

Workshop 2D Passionate Investment – Lessons from the Community Shares Movement in the UK by Hugh Rolo.

Appeals to people genuinely interested in investing in social purposes.

Building social capital.

Investment readiness for the 3rd sector.

The use of Debt finance as a sector – undercapitalized.

Community Shares Program:-

- Action, research programs – 10 organization chosen.
- Turning passion into a business model.
- From fundraising to investment.
- Shift from philanthropic model to investment proposition.

Provident Funds:

- Come under financial government monitoring.
- Because of unique attributes including asset lock not heavily regulated.
- Presbyterian Mutual Society e.g. of a bad deal as it crashed.

Community shares by trade activity.

Motivation of community by passion in investable.

Why societies preferred format IPS:

- Shares not trade able
- Very democratic, 1 member 1 vote.
- These mechanisms combined take these shares out of the “casino – capitalism” asset lock.

These are all long term propositions (dividend not paid out for 3 years plus).

Multiple member engagement = more resilient e.g. out of 514 shops in a rural village only 4 have gone bust.

Four different kinds of offer documents:

- Membership offer
- Pioneer offer
- Time-band offer
- Open offer – established businesses – leveraging and giving shares back.