

Community Shares

Presentation and workshop for
Spring Event in Manchester

7 May 2016

We will cover.....

- What is a Community Benefit Society
- Introductions and potential projects
- Types of Shares
- Share Offers
- Your investors
- Governance and Rules

<http://communityshares.org.uk/resources/handbook>

Features of a Community Benefit Society

- A membership organisation
- Run for the benefit of the community, beyond its membership
- A set of rules and registered with FCA
- Can have charity status
- Issues Community Shares in an enterprise
- Surpluses and assets cannot be distributed to members (however interest can be paid on share capital)

Charitable Status

- 13 descriptions of purpose - Your objects may fall into more than one category
- Decision made by Charity Commission: exempt charity status awarded by HMRC - each case considered on its own merits
- Must have an asset lock
- Must follow Charity Commission policy on interest on share capital

Members and Shares

One Member one Vote

Individual, Joint and corporate membership

Types of shares

- Membership shares
(Non-transferable, non- withdrawable shares)
- Community shares
(Non-transferable withdrawable shares)

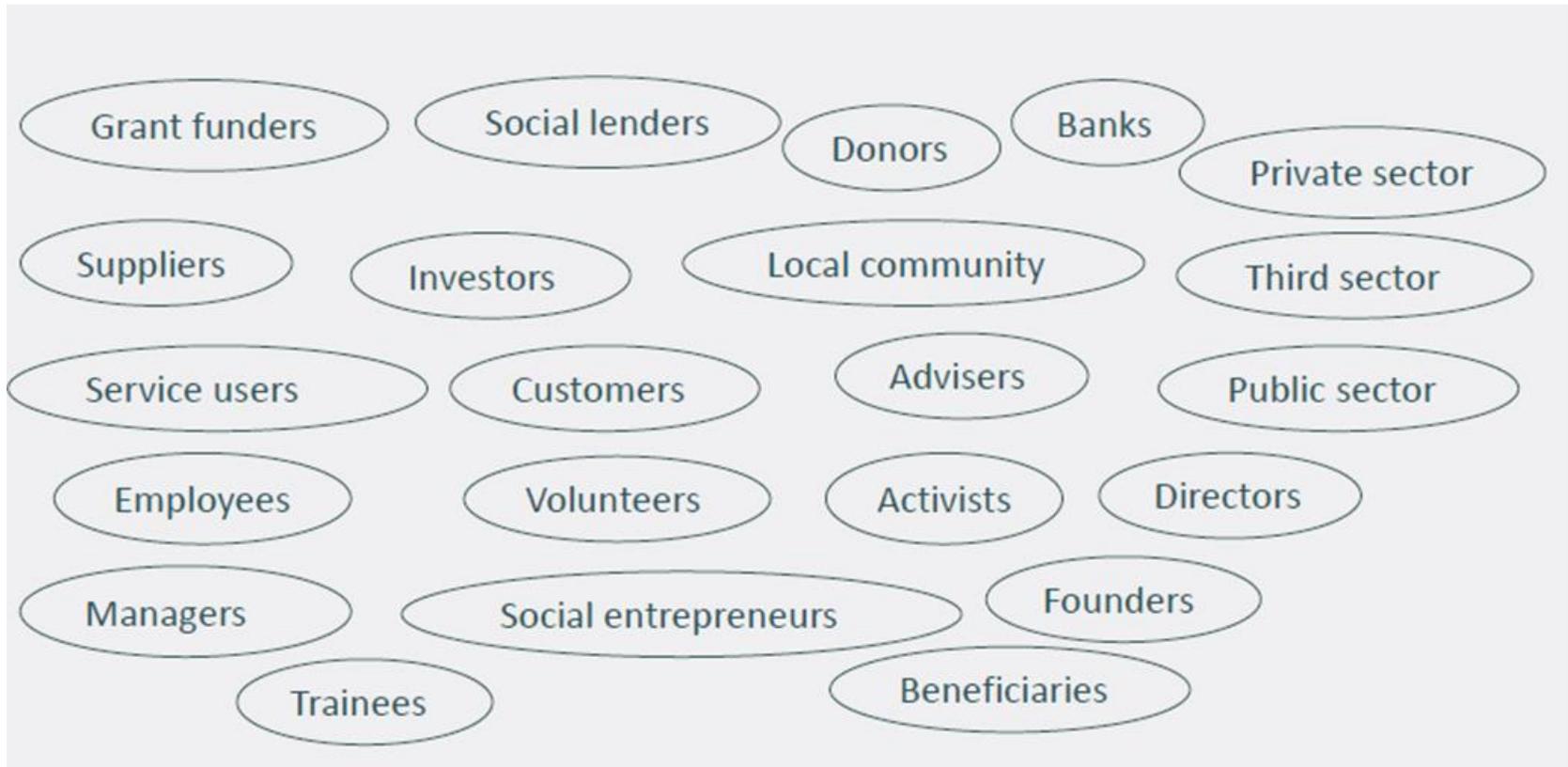
Types of Community Share Offer

- Membership offer
- Pioneer offer
- Time bound offer
- Open offer

Repaying withdrawable share capital

- Reserves
- Replacement share capital
- Reinvestment
- Depreciation
- Debt

Who will buy a share in the society?



Statutory rules

- Name
- Objects
- Address
- Admission of members
- Conduct of meetings
- Management Committee
- Maximum Shareholdings
- Loans & deposits
- Terms & conditions for share capital
- Audits and auditors
- Terminating membership
- Use of profits
- Official documents
- Investments

Sponsoring Bodies and Model Rules

- Baywind Energy Co-operative
- Co-operatives UK
- Plunkett Foundation
- Somerset Co-operatives Services
- Supporters Direct
- Wessex Community Assets

Sponsoring body	Model rules	Type
Co-operatives UK	Charitable community benefit society*	charity
	Community finance	bencom
	Co-operative Consortium	co-op
	Multi-stakeholder co-operative	co-op
Plunkett Foundation	Community ownership (version 2)	bencom
Somerset Co-operative Services	Somerset Rules (co-operative)	co-op
	Somerset Rules (CBS)	bencom
Supporters Direct	Sports club community mutual**	bencom
	Supporters community mutual	bencom
Wessex Community Assets	Community assets rules	bencom
	Enterprise investment rules	bencom
Energy4All	Forthcoming rules in preparation	bencom
Shareenergy	Model rules currently suspended	co-op

* Require amendments in order to issue community shares ** awaiting FCA approval

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