

GREATER MANCHESTER COMMUNITY RENEWABLES



COMMUNITY SHARE OFFER

**INVEST IN CLEAN ENERGY
IN GREATER MANCHESTER**

—

**TARGET: £145,000
MINIMUM INVESTMENT: £100
CLOSING DATE: 30 JUNE 2018**



DIRECTORS' LETTER

Welcome!

We are pleased to invite you to become a member of Greater Manchester Community Renewables.

In 2016 we raised £186,000 from our first community share offer. This funded the installation of solar panels at three schools in Salford and a community building in Partington. We estimate that so far this has:

- generated over 125,000 kWh of clean electricity;
- prevented more than 40 tonnes of carbon dioxide emissions from polluting power stations; and
- saved our partners around £3,000 on their bills.

We are proud of what we've achieved so far with the support of our members, volunteers, and our partners at these Existing Sites. Despite significant changes to Government support for renewable energy, we've developed this, our second Share Offer.

This Share Offer seeks to raise £145,000 to fund the installation of solar panels on four schools in Salford. Your investment will help them to save money on their energy bills, reduce their carbon emissions, and create a fund to support eco-friendly projects in the local community.

We believe that community involvement is key to the success of this Project - from the volunteers who have brought us this far, to those of you who choose to invest in it, to all the children and adults who will learn about energy and climate change and take action as a result.

We hope you'll like what you see and we look forward to receiving your application and warmly welcoming you as a member of Greater Manchester Community Renewables.

Yours faithfully,

Ali Abbas, Kate Eldridge, Andy Fewings and Andy Hunt
The Directors of GMCR

INVESTMENT RISK

Those interested in investing should do so only after reading this document in full and taking appropriate financial and other advice. Community shares are fully at risk, and you could lose some or all of the money you invest. You have no right to compensation from the Financial Services Compensation Scheme, nor any right of complaint to the Financial Ombudsman Service.

DECLARATION

Greater Manchester Community Renewables Limited and each of its Directors confirm that we have taken all reasonable care to ensure that the information contained in this Offer Document is, to the best of our knowledge, in accordance with the facts and contains no omissions likely to affect its overall meaning.

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SECTION 1:

SUMMARY OF

SHARE OFFER

INTRODUCTION

The purpose of the Share Offer is to finance our Project to install solar panels on four primary schools in Salford.

THE PROJECT

In common with our Existing Sites, these New Sites will receive electricity from the panels at a discounted rate compared to their existing supplier. Each New Site will also be offered educational support to help pupils and members of the community learn about energy and climate change.

A proportion of the Society's surpluses will be made available for community projects relating to climate change, energy efficiency and environmental education via our Community Fund.

ESTIMATED BENEFITS

In the first year, 2019, we expect that our eight Sites will:

- generate 230,000 kWh of clean, green electricity
- save approximately 70 tonnes of carbon dioxide

Overall, we expect to deliver:

- total energy bill savings of £130,000
- a Community Fund of £150,000

THE SHARE OFFER

The Optimum amount sought from this Share Offer is £145,000.
The Minimum amount is £25,000.

The Share Offer will open on 29 May 2018 and will close when share applications reach the Optimum or on 30 June 2018, whichever is the sooner.

In the event the Share Offer exceeds the Minimum but falls short of the Optimum, GMCR will install as many of the arrays on the New Sites described in Section 4 as possible. The Directors may reduce the array sizes in this scenario but would seek to avoid this.

In the event the Share Offer falls short of the Minimum, the Project will not proceed and Application Monies will be returned.

THE SHARES

The Shares are Ordinary 2018 shares of £1 each. For each member, the minimum investment is £100 and the maximum is £20,000. Each member will have one vote irrespective of the amount invested. The Shares are invested in GMCR as a whole, and are not linked to a particular Site (new or existing).

Members should regard these Shares as a long-term investment. Shares are withdrawable and not transferable, and will not be listed on any stock exchange. Members may apply to withdraw their Shares on giving three months notice subject to the discretion of the Board. See Section 5 for more details.

Your original investment will be repaid to you at the end of the 20 year life of the Project, if not before, subject to the performance of the Society.

THE BENEFITS OF MEMBERSHIP

Buying Shares in GMCR means you'll become a member of the Society. Share interest will be determined by the Directors each year. Subject to the financial performance of the Society, we estimate the interest rate will be 2.5% in 2020 and rise incrementally to 4% by 2026. See Section 3 for more details.

