



Houghton & Wyton Community Shop Ltd

Rules

November 2024

The Rules were originally adopted when the Society was established in 2016 and were partially amended at a Special Members Meeting held on 27 November 2020. These amendments were registered by the Financial Conduct Authority on 30 December 2020. The rules were further amended at Special Members' Meetings held on 26 April 2023 and 25th April 2024. These amendments were registered by the Financial Conduct Authority on 1st November 2024.

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1 INTRODUCING THE SOCIETY AND THE RULES

Name

- 1.1 The society is called Houghton & Wyton Community Shop Limited, and it is called “the Society” in these Rules.

Registration and Registered Office

- 1.2 The Society is registered under the law as a society for the benefit of the community with the ***Financial Conduct Authority***. Its registered office is Houghton & Wyton Community Shop Limited, The Green, Houghton, Huntingdon, PE28 2AX.

Why the Society exists

- 1.3 The Society exists in order to carry on business for the benefit of the community. This is the Society’s Purpose. The Society’s Objects are those set out in Rule 9.2.

Commitments

- 1.4 The Society is committed to
- 1.4.1 trading for the benefit of the community, and not for anyone’s private benefit;
 - 1.4.2 retaining profits and applying profit to advance the Society’s Purpose and objects and/or in accordance with these Rules.

Governing documents

- 1.5 These Rules set out the way in which the Society is owned, organised and governed.
- 1.6 In addition to the Rules, the Management Committee may make other provisions concerning how the Society operates, such as a code of conduct for the Management Committee. Such provisions must not be inconsistent with the Rules.
- 1.7 In the Rules
- 1.7.1 words starting with a capital letter (like Rules) refer to something specific, and the Appendix at the end of the Rules identifies the rule which makes this apparent; and
 - 1.7.2 words which are highlighted in italics (like ***partner***) have a special meaning and the Appendix lists all of these words and explains what they mean.

2 GOVERNANCE

Overview

2.1 The Society has Members, a Management Committee, and a Secretary.

Members

2.2 Membership is the means by which the Society is owned by the community. Membership provides Members with access to information, a voice in the Society, and the opportunity to be elected to a representative role in its governance. Membership of the Society is achieved by complying with the requirements of Rule 3.3, including the purchase of the minimum number of shares specified in Rule 8.3.

Information

2.3 Members are entitled to receive information, about the Society, and its business as provided for in the Rules. Information may be sent or supplied by electronic means subject to the Society's privacy policy.

Voice

2.4 Members have a voice in the Society's affairs as provided in the Rules, by

- 2.4.1 attending, speaking and submitting matters to be considered at Members' Meetings;
- 2.4.2 proposing resolutions and voting at Members' Meetings;
- 2.4.3 electing representatives to the Management Committee at Members' Meetings.

Representation

2.5 Subject to qualification criteria, Members may stand for election to the Management Committee.

Management Committee

2.6 Subject to the Rules, the Management Committee manages the affairs of the Society and may exercise all of its powers.

2.7 The Management Committee is collectively responsible for everything done by or in the name of the Society, but on that basis it may

- 2.7.1 delegate any of the powers which are conferred on it by these Rules to any person, Committee or sub-Committee consisting of members of the Society, on such terms and conditions as the Management Committee thinks fit;
- 2.7.2 delegate to any employee responsibility for day-to-day management of some or all of the Society's business;
- 2.7.3 authorise members of the Management Committee to deal with specific matters;
- 2.7.4 make use of the services of volunteers.

2.8 The Management Committee may, with the approval of a resolution of the Members at a Members' Meeting, arrange for the management of the business of the Society to be carried out by a third party.

Secretary

2.9 The Secretary is secretary to the Society, and acts as secretary to the Management Committee.

3 MEMBERS

- 3.1 The Society shall encourage people to become Members, and to that end, the Management Committee shall
 - 3.1.1 maintain a Membership Strategy for that purpose;
 - 3.1.2 update the Members at the Annual Members' Meeting about the Society's membership and the Membership Strategy.
- 3.2 The Members of the Society are those whose names are listed in its Register of Members.
- 3.3 Subject to Rule 3.3A, Membership is open to any person (whether an individual, a corporate body or the nominee of an unincorporated organisation) who completes an application for membership in the form required by the Management Committee and
 - 3.3.1 is over 16 years of age;
 - 3.3.2 supports the Society's Purpose and Objects;
 - 3.3.3 pays for the minimum number of shares required by the Rules;
 - 3.3.4 agrees to pay an annual subscription (if there is one); and
 - 3.3.5 whose application is accepted by the Management Committee.
- 3.3A A minimum of 51% of the total membership must be comprised of residents living in Houghton and Wyton.
- 3.4 The Management Committee may refuse any application for membership at its absolute discretion.
- 3.5 A Member which is a corporate body shall appoint a representative to attend Members' Meetings on its behalf, and otherwise to take part in the affairs of the Society. Such appointment shall be made in writing, signed on behalf of the governing body of the corporate body.
- 3.6 The Management Committee may divide Members into constituencies, based on geography, the nature of their interest in the Society, or any other relevant factor. If Members are divided into constituencies
 - 3.6.1 the Members in each constituency will be able to elect at least one representative from amongst their number to the Management Committee;
 - 3.6.2 no person may be a Member within more than one constituency; and
 - 3.6.3 the Chairperson shall make any final decision about the constituency which a Member belongs to.

