

Your Questions Answered

Wray Village Store

The heart of the community

This document provides answers to the most common questions asked, and will be updated, as appropriate, from time to time.

What is a community share offer?

1 A community share offer provides the opportunity for people to buy into the community where the motivation and payback is more social than financial. It helps to ensure a truly local enterprise, accountable to the community while both serving and benefitting it. The Society has been set up to operate a village shop with the opportunity to support a visiting post office and a simple café. The shares you buy will make you a Member of the Society, with an equal vote regardless of your shareholding. Your involvement thereafter can be as much or as little as you wish. You can vote at the Annual Members Meeting, stand for election to the Management Committee, volunteer to help and support ongoing activities or just make use of the community hub. We would like to encourage as many members of the community as possible to volunteer their time, now and in the future to make this a truly communal venture.

How are we proposing to provide a shop for the community?

2 A community owned shop run in line with the rules of a Community Benefit Society (CBS), managed and staffed by locals, stocked with a mixture of necessities, including some locally produced goods, with profits being put back into the business.

What is a community benefit society?

3 A society registered with the Financial Conduct Authority, owned by the members. The society is established for the benefit of the community and not of its members. Each member has one vote at the AGM, even if they have more than one share. Unlike with a company, the shares are not transferable and can only ever be refunded at par (in our case £25). The shares can never be worth more than what was paid for them. A Community Benefit Society must be established with a social or environmental objective and has a non-profit constitution and an asset lock.

What do we need to make it happen?

4 It is important that as many members of the community as possible participate in the venture and help to raise the funds required to upgrade our existing premises to secure the future of the shop. The Management Committee of Wray Village Store Ltd is seeking to raise a minimum of £35,000 to provide the necessary investment funds to cover start-up costs including administrative fees, stock, employ a shop manager and other running costs over the first 3-4 years.

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Why have we decided to run the shop as a Community Benefit Society?

We think this is the best option to benefit the community of Wray, because a community benefit society's (CBS) business must be entirely for the benefit of the community. There can be no alternative or secondary purposes, including any that may preferentially benefit the members, including the management team. A CBS is a membership organisation and members have democratic rights over the election of the management team and the running of the business. Assets of the CBS are subject to a 'lock,' which means that, should the society be sold or amalgamated, assets cannot be distributed to members but can only be used to benefit the local community.

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What is the community benefit and the benefit to shareholders?

There are numerous benefits to having a community owned and run Village store. It will provide a focal hub reducing social isolation for the elderly and vulnerable, a place to shop without requiring transport, a location to collect prescriptions and a village asset that enhances the value of property in the village.

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How are we going to raise funds?

You are being invited to invest in the Wray Village Store project through the purchase of **community shares**. Community shares will have a nominal value of £25 each. The minimum investment under this share issue is 1 share (i.e. £25). We will also offer a crowd funding option for those that wish to simply donate funds to the project without holding shares or wanting a vote as a Member.

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What if the money raised through the share offering is not enough?

If after consultation with potential shareholders the Management Committee decide that the total funding raised is insufficient to proceed with the project, then the share offer will be deemed to have failed and we will write to all share applicants and return their money in full.

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How can I get involved?

The share offer is open to individuals aged 16 and above in addition to organisations. The share offer will open on **6th September 2022** and it will close at midnight on **30th September 2022**, or such later date as the Management Committee may determine should an extension be required. To buy shares you simply need to return an application form with your payment.

We will also need volunteers to help get the shop ready and, staff the shop on a rota basis. Please get in touch with the management Committee for more information about volunteering opportunities.

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What do shareholders get from this?

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Investment will help make the shop a reality. Without investors the shop project may fail. Shareholders become invested in using the shop and contributing to its operation via the ability to vote as a Member, and comment at an Annual General Meeting. Shareholders may receive a payment of interest should the CBS become profitable. Payment of interest is entirely at the discretion of the Management Team based upon profitability, but could be around 3%. Shareholders are likely to be eligible for tax relief on share investments, however this is matter for the individual shareholder to discuss with HMRC and their financial advisors

What should shareholders be aware of?

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There is no guarantee on interest payments. This is a new business and profits depend on its success. Similarly, therefore, there is no guarantee that you will be able to withdraw your shares when you want to. This share offer is not subject to the Financial Services and Markets Act 2000, nor covered by the Financial Services Compensation Scheme. Investors will have no recourse to the Financial Ombudsman. A detailed business plan setting out the proposal in full is available on the website www.wrayvillagestore.co.uk. You should read this carefully before deciding whether or not to invest. [You should also be aware that the value of your investment might fall, and the amount returned could be lower than your investment.] If you anticipate needing to withdraw your shares this scheme may not be for you.

Who within Wray is involved?

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The interim management team, are:

David Canning, Julia Fox, Marilyn Gaskell, Peter Gorst, Bob Halsey, Silas Heys, Paul Maycock, Emma O'Kane, Tracey Slater, Heather Wells, Steve Openshaw.

To find out more, see our 'Meet the Team' document.

What is the management structure?

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The first Management Committee of the Society will be formed from the founding members of the society, who signed the application for FCA registration (Bob Halsey, Silas Heys, Steve Openshaw and Heather Wells). The present committee will serve until the first annual members' meeting that occurs after the share offer.

At that meeting, all members of the current Management Committee will step down, although they are eligible to stand for re-election. Any other members of the Society may also stand for election. The members will then elect a new Management Committee from the candidates standing. Subsequent meetings and elections will take place as detailed in the Rules.

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The Management Committee is responsible for managing the affairs of the Society in exactly the same way that the board of directors is responsible for managing the affairs of a limited company.

It will take on the management of all aspects of the business and monitoring the financial affairs of the Society, ensuring that we comply with all applicable regulations and encouraging and enabling full engagement with the community.

The members of the Management Committee are equally responsible in law for committee actions and decisions. They are collectively responsible and accountable for ensuring the organisation is performing well, is solvent and complies with all its obligations. The committee will be protected by director & officer liability insurance.

An annual report will be made available to members. This will set out the key financial statements together with a report of the Society's activities during the previous financial year, including the social impact of the shop and café on the community.

The report will also include any plans for the following year. The Rules provide for several other ways in which the membership may hold the Management Committee accountable for the running of the Society, including calling a special members' meeting if required. There are no conflicts of interest amongst the Management team or the Sub Committee

What are the next steps?

The share issue will run from the launch on 6th September. The Management Team will then determine whether sufficient funds have been raised to make the project viable, and if we have sufficient volunteers to make running the shop possible. Assuming funds and volunteers are available the Management Team will then take steps to sign the lease for the premises, obtain necessary insurances and licences, commence volunteer training, refit the shop, start stocking up and open up – our target date is 6 December 2022

How to find out more, and to contact the team?

Our website and email are:

Website www.wrayvillagestore.co.uk

Email:- shop@wrayvillagestore.co.uk

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