Members are entitled to receive the Society's annual accounts, vote at the Society's General Meetings, and stand for election to the Board of Directors.

RISKS

All investment and commercial activities carry risk. The principal risks to GMCR identified by the Board are detailed in Section 6 of this document.

IMPORTANT INFORMATION

This document has been prepared by the Directors of GMCR. Technical and other words and phrases used in this Offer Document with a particular meaning are defined and explained in the Glossary. This summary should be read as an introduction only and any decision to invest made on the basis of the document as a whole.



SECTION 2:

VISION

After seeing successful community solar energy projects in other parts of the country, GMCR was formed in January 2015 with the vision of bringing the benefits of community-owned renewables to Greater Manchester.

The Directors believe that the beauty of community energy is that we can help the environment and the local community at the same time.



GMCR INTENDS TO DO THIS BY:

- Helping schools and community buildings which partner with us save money on energy bills
- Reducing carbon emissions
- Supporting learning about energy and climate change
- Creating the opportunity for people to invest in local, clean energy for a modest return
- Creating a Community Fund to help fund carbon reduction, energy efficiency and environmental education projects
- Establishing a new local business with expertise in the growing low-carbon sector of the economy
- Helping to build a secure, resilient energy supply
- Showcasing low carbon technology in the heart of the community
- Inspiring others to take action on climate change
- Using local suppliers, where appropriate, in order to support the local economy



SECTION 3:

BUSINESS

OVERVIEW

INCOME

GMCR generates income from the following sources:

- Claiming the Feed-in Tariff, the incentive for generating renewable electricity, which is payable on the whole amount generated, whether or not it is used by the Site
- Sales of electricity to the Sites at a 25% discount compared to their current supplier, via an Electricity Supply Agreement
- Exporting unused electricity

EXPENDITURE

GMCR's largest expenditure will be the installation of the solar panels. The principal ongoing expenses throughout the 20 year life of the project will comprise insurance, maintenance and administration. See Section 5 for more details.

SHARE INTEREST

Share interest, payable to members on each Ordinary 2018 share, will be determined by the Directors each year, taking into consideration the financial performance of the Society in the previous year.

We estimate the interest rate will be as follows:

2020 – 2021	2022 – 2023	2024 – 2025	2026 onwards
2.5%	3%	3.5%	4%

A share interest payment is not included in the budget for Ordinary 2018 shares for 2019, as the Society will generate less than a full year's income from its New Sites in the financial year ended March 2019.

This estimate is based on the anticipated income and expenditure and other assumptions set out in this Offer Document. Target interest payments are not guaranteed as the possible returns are based on informed assessments and assumptions relating to variable and uncertain factors. We hope members will join GMCR for the benefits to the community and the environment, rather than for the share interest alone.

Interest will be paid gross and members who are liable to pay income tax will be responsible for declaring this to HMRC.

COMMUNITY FUND

In accordance with the Rules, the Directors will recommend to members that any distributions of the Society's surpluses are made to the Community Fund. This will be used for projects that meet the Society's carbon reduction, energy efficiency and environmental education objectives. It is envisaged that a panel will be established by the Board to seek and administer Community Fund applications, including representatives from each Site, the Board and the membership.

PROJECT TIMETABLE

The following timetable is planned.

Event	Date
Share Offer opens	29 May 2018
Share Offer closes	30 June 2018
Legal Agreements signed	July 2018
Installation (including EPCs)	July - August 2018
Commissioning	August - September 2018
Q3 2018 Feed-in Tariff cut off date	30 September 2018
Educational support	From October 2018
First share interest payment for Ordinary 2018 shares	September 2020

LONG TERM PLANS

The Board would like to develop further Sites in the future. As The Feed-in Tariff scheme is due to close on 31 March 2019, we will monitor installation costs to determine whether this will be viable with comparable risk, community benefit and share interest. It is anticipated that this would require a further offer of new shares. We will consult members on any new projects or proposals for future community share offers.