Cessation of Membership

- 3.7 A person ceases to be a Member of the Society in the following circumstances:
 - 3.7.1 they resign in writing to the Secretary;
 - 3.7.2 being an individual, they die;
 - 3.7.3 being a corporate body, they cease to exist;
 - 3.7.4 being a nominee of an unincorporated organisation, the organisation replaces them as its nominee;
 - 3.7.5 they are expelled from membership under the Rules;
 - 3.7.6 the Secretary removes them from the Register of Members, after completing

procedures approved by the Management Committee on the grounds that the Society has lost contact with the Member after making three attempts to contact the Member within a six month period.

- 3.8 A Member may be expelled by a resolution approved by not less than two-thirds of the members of the Management Committee present and voting at a Management Committee Meeting. The following procedure is to be adopted.
- 3.8.1 Any Member may complain to the Secretary in writing that another Member has acted in a way detrimental to the interests of the Society. Should the Secretary, being a member, wish to complain, this should be referred in writing to the Chairperson.
 - 3.8.2 If a complaint is made, the Management Committee may itself consider the complaint having taken such steps as it considers appropriate to ensure that each Member's point of view is heard and may either:
 - 3.8.2.1 dismiss the complaint and take no further action; or
 - 3.8.2.2 for a period not exceeding twelve months suspend the rights of the Member complained of to attend Members' Meetings and vote under the Rules; or
 - 3.8.2.3 arrange for a resolution to expel the Member complained of to be considered at the next Management Committee Meeting.
 - 3.8.3 If a resolution to expel a member is to be considered at a Management Committee Meeting, details of the complaint must be sent to the Member complained of not less than one calendar month before the meeting with an invitation to answer the complaint and attend the meeting.
 - 3.8.4 At the meeting the Management Committee will consider evidence in support of the complaint and such evidence as the Member complained of may wish to place before them.
 - 3.8.5 If the Member complained of fails to attend the meeting without due cause, the meeting may proceed in their absence.
 - 3.8.6 A person expelled from membership will cease to be a member upon the declaration by the Chairperson of the meeting that the resolution to expel them is carried.
- 3.9 No person who has been expelled from membership is to be re-admitted except by a resolution carried by the votes of not less than two-thirds of the members of the Management Committee present and voting at a Management Committee Meeting.
- 3.10 When a person ceases to be a Member under Rule 3.7 or Rule 3.8, they shall be removed from the Register of Members and the value of their shares shall be shown as a loan in accordance with Rule 8.7.

4 MEMBERS' MEETINGS

- 4.1 Every year, the Society shall hold an Annual Members' Meeting, within six months of the close of the financial year end.
- 4.2 Any other Members' Meetings are Special Members' Meetings.
- 4.3 The Management Committee (except where otherwise provided in the Rules) convenes Members' Meetings, and decides the date, time and place or electronic form of any Members' Meeting and of any adjourned meeting. Members' Meetings may take place in any manner and through any medium which permits those attending to hear and comment on the proceedings. Any person who attends in this manner shall be deemed to be present in person whether or not all those attending are assembled together in one place.

Annual Members' Meeting

- 4.4 The functions of the Annual Members' Meeting shall include:
 - 4.4.1 receiving from the Management Committee the Annual Accounts for the previous financial year; a report on the Society's performance in the previous year, and plans for the current year and the next year;
 - 4.4.2 receiving from the Management Committee a report on the state of the membership and the Membership Strategy;
 - 4.4.3 appointing any financial Auditors, and external Auditors of any other aspect of the performance of the Society;
 - 4.4.4 declaring the results of elections of those who are to serve on the Management Committee;
 - 4.4.5 any other business included in the notice convening the meeting.

Special Members' Meetings

- 4.5 Special Members' Meetings are to be convened by the Secretary either by order of the Management Committee, or if a written requisition signed by not less than 12 Members or 10% of all Members (whichever is less) is delivered, addressed to the Secretary, at the Society's registered office or sent electronically. In the absence of the Secretary, any member of the Management Committee may convene a Special Members' Meeting.
- 4.6 Any requisition must state expressly the purpose for which the meeting is to be convened and whether it is intended to put a resolution to the vote by the Members.
- 4.7 A Special Members' Meeting called in response to a Members' requisition must be held within 28 days of the date on which the requisition is delivered to the registered office. The meeting is not to transact any business other than that set out in the requisition and the notice convening the meeting.

Notice of Members' Meetings

- 4.8 Notice of a Members' Meeting is to be given at least 14 clear days before the date of the meeting, by written notice posted or delivered by hand or sent by Electronic Communication to every Member at the address or Electronic Communication address given in the Register of Members.
- 4.9 The notice must state whether the meeting is an Annual Members' Meeting or a Special Members' Meeting, give the time, date and place of the meeting, or electronic form of the meeting, and set out the business to be dealt with at the meeting, including details of any resolutions that will be voted upon.

- 4.10 Seventy-five per cent of Members may agree, by consenting in writing, or by confirming through Electronic Communication, to a Members' Meeting being held with less notice than required by Rule 4.8.

