members of the community buying shares, making a donation or buying a brick. We are now re-opening the opportunity to buy **Community Shares** in the shop to assist in the future longevity of the shop and to enable new residents in the parish to become shareholders. This represents an opportunity to transform the vibrancy and sustainability of our village and the surrounding area by:

- Providing a useful and desirable facility (useful services including postal service as well as goods to buy).
- Saving us all petrol, reducing our carbon footprint.
- Providing a place to meet friends and neighbours and join in with community activities:
- French and Crafty Coffee clubs and the opportunity for other clubs.
- A central point for information on community events and issues.
- Creating work opportunities for local people.
- Providing an additional outlet for local producers.
- Increasing the value of our homes (property specialists suggest by as much as 5%)

For some the shop provides an easily accessible 'lifeline' for their shopping, for others a convenient place to pop in to stock up on essentials. And for all, a place to find those special local products or share a coffee and a bite to eat with friends.

## Is the Chiddingly Community Shop a viable business?

The community shop model has proved itself to be robust. There are approximately 250 community shops formed in the UK to date and a small number close each year. This is normally due to a lack of support from the local community or volunteer fatigue. It is well proven that communities that work together to set up such an undertaking continue to support it in the future. A detailed Business Plan and financial analyses were drawn up prior to the opening of the shop and current financial information is available from our Treasurer or on our website.

## HOW YOU CAN JOIN IN

You can help further assist the community shop in one of 3 ways:

1. By becoming a Member the Chiddingly Community Shop Ltd – by completing the attached application form and buying at least 1 share. We hope as many of you as possible (over 18) will join.
2. By buying additional shares. Whilst some generous people may be able to invest larger sums, we are committed to this being a *community project for everyone*. ALL shareholders will rank equally as customer and owner, however much they have invested. **One Member, One Vote;**
3. By joining the team – volunteering your time for a couple of hours a week by working in the shop

**However, before deciding, it is VITAL that you read the final page of this document** which sets out important information about the nature of this share offer. Crucially, you must realise this is an investment *in our community* – sustaining a unique asset for us all, and helping make Chiddingly and the surrounding area a more vibrant, thriving and sustainable place. It is not a conventional financial investment with an expectation of *direct* financial returns.

**Learn more about the project and the Community Share Offer by looking at the website – [www.chiddinglyshop.org](http://www.chiddinglyshop.org) or by contacting a Member of the Management Committee**

**Please help sustain and develop the community shop by supporting us.**

## 8 IMPORTANT POINTS ABOUT THE COMMUNITY SHARE OFFER YOU MUST READ BEFORE DECIDING WHETHER TO TAKE PART

When considering taking part, it is VITAL to realise this is an investment *in our community* – creating a unique asset for us all, and helping to make Chiddingly and the surrounding area a more vibrant, thriving and sustainable place. It is not a conventional financial investment with an expectation of *direct* financial returns. The full details are set out in the Rules of the Society (available on request or on <http://www.chiddinglyshop.org/news-and-information/>) and the main issues are summarised below.

1. The minimum shareholding is one share per person. Each share has a value of £10 and the statutory maximum that can be held by an individual is £20,000. Members must be over 18 and shares must be paid for in full on application. (Form attached).
2. Shares are not transferable – you cannot sell these shares except to the Society itself for their original value of £10/share. The Society may not be in a position to buy back shares.
3. The value of shares cannot increase beyond their nominal value of £10. The value *may be reduced* if liabilities exceed assets (i.e. if the business fails).
4. ALL shareholders will rank equally as customer and owner, however much they have invested. **One Member, one vote.**
5. Your liability is restricted to the value of your shares. In the unlikely event that the business should fail, you would have no further liability.
6. Currently there are no plans to pay dividends on these shares. The return should be viewed as a social investment. The business cannot be sold for the benefit of its member shareholders. Future profits not needed for the development of the business can only be used for the benefit of the Parish of Chiddingly. The only way to recover the sum initially invested (or any reduced value) is to give notice of withdrawal. This cannot happen for the first 5 years after trading begins, and is subject to specific conditions.
7. The specific conditions for withdrawal include
  - a. 3 months notice to be given
  - b. The total repayable in any year is limited to a maximum total of 10% of the community capital.
  - c. Withdrawals must be funded from trading surpluses or new share capital – and are discretionary (i.e. subject to Management being satisfied this is consistent with the long-term interests of the Society).
8. The Chiddingly Community Shop Ltd is *registered* with the Financial Services Authority. However, because community share investors are deemed to invest for social returns not financial gain, the sale of community shares is not *regulated* by the FSA; there is no right of complaint to the Financial Ombudsman, nor can you apply to the Financial Services Compensation Scheme. Although we fervently believe in the project, you can potentially lose everything you invest in the Community Share Offer. **Before deciding to invest, please consider seeking independent advice. If you need further information on the shop or the share offer please do not hesitate to contact Michael Parr: [cahoots1401@sky.com](mailto:cahoots1401@sky.com)**