SECTION 4:

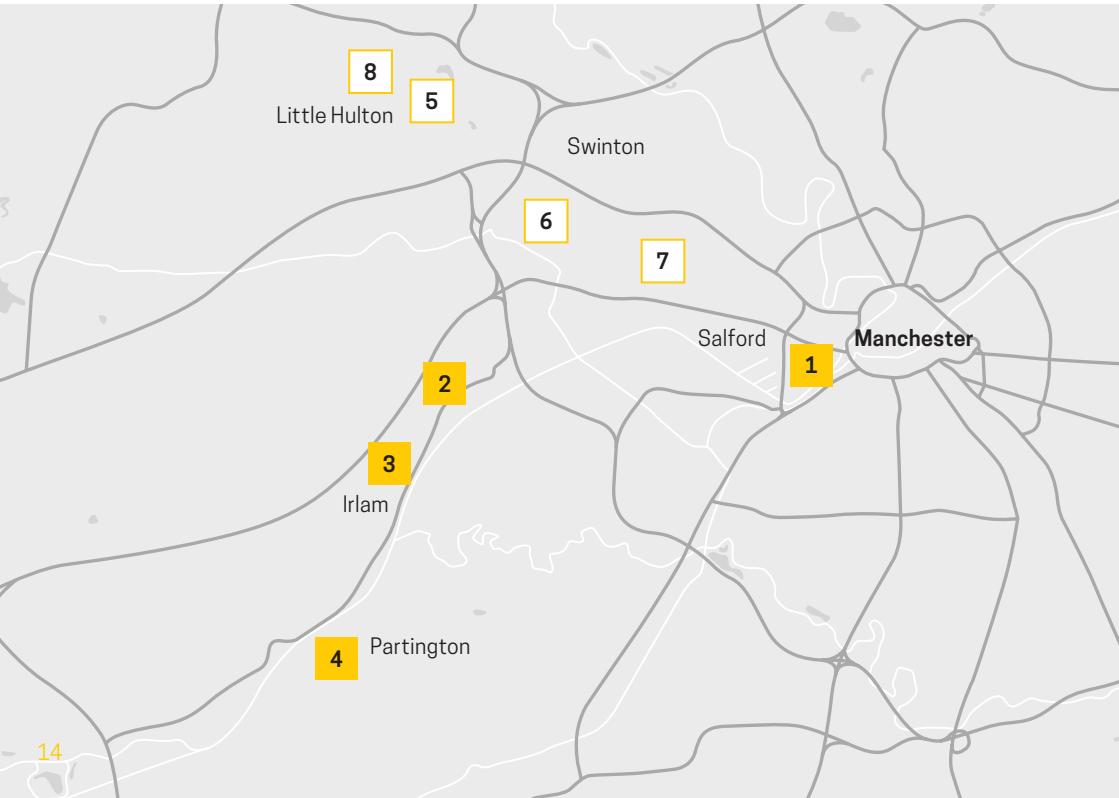
SITES

EXISTING SITES

1	Primrose Hill Primary School, Salford	29.68 kWp
2	Irlam Primary School, Irlam	28.62 kWp
3	Fiddlers Lane Primary School, Irlam	29.68 kWp
4	The Fuse, Partington	49.82 kWp

NEW SITES

5	Bridgewater Primary School, Little Hulton	49.68 kWp
6	Broad oak Primary School, Swinton	29.70 kWp
7	Light Oaks Infant and Junior Schools, Salford	29.70 kWp
8	Peel Hall Primary School, Little Hulton	49.68 kWp



FEASIBILITY OF THE NEW INSTALLATIONS

The landlords of the New Sites have entered into exclusivity agreements with GMCR to grant us the sole right to develop solar projects at the New Sites and to proceed with lease negotiations.

To assess their suitability, the New Sites have been checked for potential issues, such as roof orientation and shading from trees, and their daytime electricity usage has been reviewed.

Structural surveys have been completed, which confirm that the proposed solar panels can safely be fixed to the existing roof structure with no strengthening works being required.

On the basis of enquiries, the Directors understand that the installations do not require planning permission and would be classed as Permitted Development.



1 Primrose Hill Primary School, Salford



2 Fiddlers Lane Primary School, Irlam



3 Irlam Primary School, Irlam



4 The Fuse, Partington

GRID CONNECTION

Grid connection applications have been submitted and we expect to receive responses by the end of June 2018.

ENERGY PERFORMANCE CERTIFICATES

Energy Performance Certificates (EPCs) are required to qualify for the Feed-in Tariff. We plan to obtain EPCs prior to the installation of the panels.

MICROGENERATION CERTIFICATION SCHEME

In order to be eligible for the Feed-in Tariff, the equipment that is installed and the company that carries out the installation must be certified under the Microgeneration Certification Scheme (MCS). GMCR plans to use an MCS certified installer to ensure that these requirements are met.

