

Candover Valley Store

community made

SHARE OFFER

£20 per share

Minimum 1 share - £20

Maximum 100 shares - £2000

Invest in the Community!

An invitation

You are invited to invest in the Candover Valley community store and post office in Preston Candover and help a vital local enterprise thrive and prosper.

The project

The new store, which took more than five years to plan and build, replaced the old Canterton Stores which for many years had been the *only* village shop and post office in the area between Cliddesden and Alresford, Dummer, Ellisfield and Wield.

In March 2018, planning permission was granted for the community store to be built adjacent to the village hall and opposite the school in Preston Candover. Construction began in November 2018 on the stand-alone, simple timber-framed building which is eco-friendly with energy efficient insulation and double-glazed windows and doors. It has a covered veranda entrance and external deck. Internally the space is bright, airy and open plan to maximise the sales area.

The land on which the shop is built, is owned by Lord Sainsbury who granted a 25-year lease to the Candover Valley Community Store.

The store stocks everyday essentials at competitive prices. It aims to support local businesses and the local economy. Importantly it retains a post office service within the valley. A community area has been created for meeting friends and neighbours. The ethos of the store can be summed up in the phrase, 'run by the community for the community'.

Raising the money

The sum of £220,000 was raised to build, fit out, stock and run the community store and post office. All the money required to build and fit out the store was raised before engineers and builders were commissioned to start the work.

How was this sum raised?

We raised £220,000 by creating this share offer, by seeking donations and by applying for grants (from Hampshire County Council Rural Retailers Grant; Linbury Trust; Prince's Countryside Fund, National Lottery Awards for All and the Loddon and Test LEADER Programme).

By continuing to offer shares in the community store, we are asking local residents to take a real and active part in the project. Investing in community shares is a practical way of supporting a business that will serve our local community. Shares are a great way for us all to support this project and will help provide the long-term finance needed to help the store and post office thrive and grow. The money we will continue to raise through the share offer will enable us to stock and fit out the store to the highest possible specification and help us enhance the store offering.

About the Candover Valley Community Store share offer

This document sets out the terms on which we are offering shares in the Candover Valley Community Store Ltd.

It is a registered society under the Co-operative and Communities Benefit Societies Act 2014. The society exists to carry on business for the benefit of the community. Assets owned by the society are locked in the society and will be solely for community benefit. The society is regulated by the Financial Conduct Authority (FCA).

Community shares can only be issued by co-operative and community benefit societies. Those who purchase shares become members of the community benefit society with a right to vote on decisions affecting the running of the society. As a member you get one vote regardless of how many shares you buy. There is a limit to how many shares you can buy to prevent the society being dependent on a handful of large investors. Community shares are different from company shares. Your shares can never be worth more than you paid for them, but they could go down in value if the society gets into financial difficulties.

The share issue

The share issue has been designed to provide local people with the opportunity to contribute financially to the development and growth of our community store and post office in the expectation of receiving a **social benefit** rather than a financial return. The social benefits will be different for different people. Some will enjoy being able to do their shopping without getting on a bus, in a car or relying on others. Some will like the convenience of picking up a pint of milk before breakfast or buying the kids' tea after school. And, of course, we believe the store offers a real social benefit in acting as a meeting place and village hub.

Any financial surplus generated by the store that is not required for the business will be invested back into community organisations and projects chosen by the members.

Shares will be held and registered in the name of an individual. So, if there are two (or more) of you in your household you might want to buy shares for each of you.

You must be over 16 to buy or hold shares in the Candover Valley Community Store Ltd.

You may purchase up to a maximum of 100 shares at £20 each (i.e. a total investment of £2000). By imposing a maximum shareholding, we ensure that we are not dependent on larger shareholders and that as many local residents as possible are included as shareholders. However please do remember that even if you buy just one £20 share you will be a member with a vote and will have played your part in supporting this community initiative.

If you would like to invest more than £2000 in the store, we would encourage you to consider making a donation to the store and post office in addition to purchasing shares. If you would be interested in making an additional donation please get in contact with Lucy Muncey on 01256 389338.