Procedure at Members' Meetings

- 4.11 Members' Meetings are open to all Members. The Management Committee may invite particular individuals or representatives of particular organisations to attend a Members' Meeting, but they shall not vote.
- 4.12 Before a Members' Meeting can do business, a minimum number of Members (a quorum) must be present. Except where these Rules say otherwise a quorum is present if 12 Members or 10% of the Members entitled to vote at the meeting (whichever is greater) are present in person or by proxy.
- 4.13 If no quorum is present within half an hour of the time fixed for the start of the meeting, the meeting shall be dissolved if it has been requisitioned by the Members. Any other meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such time and place as the Management Committee determine. If a quorum is not present within half an hour of the time fixed for the start of the adjourned meeting, the number of Members present during the meeting is to be a quorum.
- 4.14 The Chairperson, or in the absence of the Chairperson another member of the Management Committee (to be decided by the members of the Management Committee present), shall chair a Members' Meeting. If neither the Chairperson nor any other member of the Management Committee is present, the Members present shall elect one of their number to be Chairperson.
- 4.15 The Chairperson may, with the consent of the meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place. But no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. No notice of an adjourned meeting needs to be given unless the adjournment is for 21 days or more.

Voting at Members' Meetings

- 4.16 Subject to these Rules and to any Act of Parliament, a resolution put to the vote at a Members' Meeting shall be decided upon by a show of hands unless, before or on the declaration of the result of the show of hands, a poll is directed by the Chairperson of the meeting or demanded by not less than one-tenth of the Members present at the meeting.
- 4.17 No objection may be raised to the qualification of any person voting at a Members' Meeting except at the meeting or adjourned meeting at which the vote is tendered, and every vote not disallowed is valid. Any such objection shall be referred to the Chairperson of the meeting, whose decision is final.
- 4.18 If a poll is duly directed or demanded, the following provisions shall apply:
- 4.18.1 The poll shall be taken when, where and in such manner as the Chairperson of the meeting directs.
- 4.18.2 The Chairperson of the meeting may appoint scrutineers (who need not be Members) and decide how and when the result of the poll is to be declared.
- 4.18.3 The result of the poll shall be the decision of the meeting in respect of the resolution on which the poll was directed or demanded.

- 4.18.4 A poll on the election of the Chairperson of the meeting or on a question of adjournment shall be taken immediately. Any other poll shall be taken within 30 days of its being directed or demanded.
- 4.18.5 No notice need be given of a poll not taken immediately if the time and place at which it is taken are announced at the meeting at which it is directed or demanded. In any other case, at least seven clear days' notice must be given, specifying the time and place at which the poll is to be taken.
- 4.19 The Management Committee may introduce arrangements for Members to vote by post or by using Electronic Communication. Votes cast under such arrangements (a) shall be counted in determining the result of a vote taken on a poll and (b) in the case of votes cast using Electronic Communication, if the arrangements are such that they can be counted at the same time as those of Members assembled in the same place, shall be counted in determining the result of a vote taken on a show of hands.
- 4.20 Whatever the means by which a resolution is put to the vote, every Member shall have one vote. In the case of an equality of votes, the Chairperson of the meeting shall have a second or casting Vote.
- 4.21 Unless these Rules or an Act of Parliament say otherwise, all resolutions are to be decided by a simple majority of the votes cast.
- 4.22 A resolution signed or confirmed in writing or by Electronic Communication by or on behalf of the requisite majority of the Members for the time being entitled to vote on the relevant resolution shall be valid and effective as if it had been passed at a Members' Meeting duly convened and held, provided that (a) a copy of the proposed resolution has been delivered in accordance with these Rules to all Members and (b) the requisite majority of Members have delivered their agreement in accordance with these Rules. Such a resolution may consist of several documents in the same form each signed or confirmed in writing or by Electronic Communication by one or more Members. For this purpose "the requisite majority" means (i) in the case of a resolution requiring approval by a two-thirds majority of the votes cast at a Members' Meeting, a two-thirds majority of the Members for the time being entitled to attend and vote at a Members' Meeting, and (ii) in any other case, a simple majority of the Members for the time being entitled to attend and vote at a Members' Meeting.

Appointment of Proxies

- 4.23 Any Member entitled to attend and vote at a Members' Meeting may appoint another person, whether or not a Member, as their proxy to attend and vote on their behalf
The following provisions shall apply in respect of such an appointment:
 - 4.23.1 A proxy may be appointed only by a notice in writing (a **"proxy notice"**) which (a) states the name and address of the Member appointing the proxy; (b) identifies the person appointed to be that Member's proxy and the Members' Meeting in relation to which that person is appointed; (c) is signed by or on behalf of the Member appointing the proxy or is authenticated in such manner as the Management Committee may determine; (d) if signed by another person on behalf of the Member, is accompanied by written evidence of that person's authority to sign it on the Member's behalf; and (e) is delivered to the Society in accordance with Rule 4.23.5.
 - 4.23.2 The Management Committee may require proxy notices to be delivered in a particular form.
 - 4.23.3 A proxy notice may specify how the proxy is to vote (or may require that the proxy abstain from voting) on one or more resolutions.

- 4.23.4 Unless a proxy notice indicates otherwise, it shall be treated as (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting and (b) appointing that person as proxy in relation to any adjournment of the Members' Meeting to which it relates as well as the meeting itself.
- 4.23.5 Every notice of a Members' Meeting shall specify the address or addresses at which, and the time by which, proxy notices are to be delivered to the Society in hard copy or electronic form, and no proxy notice which is not so delivered shall be valid.
- 4.23.6 An appointment under a proxy notice may be revoked by a written notice delivered to the Society at the address specified under Rule 4.23.5 not later than 24 hours before the time appointed for the relevant meeting, and shall be deemed to be revoked if the appointing Member attends and votes at the meeting in person.