LEGAL AGREEMENTS

GMCR is negotiating leases that specify the terms and conditions of our relationship with the New Site landlords (Broadoak Primary School, and for the other three schools, Salford City Council), and Electricity Supply Agreements with the New Sites. GMCR is taking legal advice from DWF LLP in relation to the leases.

TECHNOLOGY

In common with our Existing Sites, GMCR will be installing solar photovoltaic (PV) panels. These generate electricity during the daylight hours, even when it's cloudy, although they perform best in sunny, unshaded conditions.

GMCR's preferred installer has recommended JA Solar 270 Watt panels, which are guaranteed to produce at least 80% of the year 1 output in year 25, and SolarEdge inverters and power optimisers. These costs are included in the budget.

By connecting the SolarEdge power optimiser to a PV panel it becomes a smart panel. It allows power harvesting per individual panel, so that if one panel is shaded, this will not impact on the efficiency of the other panels. Using power optimisers means that up to 25% more energy will be harvested from each panel. The optimisers come with a 25 year warranty.

The SolarEdge inverters boast very high efficiency (97.6%) and a standard 12 year warranty. They allow communication to the internet and a monitoring system which is free for 25 years. This means GMCR can offer the Sites a display showing what is being generated.



An example of the real-time generation display.

SECTION 5:

FINANCIAL

PROJECTIONS

ACCOUNTS

As shown overleaf, GMCR's accounts for the year to 31 March 2018 show a surplus of £2,750 (2017: deficit £4,276) and net assets of £180,129 (2017: £181,729) comprising £181,655 share capital and an accumulated deficit of £1,526. These accounts are available on our website or on request.

SHARE OFFER AMOUNT

The amount sought from this Share Offer will cover the cost of installing solar panels on four schools.

The projections below are based on this Share Offer raising the Optimum amount. In the event the Share Offer raises the Minimum amount, as the scale of the Project would be smaller, there would be less money available for the Community Fund.

FINANCIAL PROJECTIONS

The following information is based on GMCR's financial model. This includes the Existing Sites and the New Sites.

DEVELOPMENT COSTS

Development expenditure incurred to date has included technical feasibility work and legal costs. We would like to thank The Naturesave Trust for their grant of £1,500 towards these costs. The remaining costs have been funded from existing resources.

INCOME AND EXPENDITURE

GMCR's main sources of income and operating costs are described at Section 3 above. The maintenance budget includes provision for replacement inverters. The administration budget includes the cost of outsourcing the maintenance of records, preparation of statutory returns, Feed-in Tariff claims and electricity sales invoicing.

All figures exclude Value Added Tax (VAT) as GMCR is VAT registered. Cash flow in 2018 has been planned to take account of VAT by arranging staged payments with our preferred installer.

INCOME & EXPENDITURE ACCOUNT (YEAR TO 31 MARCH)	2018	2019	2020	2021	2022	2023	2024-28	2029-39
Grants & donations	3,214	1,500	0	0	0	0	0	0
Feed-in Tariff income	11,816	15,969	19,872	20,366	20,872	21,391	115,197	252,912
Electricity sales	6,728	10,102	15,924	16,319	16,725	17,140	92,307	215,564
Export income	1,420	2,995	4,502	4,614	4,729	4,846	26,100	60,286
Bank interest	18	138	141	176	196	205	1,142	2,687
Gross profit	23,196	30,703	40,439	41,476	42,522	43,583	234,746	531,449
Development costs	0	(1,000)	0	0	0	0	0	0
Operating costs	(6,844)	(12,636)	(10,984)	(11,159)	(11,339)	(11,525)	(69,673)	(164,877)
Depreciation	(8,152)	(12,282)	(16,022)	(16,022)	(16,022)	(16,022)	(80,108)	(153,573)
Operating surplus	8,200	4,785	13,433	14,295	15,161	16,036	84,965	212,999
Share interest payments	(5,450)	(6,143)	(10,113)	(9,581)	(10,411)	(9,799)	(46,326)	(38,225)
Community grants	0	0	0	(3,500)	(3,500)	(5,000)	(32,000)	(106,000)
Surplus before tax	2,750	(1,358)	3,320	1,214	1,250	1,237	6,639	68,774
Corporation Tax	0	0	0	0	0	0	0	(53,771)
Net surplus	2,750	(1,358)	3,320	1,214	1,250	1,237	6,639	15,002

