Grow a Woodland - Legal structure options table						
Option	***Option 1***	***Option 2***	***Option 3***	***Option 4***	***Option 5***	***Option 6 ****
Legal form	**Company Ltd by Guarantee**	**CIC Ltd by Guarantee (large membership)**	**CIC Ltd By Guarantee (large Membership)**	**CIC ltd by Share**	**Community Benefit Society (open membership)**	***CIC ltd by Share***
Constitution	*Co-ops UK Co-op Constitution*	*CIC model constitution*	*Co-ops UK Co-op CIC Constitution*	*Co-ops UK Co-op CIC Constitution*	*Co-ops UK Community finance model constitution*	*CIC Model Constitution*
Membership	large Membership	Large membership	large Membership	Large Membership	Large membership	*Shareholders only*
	Membership numbers over and above no. of Directors	Membership numbers over and above no. of Directors	Membership numbers over and above no. of Directors	Membership numbers over and above no. of Directors	Membership numbers over and above no. of Directors	*All Directors are Members and Shareholders * Too unweildy for 50+ investors*
Liabiliity of members	£1	£1	£1	Shareholding	Shareholding	*Shareholding*
Share capital	None	None	None	1) **Co-operative Share (member share)** Transferrable with the approval of Directors, and 2) **Equity Shares** no voting rights except at Shareholders meetings. Transferrable with the approval of Directors. Not redeemable but Co-op can require redemption.	Withdrawable shares at the discretion of Directors. Max. Limited by law (£100,000 for individuals)	*Transferrable with approval of Directors and Redeemable. Can offer different classes of shares*
Loans / Loan stock	Yes	Yes	Yes	Yes	Yes	*Yes*
Financial promotions restrictions	Can only offer securities to people already associated with the organisation. Not to public.	Can only offer securities to people already associated with the organisation. Not to public.	Can only offer securities to people already associated with the organisation. Not to public.	Can only offer securities to people already associated with the organisation. Not to public.	Community shares to public allowed under exemption from FSMA 2000	*Can only offer securities to people already associated with the organisation. Not to public.*
General Meetings	AGM, General Meetings	AGM, General meetings	AGM, General Meetings	AGM, General Meetings, Shareholder meetings	AGM, General meetings	*None*
General Meeting Quorum	10 members or a third of Membership whichever is greater	2 members or 10% of membership whicheve is greater	10 members or a third of Membership whichever is greater	2 Members or 50% of membership	10 members or a third of Membership whichever is greater	*N/A*
Ordinary Resolutions	By simple majority vote	By simple majority vote	By simple majority vote	By Simple majority	By simple majority vote	*By Simple majority*
Reserve Power	Members	Members	Members	Members	Members	*Shareholders*
Directors	Elected from membership by members	Self appointed	Elected from membership by members	Elected from membership by members	Elected from membership by members	*All Directors are Members. Only Directors can hold shares*
Quorum	2 or 50% whichever is the greater	Two	2 or 50% whichever is the greater	2 or 50% whichever is the greater	2 or 50% whichever is the greater	*Fixed by Directors*
Co-opted Directors	Up to two for expertise and skills for fixed time only	No provision	Up to two for expertise and skills for fixed time only	No provision	Up to two for expertise and skills for fixed time only	*No provision*
Retirement Cycle	3 year retirement cycle	None	3 year retirement cycle	3 year retirement cycle	3 year retirement cycle	*None*
Asset lock	Common ownership Clause Can be entrenched to require 100% members agreement to change	Statutory	Statutory	Statutory	Statutory	*Statutory*
Application of profits	-	-	-	Dividends on Equity shares. Redemption of Equity shares by CIC.	Interest on shares	*Dividends on shares*
	Retained in Company	Retained in CIC	Retained in CIC	Retained in Company	Retained in CBS	*Retained in Company*
	Payment for social or charitable purposes		Payment for social or charitable purposes	Payment for social or charitable purposes	Payment for social or charitable purposes	*Payment for social or charitable purposes*
Internal registers	Held by Companies House	Held by Companies House	Held by Companies House	Held by Companies House	Held internally	*Held by Companies House*
Audit	Can apply small Company exemption	Can apply small Company exemption	Can apply small Company exemption	Can apply small Company exemption	Can apply small Company exemption	*Can apply small Company exemption*
Regulator	Companies House	CIC regulator	CIC regulator	CIC regulator	FCA (Mutuals Section)	*CIC regulator*
Act	Companies Act 2006	Companies Act 2006 & CIC regulations	Companies Act 2006 & CIC regulations	Companies Act 2006 and CIC regulations	Co-operative and Community Benefit Societies Act 2014	*Companies Act 2006 and CIC regulations*
Annual fees	£15	£15	£15	£15	Sliding Scale. Asset value Up to £50K = £65, up to £100K = £125, up to £250K = £206, up to £1M = £285	*£15*
Additional reporting to regulator	-	Community Interest statement on incorporation and annually	Community Interest statement on incorporation and annually	Community Interest statement on incorporation and annually	-	*Community Interest statement on incorporation and annually*
Cost of Incorporation	Via Co-operatives UK incorporation services £250 + VAT if no changes to model	Incorporation £35 * have to prepare own incorporation paperwork	Via Co-operatives UK incorporation services £250 + VAT if no changes to model	Via Co-operatives UK incorporation services £250 + VAT if no changes to model	Via Co-operatives UK incorporation services £250 + VAT if no changes to model	*Incorporation £35 * have to prepare own incorporation paperwork*
	Not for profit	Not for profit	Not for profit	Limited profit via Dividend Cap	Not for profit (interest on shares seen as Cost of Business)	*Limited profit via Dividend Cap*
	Can have 'Friends of' as steering group for community accountability	Can have 'Friends of' as steering group for community accountability	Can have 'Friends of' as steering group for community accountability	Can have 'Friends of' as steering group for community accountability	Can have 'Friends of' as steering group for community accountability	*Can have 'Friends of' as steering group for community accountability*