5 MANAGEMENT COMMITTEE

Composition of the Management Committee

- 5.1 The Management Committee shall comprise not less than three and not more than 12 persons, who shall mainly be elected by and from the Members. Not more than one quarter of the Management Committee may comprise persons co-opted by the Management Committee.
- 5.2 If Members are divided into constituencies, the Management Committee shall include persons elected by and from the Members in each constituency, and the Management Committee shall strive to ensure that its composition appropriately reflects the various constituencies.
- 5.3 If the size of the Management Committee falls below three, it may act only for the purpose of calling a Members' Meeting, the business of which shall be the election of new members to the Management Committee, and not for any other purpose.

Elections, appointments and removals

- 5.4 Elected members of the Management Committee hold office for a period commencing immediately after the Members' Meeting at which their election is declared and ending at the conclusion of the third Annual Members' Meeting after that or until they resign or are removed from office in accordance with Rule 5.10.
- 5.5 Subject to Rules 5.1 and 5.6, the Management Committee may co-opt persons to be additional members of the Management Committee at any time. A person so co-opted shall serve until the next Annual Members' Meeting after their appointment, when they may be elected.
- 5.6 A member of the Management Committee retiring from office after serving one term, or two consecutive terms, under Rule 5.4 shall be eligible for re-election for a further term, but a person who has served three consecutive terms may not be elected or appointed as a member of the Management Committee until the next Annual Members' Meeting after the Annual Members' Meeting at the conclusion of which they ceased to hold office.
- 5.7 Elections shall be carried out in accordance with procedures determined by the Management Committee.
- 5.8 Only a Member over the statutory minimum age may be elected or appointed to serve on the Management Committee.
- 5.9 The Management Committee shall adopt a code of conduct, and every member of the Management Committee must sign a copy of the code on appointment and comply with the terms of the code of conduct throughout their tenure.
- 5.10 A member of the Management Committee shall immediately vacate their office if they:
- 5.10.1 resign from office in writing to the Secretary or Chairperson;
 - 5.10.2 cease to be a Member;
 - 5.10.3 become bankrupt or subject to a disqualification order made under the Company Directors Disqualification Act 1986;
 - 5.10.4 are removed from office by a resolution passed by a two-thirds majority of those voting at a meeting of the Management Committee, on the grounds that in the opinion of the Management Committee, they are in serious breach of the Management Committee's code of conduct or have not performed the duties which they agreed to perform or which they could reasonably have been expected to perform and it is not in the interests of the Society that they should continue in office;

- 5.10.5 are removed from office by a simple majority of the Members in a Special Members' Meeting, the notices for which specified that the question of the removal of the relevant member of the Management Committee was to be considered.

Right of a member of the Management Committee removed from office to refer decision to arbitration

- 5.10A.1 A member of the Management Committee who is removed from office under Rule 5.10.4 (in this Rule called "**the appellant**") may, by notice in writing given to the Secretary within 21 days after the date of the resolution to remove them, require that the removal be referred to a person to be appointed as arbitrator by the Chief Executive of the **Plunkett Foundation** in accordance with Rule 9.13. If such a notice is given, the appellant shall be suspended from office until receipt of the arbitrator's decision.
- 5.10A.2 The question to be determined on such a reference shall be whether the opinion of the Management Committee referred to in Rule 5.10.4 (that is, that the appellant is in serious breach of the Management Committee's code of conduct or has not performed the duties which the appellant agreed to perform or could reasonably have been expected to perform and it is not in the interests of the Society that the appellant should continue in office) was formed after due consideration of the circumstances of the case and was an opinion which a reasonable committee could have formed. If the arbitrator answers that question in the affirmative, the removal of the appellant from office shall be final and shall not thereafter be questioned. If the arbitrator answers that question in the negative –
- (a) the appellant shall stand reinstated as a member of the Management Committee, and accordingly Rules 5.4 and 5.6 shall apply as if the removal had not occurred; and
 - (b) the appellant may not thereafter be removed from office under Rule 5.10.4 except on the basis of new facts.
- 5.10A3 A person who is removed from office as a member of the Management Committee under Rule 5.10.4 may not be re-elected or reappointed until the second Annual Members' Meeting following the removal (or, if the removal is referred to arbitration under this Rule 5.10A and is confirmed by the decision of the arbitrator, until the second Annual Members' Meeting following the decision of the arbitrator).
- 5.10A.4 No appeal or referral to a Special Members' Meeting in respect of the removal of a member of the Management Committee from office under Rule 5.10.4 may be made otherwise than under this Rule 5.10A.

Special election following removal of member of Management Committee from office under Rule 5.10.4

- 5.10B.1 If a member of the Management Committee is removed from office under Rule 5.10.4, Members of the Society may, by notice given to the Secretary in writing or by Electronic Communication, nominate a Member or Members for election to the Management Committee to replace the person so removed and, if applicable, to fill any other vacancy then existing in the number of members of the Management Committee.
- 5.10B.2 A notice under Rule 5.10B.1 shall be given not later than 14 days after either (a) the expiry of the period fixed by Rule 5.10A.1 for the person removed from office to give notice requiring that the removal be referred to arbitration without such a notice having been given, or (b) if the removal is referred to arbitration and is

confirmed by the decision of the arbitrator, the date on which Members are notified of the arbitrator's decision.