BALANCE SHEET (AT 31 MARCH)	2018	2019	2020	2021	2022	2023	2028	2039
Fixed assets	170,851	320,433	320,433	320,433	320,433	320,433	320,433	149,582
Accumulated depreciation	(10,383)	(22,665)	(38,687)	(54,708)	(70,730)	(86,752)	(166,860)	(149,582)
	160,468	297,768	281,746	265,725	249,703	233,681	153,573	0
Current assets	29,730	30,377	37,420	41,354	43,188	45,066	52,188	27,278
Current liabilities	(10,069)	(10,515)	(14,238)	(16,959)	(17,542)	(18,183)	(18,667)	(1,500)
Total assets	180,129	317,630	304,928	290,120	275,348	260,564	187,094	25,778
Share capital	181,655	320,514	304,492	288,470	272,449	256,427	176,319	0
Income & expenditure account	(1,526)	(2,884)	436	1,650	2,899	4,137	10,776	25,778
Total equity funds	180,129	317,630	304,928	290,120	275,348	260,564	187,094	25,778

CASH FLOW STATEMENT	2019	2020	2021	2022	2023	2024-28	2029-39	
Share issue	145,000	0	0	0	0	0	0	
Grant income	1,500	0	0	0	0	0	0	
Feed-in Tariff income	15,969	19,872	20,366	20,872	21,391	115,197	252,912	
Electricity sales	10,102	15,924	16,319	16,725	17,140	92,307	215,564	
Export income	2,995	4,502	4,614	4,729	4,846	26,100	60,286	
Bank interest	138	141	176	196	205	1,142	2,687	
Total cash in	175,703	40,439	41,476	42,522	43,583	234,746	531,449	
Install costs	(142,182)	0	0	0	0	0	0	
Development costs	(8,400)	0	0	0	0	0	0	
Operating costs	(12,883)	(11,231)	(11,406)	(11,586)	(11,772)	(70,908)	(167,026)	
Share withdrawal	(6,141)	(16,022)	(16,022)	(16,022)	(16,022)	(80,108)	(176,319)	
Share interest payments	(5,450)	(6,143)	(10,113)	(9,581)	(10,411)	(48,107)	(46,244)	
Community grants	0	0	0	(3,500)	(3,500)	(28,500)	(113,000)	
Corporation Tax	0	0	0	0	0	0	(53,771)	
Total cash out	(175,056)	(33,396)	(37,541)	(40,689)	(41,705)	(227,623)	(556,360)	
Cash brought forward	27,540	28,187	35,230	39,165	40,998	42,876	49,999	
Cash movement	647	7,043	3,935	1,833	1,878	7,123	(24,911)	
Cash carried forward	28,187	35,230	39,165	40,998	42,876	49,999	25,088	

ASSUMPTIONS

The financial model assumes:

- Development and installation costs will be in accordance with the quotes received
- Electricity generation in the first year will be 230,000 kWh
- Feed-in Tariff rate for the New Sites in the first year is 4.17 p/kWh
- Export Tariff in the first year is 5.24 p/kWh
- Sites below 30 kWp receive deemed export, being 50% of electricity generated
- Maintenance costs are an average of £12/kW per annum, weighted towards the period when warranties will have expired
- Administration costs are £5,400 per annum in the first year
- Insurance costs are £2,150 per annum in the first year
- All costs as well as income from electricity sales and the Feed-in Tariff increase by RPI each year, estimated at 3.0%
- Bank interest rate on deposits will be 0.5% per annum
- Annual reduction in panel efficiency of 0.5%
- Members withdraw their capital in line with projections
- Corporation Tax rate of 20%
- Sites use 70-80% of electricity generated (varies between Sites)

WITHDRAWAL OF SHARES

Depreciation over the next 20 years creates a fund to pay back members' capital. Provision for members to withdraw their Shares is made. This is subject to the Board's discretion and the financial position of the Society.

The financial projections depend on the Board receiving sufficient applications for withdrawal of Shares from the membership. The scheme will be viable if all members decide to hold all their Shares for the full 20 year life of the Project; however, the Community Fund would be significantly smaller.



SECTION 6:

RISK FACTORS

Like any organisation, GMCR is exposed to a variety of risks: those considered most material by the Board are listed below. This is not an exhaustive list.

