Kingstone Community Society Limited

Financial Conduct Authority – Mutuals Registration number 7897

Exit Strategy- V1.1

1. **Introduction**
   This document sets out the policy and procedures of The Society to ensure the long-term sustainability of the Society for future generations. It identifies potential activities and changes, of which some would require a Resolution and changes to the Model Rules.

2. **Current situation**

   The Society has over 218 shareholders who have collectively invested over £145,000 in share capital. The drive and enthusiasm for shareholders to invest and become involved as a volunteer or as a Committee Member was ignited with the initial purchase and refurbishment of the Shrewsbury Arms in 2018/2019.

   The initial Share Offer once expired was replaced with an Open Share Offer which was invigorated in 2024. This coincided with the large roof refurbishment project; part funded by grant, and in part with the Society's reserves.

   The engagement from current volunteers, Shareholders and Committee Members is buoyant, as the memory of when the village had no pub/community hub is current. However, this level of community engagement may wain through time, as members become older, and leave the area. Ensuring that the Society is best placed to ensure its long-term sustainability is key to its success.

3. **Timeline until end of loan (September 2029)**
   Activities and Procedures:

   Together with the Open Share Offer, and the 10x strong Committee, existing and new members and volunteers are encouraged, either through face-to-face communications, or via newsletters, e-mail communication and attendance at the Annual General Meeting.

   Rotation of committee posts and encouragement of new Committee Members to step forward, to breathe vitality and agility into the Society is an ongoing activity.

   The KCS Welcome Pack for new residents is to be launched, which welcomes new residents to the village. This together with a directory and maps of local walks, also highlights the Society, potential to purchase Shares and The Shrewsbury Arms.

   Minimum shareholding at £250 is likely to be in place until the Key Fund Loan is repaid.

4. **Timeline post 2029**
   Activities and Procedures:
   Once the Key Fund Loan has been fully repaid, the Society potentially can generate sufficient cash reserves to more readily allow for a shareholder who wants to withdraw their shares and be reimbursed. The Share Withdrawal Policy (V1.1) will require amendment, potentially reducing the minimum shareholding to say £50. (This will require a Resolution to change the Model Rules).

   Committee members can only come from shareholders, so reducing this minimum investment may enlarge the pool of new potential volunteers/shareholders.

   Higher Interest payment on shares should also be reviewed if financially viable, to encourage new shareholders and retain existing shareholders.

   A potential annual loyalty scheme for shareholders, for example an annual meal voucher (in The Shrewsbury Arms) may also provide an incentive for new/existing shareholders. This would need to be administered with Tax and VAT implications considered.

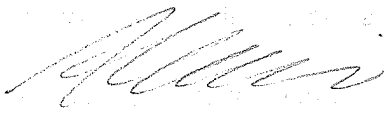
5. **On Change or Dissolution of The Society**
   In accordance with Section 7 of the Model Rules

   In accordance with The Model Rules, the assets of the Society could be transferred to another Community Benefit Society or charity or other organisation which has the same restrictions of use on the Society's assets.

   A Parish Council is not deemed a "registered social landlord" – (section 7.5.2.6 c) however the assets of the Society could be temporarily transferred to the Parish Council, until they were transferred in accordance with Restriction of Use (section 7.5)

6. **Procedure**
   This procedure is be reviewed regularly / every 2 years

Date: 25/3/25

Signature (Chair) 

Signature (Secretary) 