- 5.10B.3 If one or more persons are nominated for election under Rule 5.10B.1, an election shall take place within 21 days after the expiry of the period for nominations in accordance with procedures determined by the Management Committee under Rule 5.7.
- 5.10B.4 A person elected under Rule 5.10B.3 shall serve until the next Annual Members' meeting, when they shall be eligible for re-election. If they are re-elected, Rules 5.4 and 5.6 shall apply to them as if they had been elected for the first time at that Annual Members' Meeting.
- 5.11 The Management Committee shall elect from amongst themselves a Chairperson, Vice-Chairperson and a Treasurer. They may also choose to elect a Secretary in accordance with rule 5.19. These officers shall have such functions as the Rules or the Management Committee specify, and they shall serve until they are removed or replaced by the Management Committee, or until they resign.

Meetings of the Management Committee

- 5.12 The Management Committee shall hold such meetings as it considers appropriate to discharge its roles and responsibilities. Meetings may take place in any manner and through any medium which permits those attending to hear and comment on the proceedings. Any person who attends in this manner shall be deemed to be present at the meeting whether or not they are assembled in one place.
- 5.13 Every meeting of the Management Committee shall be chaired by the Chairperson, or in their absence the Vice-Chairperson, or in their absence another member of the Management Committee chosen by those present.
- 5.14 Three members of the Management Committee shall comprise a quorum.
- 5.15 Unless the Rules provide otherwise, in the event of a decision to be made by a vote at meetings of the Management Committee, the decision shall be decided by a majority of votes. Each member of the Management Committee shall have one vote, and in the event of a tied vote, the Chairperson of the meeting shall have a second or casting vote.
- 5.16 A resolution signed by all the members of the Management Committee has the same effect as a resolution validly passed at a meeting of the Management Committee. Each member of the Management Committee may sign a separate copy of the resolution and send a signed copy to the Secretary by email or other electronic means.

Disclosure of Interests

- 5.17 A member of the Management Committee shall declare an interest and shall not vote in respect of any matter in which they, or their spouse or partner or immediate relative, have a personal, financial or other material interest. If they do vote, their vote shall not be counted.

Remuneration

- 5.18 Members of the Management Committee are not entitled to any remuneration, but they may be reimbursed for reasonable expenses incurred in connection with the Society's business.

Secretary

- 5.19 The Society shall have a Secretary, who shall be appointed by the Management Committee and who may be an employee. The Management Committee may also appoint a deputy Secretary (who may also be an employee) to act as Secretary in the Secretary's absence. The Secretary's duties shall be clearly set out in writing and agreed by the Management Committee.
- 5.20 The Secretary
- 5.20.1 has the functions set out in the Rules and any other functions which the Management Committee assigns;
 - 5.20.2 acts as Returning Officer at all Society meetings, is responsible for the conduct of all voting described in the Rules, and records the outcome of all matters put to a vote;
 - 5.20.3. has absolute discretion to decide any issue or question which the Rules require the Secretary to decide.

6 REPORTING

Preparation of Accounts

6.1 In respect of each year of account, the Management Committee shall cause Annual Accounts to be prepared which shall include:

- 6.1.1 a revenue account or revenue accounts which singly or together deal with the affairs of the Society as a whole for that year and which give a true and fair view of the income and expenditure of the Society for that year; and
- 6.1.2 a balance sheet giving a true and fair view as at the date thereof of the state of the affairs of the Society.

Auditors and Audit

6.2 At each Annual Members' Meeting where as a result of the provisions of the Co-operative and Community Benefit Societies Act 2014 the Society has the power to decide not to appoint an Auditor or Auditors to audit its Annual Accounts, a resolution shall be put to the Members to decide whether or not they wish to exercise the power. If the Members decide to exercise the power not to appoint an Auditor or Auditors, the Society shall appoint an independent accountant or lay auditor to prepare a report, as required by the law.

6.3 Where required by law or the decision of the Members, the Society shall appoint in each year a qualified Auditor or Auditors to be the Auditors, and the following provisions shall apply to them.

- 6.3.1 The accounts of the Society for that year shall be submitted to them for audit as required by the law.
- 6.3.2 They shall have all the rights and duties in relation to notice of, and attendance and right of audience at Members' Meetings, access to books, the supply of information, reporting on accounts and otherwise, as are provided by the law.
- 6.3.3 Except where provided in the Rules, they are appointed by the Annual Members' Meeting, and the provisions of the law shall apply to the re-appointment and removal and to any resolution removing or appointing another person in their place.
- 6.3.4 Their remuneration shall be fixed by the Management Committee in accordance with the Act.

6.4 The Management Committee may fill any casual vacancy in the office of Auditor until the next following Members' Meeting.

Presentation of Accounts

6.5 The Management Committee shall present the Annual Accounts and reports of the business and affairs of the Society to the Annual Members' Meetings.

6.6 The Management Committee shall lay Annual Accounts before the Annual Members' Meeting showing respectively the income and expenditure for and the state of the affairs of the Society as at the end of the Society's most recent financial year (or of such other period as the Management Committee may decide) and ensure that Members have the opportunity to ask questions.

Display of copy of Balance Sheet; Publication of Accounts and Balance Sheets

6.7 The Society shall comply with the requirements of sections 81 (duty to display balance sheet) and 82 (restrictions on publication of accounts and balance sheets) of the Act.

Annual Return to be sent to Financial Conduct Authority

- 6.8 The Society must, within the time allowed by legislation in each year, send to the **Financial Conduct Authority** a general statement in the prescribed form, called the annual return, relating to its affairs during the period covered by the return, together with a copy of:
- 6.8.1 the Society's financial statements for the period included in the return; and
 - 6.8.2 the report of the Auditors thereon if Auditors have been appointed.
- 6.9 The most recent annual return of the Society shall be made available to any Member by the Secretary on request in writing free of charge.