Community store viability

“Community shops are resilient forms of business – the success rate of community shops is 95%, compared to the average small business rate which is 46%.” Plunkett Foundation, 2015

We are running the business efficiently and effectively as a community owned store and post office. Using volunteers helps us to keep costs lower and keep the community fully involved in the operation of the store.

Our business plan is available on the store website (www.cvcs.org.uk) or on request from a member of the CVCS committee.

Written before the Coronavirus outbreak, our business plan clearly shows a business model with financial viability and a projected modest growth over the first three years of trading. Since the outbreak of the Coronavirus pandemic, sales have exceeded expectations as customers have chosen to shop locally. Never has there been a better time for a community store and post office.

The present CVCS committee

We are a group of volunteers with a mixture of skills and business and professional experience. Since the very outset of the project, we have been working without financial reward, to develop and deliver plans for a community store. We all believe passionately in this community project and have all invested our own money in the store by purchasing shares through this offer. (Full details of committee members are in the business plan and on the community store website).

Management of the new store

The store is run by a paid manager and part time assistant manager who are responsible to the management committee. Volunteers prepared to serve on the management committee will be formally elected at the annual members’ meeting in November and annually thereafter, in accordance with the rules of the society.

How the share issue works

Candover Valley Community Store Ltd is a Community Benefit Society (CBS) run for the benefit of the community. It operates on the basis of one member one vote irrespective of the number of shares each member holds. Any investment you decide to make will be a long-term one for the benefit of the community. **It is not an investment for the purposes of gaining income or an increase in capital and the shares cannot be sold or transferred. The purpose of the investment is to show your support and appreciation of the village shop and post office and the commitment of the staff and volunteers who work so hard to keep it up and running for your convenience.**

The nominal value of each share will be £20 and cannot increase beyond that value (and may decrease if liabilities exceed assets). Although you only need one share to have a say in how the store is run, please do consider buying more to support this community enterprise.

Withdrawal of shares

The only way to recover the sum invested (or any reduced value) will be to give notice to the management committee.

No withdrawal is possible for the first three years after trading begins. The store opened on 10 June 2019 so the earliest request for share redemption is 10 June 2022. In line with the society's rules, and after three years, the specific conditions for withdrawal include:

- Three months' notice to be given
- Withdrawals are entirely at the discretion of the management committee and a cap on the number of shares withdrawn may be set
- Withdrawals must be funded from the trading surpluses of the store, or from new share capital

The Candover Valley Community Store Ltd will not pay interest on shares.

Risk and liability

It is worth emphasising that community shares are a long term investment for the benefit of the community. The aim of buying shares is to achieve a social benefit for the community not a personal financial benefit.

The CBS confers limited liability so, should the community store fail, **there would be no further liability on shareholders.**

Tax relief on your investment

When you buy community shares, you may be eligible for tax relief. The relevant tax relief scheme is:

Seed Enterprise Investment Scheme (SEIS)

This scheme is only for new enterprises under two years old. Under the scheme investors may be able to claim 50% tax relief on their share purchase providing they have paid sufficient tax to cover the amount being reclaimed. So for every £100 you invest, you get £50 deducted from your income tax bill that year. We are re applying to HMRC for advanced assurance that this share offer is approved under this scheme and hope to qualify. Please contact Lucy Muncey on 01256 389338 for further information.

You should be able to claim this tax relief from your tax office. Details can be obtained from <https://www.gov.uk/government/publications/seed-enterprise-investment-scheme-income-tax-and-capital-gains-tax-reliefs-hs393-self-assessment-helpsheet/hs393-seed-enterprise-investment-scheme-income-tax-and-capital-gains-tax-reliefs-2017>

You should seek independent financial advice if considering this course of action.

It is the responsibility of each individual investor to make their own enquiries and to satisfy themselves as to their eligibility for such tax relief.