Risk	Comments
RENEWABLE ENERGY INDUSTRY RISKS	
Government policy towards renewable energy may change which could affect income from the Feed-in Tariff (FIT) and/or export tariff.	The Government says it is committed to the principle that existing installations will not be affected by changes to tariffs and caps. Therefore, the directors believe that any future changes to the FIT scheme should not affect the FIT and export income that GMCR receives.
Changes to the deemed export regime—In its December 2015 response to the Feed-in Tariff Review, the Government stated that it remains committed to ending deemed exports in favour of metering for the export tariff.	The financial model has been tested without deemed export. This would result in a smaller Community Fund.
Changes to weather patterns could result in lower levels of electricity generation.	We have used industry standard data from the MCS website to estimate yield.
Unexpected increases in development or installation costs.	Development costs are estimated based on previous experience where quotes are yet to be obtained. Our preferred installer undertook site visits before providing quotes, and GMCR has sufficient reserves to cover cost increases of c. £10,000.

OPERATIONAL RISKS	
GMCR assumes that we will receive the Feed-in Tariff (FiT) at the Q3 2018 rate. The FiT scheme is due to close on 31 March 2019 or earlier if the FiT budget is used up before then. If the FiT budget is used up before GMCR applies for accreditation, the installations will not receive the FiT.	The project plan is reviewed regularly at Director level. Without the FiT, the Project would still be viable. However, members would receive a lower share interest rate, and the Community Fund would be significantly smaller.

Risk	Comments
If the FiT accreditation of the installations is delayed beyond Q3 2018 but achieved prior to 1 April 2019, GMCR may receive a lower FiT rate due to the degression applied to the FiT rate (based on take up).	The project plan is reviewed regularly at Director level. The Directors have made our preferred installer and project partners aware of the installation target date, and plan to include it in the installer's contract. With a lower FiT rate, the Project would still be viable but the Community Fund would be smaller.
The equipment may not function effectively, for example, due to damage, shading, faults, or issues with the local electricity distribution network.	GMCR will insure the panels, and we intend to control nearby trees through provisions in the Site leases, and monitor electricity generation. Power optimisers mean that issues with single panels are localised rather than affecting other parts of the array.
Issues with the building structure may cause damage to the panels or interrupt production.	Structural surveys of the buildings have confirmed they are suitable for the installation of solar panels.

FINANCIAL RISKS	
There is a risk that GMCR is unable to raise sufficient equity via the Share Offer to pay for the installation of the panels.	A programme of publicity is planned to encourage investment in the Share Offer. In the event the Minimum is not raised, the Project will not proceed and Application Monies will be returned to Applicants.
The Board has made a series of assumptions and estimates in preparing the financial model for the Society, which spans 20 years. These estimates and assumptions may not be correct.	Estimates are based on quotes and experience from our Existing Sites where possible. The projected corporation tax rate is based on the historical average rate for small companies over the past 20 years. The projected RPI rate is based on Office for Budget Responsibility (OBR) forecasts. The Feed-in Tariff is linked to RPI so increases should be comparable to operational cost increases.
GMCR may fall victim to criminal behaviour such as fraud or theft.	GMCR has documented financial procedures, and an anti-money laundering policy.

Risk	Comments
PEOPLE RISK	
GMCR may not be able to attract and retain directors with sufficient capacity and capability to deliver the project.	In the short term, the Directors are committed to delivering the Project and have engaged professional expertise when required. The current Directors keep the composition of the Board under review. Day-to-day administration is outsourced.

LEGAL AND REGULATORY RISKS	
There is a risk that GMCR is not compliant with applicable regulation or requirements.	GMCR has documented policies in relation to key areas of regulation. In addition to the skills within the Board, GMCR has engaged professional expertise when required.
GMCR may incur liability under contracts or where it has a duty of care.	Contractual terms are reviewed to ensure obligations are understood. GMCR has Public Liability Insurance.

COMMERCIAL RISKS	
The New Sites and their landlords may decide they no longer wish to proceed with the leases and/or installations.	We have signed a non-binding Co-operation Agreement with Salford City Council and tailored our offer to the Sites' requirements. GMCR will not commit funds raised from this Share Offer unless and until agreements have been secured.
Suppliers, contractors or the Sites purchasing electricity may fail to meet their obligations.	The Board has contracts with suppliers and plans to enter into a contract with the installer and an Electricity Supply Agreement with each Site.

Risk	Comments
There is a risk that the Sites may be sold or the Local Authority schools may convert to academies.	Site owners would be subject to GMCR's lease. The Electricity Supply Agreements would not be binding on a new owner. However, as we offer 25% off the price their main supplier charges, it is likely that they would choose to enter into a new contract with us. If they chose not to, this would result in a lower share interest rate and a smaller Community Fund.
There is a risk that one or more Sites may close and so GMCR will not be able to sell any of the electricity generated under the Electricity Supply Agreement.	If a Site closed, all electricity generated would be exported. This would earn less than selling it to the Site occupant. This would result in a lower share interest rate and a smaller Community Fund.