7 CHANGE

Alterations to Rules

- 7.1 No new rule shall be made, nor shall any of the Rules be amended, except with the approval of a resolution passed by a two-thirds majority of the votes cast by Members present and voting at a Special Members' Meeting.
- 7.2 Notice of such a Special Members' Meeting shall specify the Rules to be amended and set out the terms of all amendments or new rules proposed.
- 7.3 No amendment to any of the Rules and no new rule shall be valid until registered with the **Financial Conduct Authority**.
- 7.4 The Management Committee may change the situation of the Society's registered office. The Society will send notice of any such change to the **Financial Conduct Authority**

Restriction on use

- 7.5 Pursuant to regulations made under the Co-operative and Community Benefit Societies Act 2003:
 - 7.5.1 All of the Society's assets are subject to a restriction on their use.
 - 7.5.2 The Society must not use or deal with its assets except:
 - 7.5.2.1 where the use or dealing is, directly or indirectly, for a purpose that is for the benefit of the community;
 - 7.5.2.2 to pay a Member of the Society the value of their withdrawable share capital or interest on such capital;
 - 7.5.2.3 to make a payment pursuant to sections 36 (payments in respect of persons lacking capacity), 37 (nomination by members of entitlement to property in society on member's death), 40 (death of a member: distribution of property not exceeding £5,000) of the Act;
 - 7.5.2.4 to make a payment in accordance with the Rules of the Society to trustees of the property of bankrupt Members or, in Scotland, Members whose estate has been sequestrated;
 - 7.5.2.5 where the Society is to be dissolved or wound up, to pay its creditors; or
 - 7.5.2.6 to transfer its assets to one or more of the following:
 - 7.5.2.6.1 a prescribed community benefit society whose assets have been made subject to a restriction on use and which will apply that restriction to any assets so transferred;
 - 7.5.2.6.2 a community interest company;
 - 7.5.2.6.3 a registered social landlord which has a restriction on the use of its assets which is equivalent to a restriction on use and which will apply that restriction to any assets so transferred;
 - 7.5.2.6.4 a charity (including a community benefit society that is a charity); or
 - 7.5.2.6.5 a body, established in Northern Ireland or a State other than the United Kingdom, that is equivalent to any of those persons.



- 7.5.3 Any expression used in this Rule which is defined for the purposes of regulations made under section 1 of the Co-operative and Community Benefit Societies Act 2003 shall have the meaning given by those regulations.

Transfer of Engagements

- 7.6 The Society may, by special resolution passed at a Special Members' Meeting in accordance with the Rules and in the way required by the law, amalgamate with or transfer its engagements to any **society** or convert itself into a **company**. Nothing in this Rule shall entitle the Society to amalgamate with, transfer its engagements to or convert itself into a type of body that is not listed in Rule 7.5.2.6.
- 7.7 The Society may also accept a transfer of engagements and assets from any **society** by resolution of the Management Committee or of a Members' Meeting, as the Management Committee shall decide.

Dissolution

- 7.8 The Society may be dissolved by an Instrument of Dissolution or by winding up in the way required by the law. If on the solvent dissolution or winding up of the Society there remain, after the satisfaction of all its debts and liabilities and the repayment of the paid-up share capital, any assets whatsoever, such assets shall be transferred in accordance with the provisions above headed "Restriction on use".
- 7.9 Subject to those provisions, such assets shall be transferred to one or more community organisations that support the objects of the Society chosen by the Members at a Members' Meeting, which may include any society established by the **Plunkett Foundation** for the purpose of the creation, promotion and development of community businesses.

8 SHARE CAPITAL

- 8.1 The Society has shares of £10 each.
- 8.2 Application for shares shall be made to the Management Committee and is subject to any maximum permitted by law. Shares shall be paid for in full on application.
- 8.3 The minimum shareholding shall be 10 shares, except that this shall not preclude a Member from holding fewer than 10 shares as a result only of the scaling back, under Rule 8.4.5, of an application to withdraw all that Member's shares. The Society may from time to time make a public share offer, and any such offer may specify a minimum number of shares.
- 8.4 Shares are not transferable except on death or bankruptcy, and are withdrawable at the sole discretion of the Management Committee in accordance with the Rules as follows:
- 8.4.1 shares may be withdrawn by Members who have held them for a minimum period of three years or such other period as the Management Committee decides;
 - 8.4.2 application for withdrawal shall be made on not less than three months' notice, on a form approved by the Management Committee;
 - 8.4.3 the Management Committee may specify a maximum total withdrawal for each financial year;
 - 8.4.4 all withdrawals must be funded from trading profits, reserves or new share capital raised from Members, and are at the absolute discretion of the Management Committee having regards to the long term interests of the Society, the need to maintain prudent reserves, and the Society's commitment to community benefit. If any withdrawal is to be funded from reserves, the Management Committee must be satisfied that:
 - 8.4.4.1 as a result of such withdrawal there will be no ground upon which the Society could then be found to be unable to pay (or otherwise discharge) its debts; and
 - 8.4.4.2 the Society will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the withdrawal.
 - 8.4.5 the Management Committee shall consider in each financial year whether to permit withdrawal of shares, and shall notify the Members accordingly. If withdrawals are permitted in any financial year, the Management Committee shall specify a period during which applications for withdrawals must be made. Subject to Rule 8.4.6, Members may apply to withdraw all or part of their shareholding. In the event that the total value of the withdrawal applications exceeds the sum available for repayment as decided by the Management Committee, the applications will be scaled back proportionally, with withdrawals rounded down to the nearest single share;
 - 8.4.6 no Member may make a request for a partial withdrawal which, if the request were met in full, would reduce the number of shares held by them below the minimum required by the Rules;
 - 8.4.7 the Management Committee may waive the notice required for a withdrawal and may direct payment to be made without notice or on such shorter notice as it considers appropriate;
 - 8.4.8 the Management Committee may suspend the right to withdraw either wholly or partially, and either indefinitely or for a fixed period. The suspension shall apply to all notices of withdrawal which have been received and remain

unpaid at the time. Where the suspension is for a fixed period, it may be extended from time to time by the Management Committee;

