

# **KINGTON ST MICHAEL COMMUNITY PUB**

## **Raising Community Shares: The Key Information**

Kington St Michael Community Pub Limited intends to purchase the Jolly Huntsman on behalf of the community, refurbish and improve the premises, and have it managed by a professional tenant. As part of that plan we need to raise the purchase price, and funds to cover initial reinvestment in the pub and cover key costs. Our fundraising plan relies on application for grant funding, a novel private fundraising campaign, and, crucially, raising funds from the community through selling community shares.

KSMCP is a Community Benefit Society governed by its rules which are registered with the Financial Conduct Society.

This share issue has been designed to give local people and organisations the opportunity to contribute financially, on a long term basis, to the business of Kington St Michael Community Pub Ltd, and thus enshrine in the heart of our village ownership of a key village asset. Our expectation is that shareholder members will largely come from the local community but we would also welcome and encourage contributors from further afield.

Members must be over the age of 18 and are entitled to apply for shares at a cost of £1 per share with a minimum investment of £50 and a maximum investment of up to £100,000 per person or organisation. Everyone who is a shareholder holds one vote. This means that everyone has an equal voice, regardless of the size of their investment.

These shares are not transferable and cannot be sold. The only way to recover the value of the shares purchased is to give three months' notice of withdrawal to the Management Committee.

Shares cannot be withdrawn until at least three years have elapsed from the date of the share issue and then only at the discretion of the Management Committee.

[The amount available in any one financial year will be 10% of the total value of shares outstanding. Should withdrawal requests exceed the 10% figure, investors would receive a pro rata payment based on their original investment.]

All withdrawals will be paid from trading surpluses or new share capital. The Management Committee will have the authority to refuse a withdrawal request if it would endanger the business.

To pay interest to shareholders, the interest rate for each year will be proposed by the Management Committee and put to vote at the Annual General Meeting. The proposal will be based on the performance of the Society and will prioritise the need to maintain reserves and community benefit. Interest will be paid gross to members and will not be more than 5% over the Bank of England Base Rate.

Interest will be paid by the Society to the investor and it is each member's responsibility to declare such earnings to HMRC if appropriate.

It is important to note that the value of the shares will not increase. The only financial benefit for members is the interest paid annually. The member's liability for the business is limited to the value of their shares.

In the event that the Jolly Huntsman fails, and is sold, for whatever reason, the shareholders would be repaid their investment from the proceeds of such sale, after repayment of any debts. Any surplus would have to be paid to a charitable or community body.

Kington St Michael Community Pub Limited is registered with the Financial Conduct Authority number 9296, at 48 Kington St Michael, Chippenham Wiltshire SN14 6JE. The present start-up committee is Linda Durno (Chair), Neil White (Vice Chair), Alex Hall (Secretary), Dominic Jones (Treasurer), Rob Durno, Gerry Gamble, Alison Curran, Cara Mead and Emily Mead. Contact: [secretary@kington-st-michael.com](mailto:secretary@kington-st-michael.com)