# Malvern Book Co-operative

## Information for Prospective Members

## Summary

Malvern Book Co-operative is a not-for profit organisation registered as an Industrial and Provident Society.

## Our Vision

We provide a bookshop for Malvern that sells new fiction and non-fiction books and a small range of related products. We act as a hub for literary activities such as author talks and run a small café offering hot and cold drinks and homemade cake. The shop is an attraction for the people of Malvern and for the visitors to the area and therefore contributes to the thriving local economy.

Our co-operative model means that members will be involved with the success and direction of our business, fostering engagement and loyalty.

The bookshop has been in operation for 5 years. Our latest annual accounts can be viewed at http://malvernbook.coop/?page\_id=693

We are looking for investors who are interested in becoming members of the Malvern Book Co-operative. Membership benefits may include annual dividends based on end of year profits but there is no guarantee of any financial return. The main membership benefit is being part of the wide community that supports our work. We hold events just for members including discounted shopping evenings and a Christmas Party.

Each member has one vote regardless of the number of shares held and is entitled to attend the Annual General Meeting. Each year we hold 2 meetings where members are informed of the work of the shop and vote on significant decisions. Members also have the right to stand for election onto the management committee at the AGM.

Community shares cost £50 per share. More than one share may be purchased up to a maximum of £100. Each member has one vote regardless of the number of shares purchased.

**Purpose of the Investment**

When the bookshop was set up we made an initial share offer and raised £22,300. This money was used to purchase the initial stock of the shop. In addition we borrowed £10,000 to refit the shop and buy equipment. This loan has now been paid off in full.

The shop is financially viable and at this time we are not seeking an investment to grow the business. The main aim of offering shares for sale is to allow new members to join the Cooperative. Money raised will be held in reserve to fund future developments such as updating the fittings of the shop.

**Projected Social Returns**

The primary aim of the Cooperative is to continue to provide a viable bookshop in Malvern. In addition we aim to support local authors, provide a venue for book groups and other groups to meet and undertake outreach by running bookstalls in schools. We provide a focus in the town for reading promotion events such as World Book Day.

With an expanded membership we would aim to undertake more social development activities.

We would hope that new members would educate themselves on the principles of cooperative businesses and we can provide training on this.

**Targets and Contingencies**

As noted above we are not aiming to secure a fixed amount of funding from the sale of shares. The aim is to expand membership. Our members are our greatest asset and support the shop by acting as our voice in their communities.

**Investment**

Any person over 18 is eligible to become a member of Malvern Book Co-operative. Each share costs £50 and multiple shares may be bought up to a maximum investment of £100.

**Cashing-in Shares**

The shares in the Cooperative are ‘withdrawable shares’. This means that you can apply to withdraw your investment at any time. Any application to withdraw your investment will be considered and approved only if the Cooperative has sufficient financial resources at that time to repay your investment. This decision is made by the elected board.

The value of the shares bought will never exceed the face value. The shares are not transferable which means they cannot be sold to someone else. The management committee under the current rules of the Cooperative have the right to reduce the value of the shares and suspend withdrawals in order to safeguard the project.

**Purchasing Shares**

To purchase shares you should complete an application form. Your application will be reviewed by the elected board and if approved you will be issued with a share certificate and become a full member of the Cooperative.