

# WINSHAM SHOP & KITCHEN

## Proposal:

To buy the Freehold of The George to create a community hub in the form of shop and Post office (relocated from existing rented premises) and a new kitchen/cafe space to be owned by the community to ensure long term future of these key village assets for the benefit of the community

**PLEASE RETURN SLIP BELOW OR EMAIL ASAP and by 15<sup>th</sup> July 2017**

[Winshamshopkitchen@gmx.com](mailto:Winshamshopkitchen@gmx.com)

Any pledge will be treated confidentially. It does not constitute a final commitment to invest at this stage (although it is essential to understanding the funds likely to be available to allow project to move forwards)

At the point that we have finalised model, understood change of use requirements and costs we will ask for funds to be committed (Autumn 2017)

The existing company structure 'Winsham Shop Limited' is a Community Based Enterprise that reports to the Financial Services Authority ('FSA') and Revenue and Customs ('HMRC')

In due course a formal Prospectus will be made available. Each share will be worth £10. It is currently intended that the shares (worth £500 and over) purchased will be paid an attractive rate of interest annually and that the shares must be held for a minimum of 3 years.

If you would like more information please email [Winshamshopkitchen@gmx.com](mailto:Winshamshopkitchen@gmx.com) and look out for updates on Winsham weekly email and web pages

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## WINSHAM SHOP & KITCHEN PLEDGE FORM

NAME:

HOME ADDRESS

TELEPHONE NO:

EMAIL CONTACT:

TOTAL VALUE OF PLEDGE ( in multiples of £10 without Sitr ) \_\_\_\_\_

IF SOCIAL INVESTMENT TAX STATUS WAS GRANTED I WOULD PLEDGE IN TOTAL \_\_\_\_\_

SIGNED:

RETURN TO PAULA BRAMLEY BALL AT WINSHAM SHOP, CHURCH ST .WINSHAM OR ALTERNATIVELY  
EMAIL TO [Winshamshopkitchen@gmx.com](mailto:Winshamshopkitchen@gmx.com)

NOTE : Only shareholdings over £500 will receive annual interest and be regarded as refundable loan shares

# Frequently Asked Questions

## **1. Why should I become a shareholder/increase my shareholding?**

It is important that as many members of the community as possible participate in the venture and help to raise the funds required to purchase THE GEORGE to secure the future of shop & Post Office . The greater the level of shareholding the more viable the society will become as the cost of share dividends is lower than the cost of mortgage finance.

## **2. Who will benefit from this venture?**

The community of Winsham and the surrounding area.

## **3. Will the society be viable?**

We believe that with the additional rental income from 2 bedroom flat and new kitchen/cafe area that this is a viable proposition and we will own a secured known value property that should appreciate in value . If the model was no longer viable at some point in the future the property could be sold and investments repaid.

## **4. Who is organizing this? Do they have a personal interest in the George ?**

The Shop Management Committee are initiating this:

Paula Bramley Ball, Sarah Gleadell, Denis McCallum, Gill Spence, Eric West, Margaret Long, Jean Spurdle and Rita Miller

They will have the same financial interest in the society as all other investors.

## **5. Are there restrictions to becoming members?**

Members must be aged 18 or above. There is no requirement to be a resident of Winsham

## **6. Is there a difference between being a member and a shareholder?**

There is no difference between being a shareholder and a member. The purchase of the minimum subscription automatically confers membership.

## **7. What voting rights would I have?**

All members have one vote, regardless of how many shares they have bought. This is an underlying concept of the Community Based Enterprise structure.

## **8. If I invest do I take on any other liability?**

No. Your liability is limited to your investment.

## **9.. Are there limits to how much I can invest?**

The minimum investment is £10 and any shareholder with value of shares worth over £500 will benefit from an attractive rate of interest on the whole of their investment and will have the right to have their investment returned to them at point in future

## **10. What does this mean if I already own shares in the shop?**

Any new shares purchased will add to your current shares and if combined value is over £500 then will be entitled to interest.

## **11. What does this mean if I am a Bondholder in the shop?**

Bonds were a one off investment back in 2002. They do not impact your shareholding. No new bonds are available for sale.

## **12. Can my investment increase in value?**

Shares in the society can never be worth more than their nominal face value. If the business fails, the value could fall (See 16. Below)

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

Shares in the society cannot be sold. They are a special sort of share known as 'community shares' and the only way you can recover their value is to apply to the society to withdraw your shares.

## **14. How can I get back my money?**

You must hold your shares for a minimum period of three years after which time you can apply for your shares to be withdrawn. The management committee will determine, based on the liquidity of the society at the time, the extent to which shares can be withdrawn.

## **15. What happens to my shares if I die?**

You can either make provision for your beneficiaries to inherit your shares in your will or for your estate to request your investment is returned for the benefit of your beneficiaries

You may choose to bequeath your shares to Winsham Shop Limited as part of your estate as a gift .

## **16. What happens if the society fails?**

If in the unlikely event that the society fails, all the assets would be sold and the proceeds of the sale would be used to repay any debt . Thereafter, shareholders would be repaid and any remaining surplus would be put to community use.

## **17. How does the share issue work and what guarantees do I have for my investment?**

We already operate a Community Based Enterprise as the legal structure to run the shop and our plan would be to extend this to encompass the George. It operates on the basis of 'one member, one vote'. This should be viewed as a long term investment for community benefit. It is not the same as investments made in 'for profit' enterprises where investors hope to share in success through both dividends and capital appreciation. Whilst the shares in the society will pay interest, the underlying value of the shares cannot increase and could be reduced if liabilities exceed assets. However, as the society is a 'corporate body' there can be no further liability for investors. The shares cannot be sold but withdrawal can be requested after a minimum of three years after the date of the share issue.

## **18. As a shareholder will I have a say in the way things are run?**

All shareholders will be invited to attend the Annual General Meeting held each year in December which will be your opportunity to have a say in the way the enterprise is run .