8.4.9 during any period when the right of withdrawal has been suspended, the shares of a deceased Member may, if the Management Committee agrees, be withdrawn by their personal representatives on giving such notice as the Management Committee requires;

8.4.10 the Society may deduct such reasonable sum to cover administrative costs of withdrawal from the monies payable to a Member on the withdrawal of shares.

8.5 The Society may (but is under no obligation to) pay interest to holders of shares, as compensation for the use of such funds, subject to the following:

8.5.1 any payment of interest must be from trading profits and is at the discretion of the Management Committee having regard to the long term interest of the Society, the need to maintain prudent reserves and the Society's commitment to community benefit;

8.5.2 the Management Committee shall determine the basis for calculating and paying interest to Members, and the rate of interest to be paid in any year is to be submitted to the Members for approval at the Annual Members' Meeting or a Special Members' Meeting. The rate so determined and approved shall not exceed 5% or 2% above the base rate of the Bank of England;

8.5.3 the Management Committee may decide that interest shall be paid only on the balance (if any) of each shareholding which exceeds a specified minimal level.

8.6 On the solvent winding-up of the Society, holders of shares will have no financial entitlement beyond the payment of outstanding interest and repayment of paid up share capital.

8.7 In the event that a Member resigns from membership, is removed from the Register of Members, or is expelled in accordance with the Rules, shares held by them at the date of resignation, removal or expulsion shall thereupon become a loan, repayable to the former Member by the Society. The terms of repayment shall be those applying to the withdrawal of share capital set out in the Rules and notice of withdrawal shall be treated as having been given at the point of resignation, removal or expulsion.

9 ADMINISTRATIVE

Purpose, objects and powers

9.1 The Society's Purpose is to carry on business for the benefit of the community.

9.2 The Objects of the Society are, in accordance with its Purpose:

The objects of the Society shall be to carry on business for the benefit of the community by:

9.2.1 carrying on the business of dealing in, producing, creating, supplying and providing, property, goods and services of all kinds; and

9.2.2 engaging, as principals or agents, in any other business, trade, industry or activity which seems to the Society directly or indirectly conducive to carrying out the above objects.

9.3 The Society has the power to do anything that a natural or corporate person can lawfully do which appears to it to be necessary or desirable to achieve its Objects.

9.4 Without limiting the general power under Rule 9.3, the Society shall have the power to:

9.4.1 acquire or dispose of or take or grant any interest in property and take or grant any security interest over land or any of the Society's assets including any mortgage charge, floating charge or other security whatsoever;

9.4.2 enter into contracts;

9.4.3 employ staff;

9.4.4 make use of the services of volunteers;

9.4.5 receive donations or loans free of interest for its Objects;

9.4.6 subject to Rule 9.7, borrow money or issue any other debt instrument or enter into any transaction having the effect of borrowing on such terms as the Society thinks fit;

9.4.7 subject to Rule 9.8, invest the funds of the Society.

9.5 Any power of the Society to pay remuneration and allowances to any person includes the power to make arrangements for providing or securing the provision of pensions or gratuities (including those payable by way of compensation for loss of employment or loss or reduction of pay).

9.6 The Society shall not accept deposits or conduct any activity that constitutes a 'regulated activity' for the purposes of the Financial Services and Markets Act 2000 and 2012 without first applying for, and obtaining, authorisation for the conduct of any such activity.

Borrowing

9.7 Subject to the approval of the Management Committee, the Society may borrow money from its members and others for the purposes of or in connection with its Objects, providing that the amount outstanding at any one time shall not exceed £10,000,000.

9.7.1 The Society shall have the power to mortgage or charge any of its property, assets and undertakings, and to issue loan stock, debentures and other securities for money borrowed or for any

contracts of the Society or its customers or persons or corporations having dealings with the Society under whatever security or conditions the Management Committee determine are necessary to obtain the capital required to fulfil the society's objects.

- 9.7.2 The rate of interest on money borrowed, except on money borrowed by way of bank loan or overdraft or from a finance house or on mortgage from a building society or local authority, shall not exceed a reasonable rate necessary, in the opinion of the Management Committee, to obtain and retain the capital required to carry out the objects of the Society, nor shall it risk the Society's status as a Community Benefit Society.

Investments

- 9.8 Subject to any restriction imposed by resolution of any Members' Meeting, the Management Committee may invest any part of the capital and funds of the Society in any manner which the Management Committee may from time to time determine,

Books of Account

- 9.9 The Management Committee shall cause to be kept proper books of account with respect to the transactions of the Society, its assets and liabilities, and shall establish and maintain a satisfactory system of control of the books of account, the cash holdings and all receipts and remittances of the Society in accordance with the law.