Candover Valley Community Store Ltd Committee

Jane Laws – Chair – 01256 389491; jane@rosslaws.co.uk
Jane Ballard - 01256 389553; j.ballard553@btinternet.com
Carolyn Dawnay - 01256 389911; carolyndawnay@hotmail.com
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Chris Smith – 01256 389582; chris@tckb.net

Frequently asked questions

What are community shares?

Community shares are a type of share capital that can only be issued by societies registered under the Co-operative and Community Benefit Societies Act 2014. Community shares are non-transferable, withdrawable shares in a society with an asset lock.

Can I buy shares for someone else?

You can pay for someone else's shares but they must consent to becoming a member of the society.

Can we hold our share(s) jointly?

No, shares can only be held by an individual. If there are two or more of you in your household, you might want to buy a share or shares for each of you. Minimum age 16.

Will my shares increase in value?

No. Shares are limited to the initial value of £20. However, shares can go down in value (if the project does not do as well as hoped) but they cannot increase in value. This is an offer to achieve a social benefit for the community not a personal financial benefit. You cannot make a capital gain by investing in community shares.

Can I sell my shares?

No, these shares cannot be sold or transferred to another person. Community shares are withdrawable, non-transferable shares.

Can I withdraw my shares?

The only way to recover the sum invested (or any reduced value) will be to give notice to the management committee.

No withdrawal is possible for the first three years after trading begins. In line with the society's rules, and after three years, the specific conditions for withdrawal include:

- Three months' notice to be given
- Withdrawals are entirely at the discretion of the management committee and a cap on the number of shares withdrawn may be set
- Withdrawals must be funded from the trading surpluses of the store, or from new share capital.

The Candover Valley Community Store Ltd will not pay interest on shares.

What happens to shares when I die?

Shares can be left to an individual named in your will or you can bequeath them to the society where they will be used for the benefit of the community. Shares left in your will can be withdrawn by your personal representative subject to the withdrawal conditions of the society.

What are the opening hours?

The store is open seven days a week from 8am to 6pm Monday to Friday and from 8.30am to 5.00pm on Saturdays and from 08.30 – 12.30 on Sunday mornings. The post office is open from 8.30am – 5pm Monday to Friday and from 9am to 12.30 on Saturdays. The post office is closed on Sundays and bank holidays.

Is this a parish council project?

No, but this initiative is fully supported by Preston Candover Parish Council and Candovers Parish Council which have both made contributions to the project.

Will new residents moving into the area be able to buy shares?

It will be important to ensure that those moving into the area have the opportunity to become members. Share offer information is available to download from the website www.cvcs.org.uk

Where can I find out more about the business plan?

Our business plan has plenty of information and is available to download from the website www.cvcs.org.uk. Any member of the committee will be happy to answer any questions you may have.

What if the shop fails?

If the shop became insolvent then it would have to close. All those who have bought shares will receive money back **from any remaining funds** after the repayment of creditors. The shop building would revert to the ownership of Lord Sainsbury who could either take over the building, donate it back to the community or ask the management committee to reinstate the land to its former use.

Candover Valley Community Store Membership Form

Only one person can apply per form. Additional forms can be obtained from a member of the CVCS committee or downloaded from www.cvcs.org.uk You must be over 16 to apply for shares.

I would like to become a member of Candover Valley Community Store Ltd by purchasing shares in the society.

Full name:-----

Address:-----

Postcode:-----

Email: -----

Phone: -----

Your contact details will only be used to communicate with you on CVCS Ltd matters.
We will not pass on your details to third parties.

I wish to buy £20 shares at a cost of £..... (Minimum £20, maximum £2000)

I enclose a cheque made payable to 'Candover Valley Community Store'

I enclose cash

I will pay by electronic transfer (please make payments to Candover Valley Community Store, account number 73002135 Sort code 60-02-49)
Please use reference CVCS and your name

I confirm that I have read the share offer document

I am over 16 years of age

Signature: -----

Please return completed application forms to:
Lucy Muncey, Sumner House, Preston Candover RG25 2EE