SECTION 7:

THE BOARD

The Board of Directors as at the date of this document comprises:



ALI ABBAS

Ali Abbas is a senior business analyst with over 15 years experience of business analysis and project management, and a community activist with over 10 years experience of campaigning and community engagement.

Ali's other commitments include:

- Chair and Trustee of The Carbon Literacy Trust;
- Joint Co-ordinator and Lead Climate Campaigner, Manchester Friends of the Earth;
- Director of the Manchester Climate Change Agency CIC, and Chair of the CO₂ Monitoring Group; and
- Governor, Chorlton Church of England Primary School.



KATE ELDRIDGE

Kate Eldridge is a former Director of Stockport Hydro Ltd, a community-owned hydro-electric project on the river Goyt.

A qualified Chartered Secretary, Kate has over 10 years experience of company secretarial practice and corporate governance. She also has over 5 years experience of campaigning and community engagement.

Kate is an employee of Unity Trust Bank plc, where the Society has its current account. Due to this conflict of interest, she is not an account signatory. Kate does not have access to the banking system in her role at the bank.



ANDY FEWINGS

Andy is a qualified solicitor with specialist experience in renewable energy. Andy is the Senior Inhouse Counsel at a renewable energy developer.

As a dedicated renewables lawyer, Andy has substantial experience in the sector – his expertise spans a range of renewable technologies including onshore wind, ground mounted solar, roof-top solar and energy storage.

Andy is a Local Councillor in Burnley.



ANDY HUNT

Andy Hunt is a Board Member of Bee Sustainable Ltd, which is developing Bury Community Hydro, a 70 kWp hydro energy project on the River Irwell in Bury.

He is Strategy, Partnerships & Policy Manager at Oldham Metropolitan Borough Council responsible for the development of community energy programmes for Oldham Council and the Greater Manchester Combined Authority.

CURRENT AND INTENDED SHARE-HOLDINGS

The Directors collectively hold 5,254 Ordinary shares each in GMCR. The total intended shareholdings of Directors and their immediate Family Members totals £34,954.

REMUNERATION

Directors are all volunteers and are not remunerated by the Society. Under the Rules the Society may pay Directors expenses incurred in connection with the performance of their role.

SECTION 8:

GOVERNANCE

RULES OF THE SOCIETY

GMCR is a Community Benefit Society. It was registered on 9 January 2015 with the Financial Conduct Authority (FCA), registered number 7066. Its Registered Office is Green Fish Resource Centre, 46-50 Oldham Street, Manchester, M4 1LE.

The GMCR Rules set out how the Society will be run, and these are available on our website, and on request. A rule amendment has been submitted to the FCA for registration to clarify that the Society may have more than one class of share.

Each member will have one vote irrespective of the amount invested. Share interest payable to members will be determined by the Directors each year for each share class on a per share basis.

Shares are withdrawable and not transferable, and will not be listed on any stock exchange. Members may apply to withdraw Shares upon three months notice. Share withdrawal is not guaranteed and the Board retains the sole discretion to return the money paid for them.

Members are protected by limited liability and are only obliged to contribute the initial cost of their Shares.

The business of GMCR is managed by the Board. The Directors are elected by and from the membership. The Board may appoint two external independent Directors, who need not be members and are selected for their particular skills and/or experience.

There shall be no fewer than three Directors and no more than nine.

At each AGM, one third of the elected Directors are required to retire and stand for re-election by the membership. Any member may put themselves forward for election to the Board.

GMCR has an in-built asset lock as part of its Rules. This means that the Board cannot use the Society's assets unless it is for the benefit of the community. However, the Board can return withdrawable share capital to members and transfer assets to another Community Benefit Society which has an asset lock, a Community Interest Company, a Registered Provider (housing association) or charity.

In accordance with these Rules, the Board may recommend to members that a proportion of the Society's surpluses are used to fund community projects relating to climate change, energy efficiency and environmental education.

SHARES

As at 31 March 2018, the Society had 181,655 Ordinary £1 shares in issue. This Offer Document offers Ordinary 2018 £1 shares. The difference between the Ordinary shares and the Ordinary 2018 shares is the projected share interest rate. The shares rank equally in all other respects.

PROVISIONS ON DEATH OF A MEMBER

On the death of a member of the Society, their personal representative can apply for the property to which they are entitled to be transferred as they direct.