Treatment of Profits

- 9.10 The profits of the Society shall not be distributed either directly or indirectly in any way whatsoever among Members, but shall be applied:
- 9.9.1 to maintain prudent reserves;
 - 9.9.2 on social payments furthering the Objects of the Society;
 - 9.9.3 on expenditure in carrying out the Objects of the Society.

Minutes

- 9.11 The Management Committee shall cause proper minutes to be made of all Members' Meetings, meetings of the Management Committee and of any sub-committees. Subject to any duty of confidentiality, all such minutes shall be open to inspection by any Member at all reasonable times and shall be made available to Members by electronic means.

Settlement of Disputes

- 9.12 The Society shall maintain and follow an internal policy for dispute resolution as approved by the Management Committee.
- 9.13 Any dispute, between the Society or an officer of the Society on the one hand and a Member or a person who has for not more than six months ceased to be a Member on the other hand, as to the interpretation of or arising out of the Rules shall be dealt with in accordance with the Society's dispute resolution policy referred to in rule 9.12. Only after all other avenues have been explored (except as otherwise provided in the Rules) shall the dispute be referred, in default of agreement between the parties to the dispute, to a person appointed by the Chief Executive of the **Plunkett Foundation**, on application by any of the parties. The person so appointed shall act as sole arbitrator in accordance with the Arbitration Act 1996 and such person's decision (including any decision as to the costs of the arbitration) shall be final.

Register of Members

- 9.14 The Society shall keep at its registered office a register of Members as required by the law. Any Member wishing to inspect the register (or any part of it) shall provide the Society with not less than 14 days' prior notice given in writing to the Secretary at the Society's registered office.

Copies of Rules and Regulations

- 9.15 The Secretary shall provide a copy of the Rules to any person who demands it, and may charge a sum (not exceeding the maximum allowed by the law) for providing such a copy. A copy of the Rules is available for inspection on the Society's website.

Directors' and Officers' Indemnity

- 9.16 Members of the Management Committee and the Secretary who act honestly and in good faith will not have to meet out of their personal resources any personal civil liability which is incurred in the execution or purported execution of their functions, save where they have acted recklessly. Any costs arising in this way will be met by the Society. The Society may purchase and maintain insurance against this liability for its own benefit and for the benefit of members of the Management Committee and the Secretary.


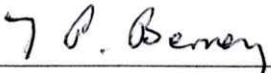

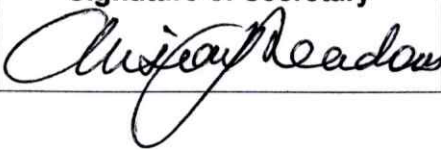
Deceased and bankrupt members

- 9.17 Upon a claim being made by the personal representative of a deceased Member or the Trustee in bankruptcy of a bankrupt Member, any property to which the personal representative or trustee in bankruptcy has become entitled may be used as the personal representative or trustee in bankruptcy may direct.
- 9.18 A Member may in accordance with the law nominate any person or persons to whom any of their property in the Society at the time of their death shall be transferred, but such nomination shall only be valid to the extent for the time being provided by the law. On receiving satisfactory proof of the death of a Member who has made a nomination the Society shall, in accordance with the law, either transfer or pay the full amount of such property to the person so nominated.

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10 SIGNATURES OF MEMBERS

Signatures of Members	Full Names	Date
	ANN UTLEY	8 th July 2024
	THOMAS BERNEY	8 th July 2024
	PHILIP SYDNEY WGBB	9 th July 2024
Signature of Secretary 	ALISON JANE MEADOWS	9 th July 2024

APPENDIX

- 1 The Rules should be read and understood on the basis of what is set out below.
- 2 Words in the singular include the plural, and words in the plural include the singular.
- 3 Any reference to legislation includes any subsequent enactments, amendments and modifications, or any subordinate legislation.
- 4 The section, rule and paragraph headings are inserted for convenience only and shall not affect the interpretation of the Rules.
- 5 The following words and phrases have the special meaning set out below.

<i>“the Act”</i>	the Co-operative and Community Benefit Societies Act 2014
<i>“company”</i>	a company registered with limited liability under the Companies Act 2006 or any previous Companies Act, or under any law of the country where it is situate whereby it acquires the right of trading as a body corporate with limited liability
<i>“Electronic Communication”</i>	the meaning given in section 148 of the Act (and for the avoidance of doubt, this includes email and fax)
<i>“Financial Conduct Authority”</i>	Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN
<i>“partner”</i>	a person living with another in the same household as a couple, irrespective of their sex or sexual orientation
<i>“Plunkett Foundation”</i>	Plunkett Foundation, a charitable company registered with Companies House with company number 00213235 and with the Charity Commission with charity number 313743, of The Quadrangle, Woodstock, Oxfordshire OX20 1LH and any successor body
<i>“in writing”</i>	except where expressly otherwise provided, includes any communication or document sent in electronic form.

6. The following words or phrases are introduced in the rule specified in each case.

Words or phrases	Rule
Annual Members' Meeting	4.1
Annual Accounts	6.1
Appendix	1.7.1
Auditor	6.2
Chairperson	5.11
Management Committee	2.1
Member	2.1
Members' Meeting	4
Membership Strategy	3.1.1
Objects	9.2
Purpose	1.3
Register of Members	3.2
Rules	1.1
Secretary	2.1
Society	1.1
Special Members' Meeting	4.2
Treasurer	5.11
Vice-Chairperson	5.11