

BECKBURY COMMUNITY SHOP

GENERAL SHOP FREQUENTLY ASKED QUESTIONS

Does Beckbury need a shop?

The Beckbury Parish Plan in 2013 and the Shop Questionnaire in 2015 both showed that there was extremely good support for the establishment a community shop, both in Beckbury and from the surrounding villages.

The shop will specialise in local produce and will offer a range of essential items for convenience shopping. It will provide a focal point for the community, providing a central meeting point and opportunity for social interaction. With the increase in fuel costs and limited public transport, the shop will help reduce costs and the carbon footprint of those who use it.

Is a shop really viable?

A commercial shop is unlikely to be viable, but a community shop is run for the community, by the community. We will rely on volunteers to serve in the shop, supply stock and all other tasks. We also hope that by allowing people to be shareholders in the venture, everyone will really get behind the idea and support the shop.

Are community shops successful?

There are now 348 community shops in the UK. No community shop has closed since 2014 and since 1992 only 17 community shops have ever closed which shows a great success rate.

Who will benefit from the shop?

The primary beneficiaries will be the residents of Beckbury and the surrounding area, who will have access to a village shop and cafe. A wider group including local food producers and visitors to the village will also benefit.

What happens to any profit?

Any surplus profits will be reinvested into the business and distributed in the local community for social, environmental and charitable purposes.

What legal status does the shop have?

Beckbury Community Shop is a Community Benefit Society registered with the Financial Conduct Authority, Registration number 7440.

This is a very common status amongst community shops because it allows open and voluntary membership, allows us to issue community shares, and to give one member, one vote at meetings so that all members of the community can have an equal say in how the society is run.

Is the Community Shop a charity?

It is very difficult to register a community shop as a charity because our primary activity will be the sale of goods and services (which have not been donated). There are only one or two examples of community shops which are charities and they have incurred complicated (and costly) legal issues further down the line.

Who is on the committee?

The Society is run by a Management Committee which is currently:

Chair people: Peter Gibbins and Heather Thomas

Treasurer: Judith Gibbins

Secretary: Elizabeth Doble

Members: Cat Spickernell, Emily Lister, Paul Pleydell, Sam Spickernell, Del Thomas, Lorraine Taylor.

The Management Committee is made up of between three and ten members, who will be elected at Annual General Meetings.

Are the committee competent and do they have a personal financial interest?

The Management Committee has business and financial experience and is backed by wider expertise and help from members of the community. We have been guided by the Plunkett Foundation who support groups establishing community shops and pubs. Their support, and many visits to other shops means we have been able to learn from others past experiences.

We believe passionately in the value of the shop and café. No Committee member has any personal financial interest in this project beyond the amount they intend to invest.

What other fundraising is going on?

We are in the process of applying for a number of grants and several local residents have been very generous in offering their time and skills to the shop for no cost.

What if we don't raise enough money to fund the shop?

Money will be held in the shop bank account and returned to you if the initiative does not go ahead.

What if the business fails after opening?

In the unlikely event of the business failing the remaining assets, including the building and stock would be sold and the proceeds (after debtors have been paid) will be divided between shareholders up to the value of their shares with any surplus being put to community use.

SHARE FAQs

Why should I buy a share?

Buying a share is an essential part of our fundraising in order to open the shop. It will make you feel involved in the shop and you can have a say in how the shop is run.

Who can buy a share?

Any individual can invest and become a member - there is no requirement to be a resident of Beckbury. Businesses and other organisations can also invest by nominating an individual to become a member on their behalf.

How many shares can I buy?

The minimum share is £10 and the maximum amount of share capital that can be invested by an individual or organisation is £10,000.

What voting rights do I get for my share?

In a Community Benefit Society the rule is one member, one vote. So no matter how large or small your shareholding, you have an equal voice when electing the management committee or voting on major issues affecting the shop. Most day to day decisions will be taken by the democratically elected Management Committee.

What is the difference between a member and a shareholder?

A member and a shareholder are the same thing.

How can I get my money back if I need it?

You can apply to the Management Committee to withdraw some or all of your shares. Withdrawal will be at the discretion of the Management Committee who will consider if the business has adequate profits and cash reserves to fund the requested withdrawal. The rules for any withdrawal will be voted on by members at Annual General Meetings.

Will the business make enough profit for me to withdraw my money in the future?

We hope that the business will generate sufficient funds to allow members to withdraw shares. However we cannot guarantee this and if you already anticipate needing to withdraw your investment you should consider carefully whether this is the right investment for you.

Can I sell my share on?

No. These shares cannot be sold. They are a special type of share known as a community share. The only way to recover their value is to apply to withdraw your shares from the community venture itself.

What happens in the case of death or bankruptcy?

Shares can be transferred in the case of death or bankruptcy.

What are the risks related to the shares?

Shares cannot increase beyond their nominal value of £10 and could reduce in value if the shop fails to prosper. However, because the shares are issued by a limited company, no further liability can fall on you as a shareholder.

Our share offer is exempt from the Financial Services and Markets Act 2000 or subsidiary regulations; this means you have no right of complaint to an ombudsman.

The Society is registered with, but not authorised by, the Financial Conduct Authority and therefore the money you pay for your shares is not safeguarded by any depositor protection scheme or dispute resolution scheme.

As the whole of your investment could carry a risk, please consider it carefully and if needed seek independent financial advice. However, please also bear in mind that this share offer was created by members of our community for members of our community. We would not do it if we didn't believe in it.

How else can I help?

- By talking to your friends and neighbours about the shop, and encouraging them to get involved
- By volunteering to help in the shop, or with maintenance, delivering or producing stock
- By putting yourself forward to join the Management Committee
- Most importantly - by using the shop

Who should I contact if I still have questions?

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