LEGAL PROCEEDINGS

There have been no governmental, legal or arbitration proceedings relating to the Project or GMCR and the Board is not aware of any that are pending or threatened.

SECTION 9:

TERMS AND

CONDITIONS

ELIGIBILITY

The Share Offer is open to any person over 16 years of age, or any organisation, who meet the membership requirements of the Rules.

MINIMUM AND MAXIMUM INVESTMENT

For each member, the minimum investment is £100 and the maximum is £20,000.

THE SHARE OFFER TIMETABLE

The Share Offer will open on 29 May 2018 and will close when share applications reach the Optimum target or on 30 June 2018, whichever is the sooner. The Directors reserve the right to extend the closing date.

Applications will be processed on a first come first served basis.

Application Monies will not be spent before the Minimum target of £25,000 is reached.

When the Share Offer is closed:

- if the Minimum target has not been reached, your payment will be returned to you in full;
- if more than the Minimum but less than the Optimum is raised, GMCR will install as many of the arrays on the New Sites described in Section 4 as possible. The Directors may reduce the array sizes in this scenario but would seek to avoid this;
- Surplus funds will be returned.

NON-UK APPLICANTS

An Applicant who/which is not UK resident is responsible for ensuring that this Application complies with any laws or regulations applicable outside the UK to which the Applicant is subject.

SHARE INTEREST

The date on which entitlement to share interest arises will be announced each year. It is envisaged that any interest unclaimed for a period of 7 years will be cancelled for the benefit of the community. No special procedures have been established for non-resident holders.

COMMITMENTS AND CONFIRMATIONS

BY APPLICANTS

Each Applicant, on submitting an Application Form, confirms that they:

- meet the Share Offer eligibility criteria (as set out above).
- are not making an application or multiple applications for a total of more than 20,000 Shares.
- have read the Offer Document (including the Risk Factors and these Terms and Conditions) and the Rules of GMCR.
- are not relying on any information or representation in relation to the Shares, GMCR, or the Project which is not included in this Offer Document.
- authorise GMCR to make such enquiries as are deemed necessary to confirm the eligibility of this Application.
- shall provide all additional information and documentation requested by GMCR in connection with their application, including in connection with taxation, money laundering or other regulations.
- have read the Privacy Notice and consent to the use of the email address provided in the Application Form as the primary means of communication for official documents and news from GMCR.
- understand that the cheque supporting an Application Form for Shares (if enclosed) will be presented for payment upon receipt and warrants that it will be paid on first presentation.
- understand that if the Share Offer is oversubscribed it is possible that an otherwise eligible Application will not be accepted in part or in whole.
- if the Applicant is signing an Application Form on behalf of another person, undertake that they are doing so with explicit authority.

APPLICATION PROCEDURE

Anyone interested in responding to this Share Offer is strongly advised to take appropriate independent financial and other advice.

- By delivering an Application Form an Applicant offers to subscribe, on the Terms and Conditions contained in this Offer Document, for the number of Shares specified, or such lesser number as may be accepted.
- An Applicant who receives Shares agrees to automatic membership of GMCR and to be bound by its Rules.
- Once an application has been made it cannot be withdrawn.

Application Forms can be submitted via the online form on our website or by downloading a PDF form to print and complete on paper. Completed, signed, paper Application Forms must be sent to the Society's Registered Office: Greater Manchester Community Renewables, Green Fish Resource Centre, 46-50 Oldham Street, Manchester, M4 1LE.

Payment may be sent by cheque to the above address or by bank transfer to sort code 60-83-01 account number 20348098 using your full name as the reference. Cheques will be presented on receipt. However, the funds will not be committed until the relevant target has been reached for an installation to proceed, as described above.

PROCEDURES ON RECEIPT OF APPLICATIONS

- Cheques/bankers' drafts will be presented on receipt and in the event that they do not clear on first presentation, the Directors reserve the right to reject Applications.
- Surplus Application Monies may be retained pending clearance of successful Applicants' cheques.
- Applications may be rejected in whole, or in part, or be scaled down, without reasons being given.
- Application Monies in respect of any rejected or scaled-down Applications shall be returned by crossed cheque, payable to the Applicant, to the postal address on the Application Form, or by bank transfer, no later than one month after the end of the Offer Period (as extended).

- None of GMCR, its Directors, or advisors, will be responsible for loss of interest or any other benefit suffered by Applicants during the period Application Monies are held by the Society. No interest is payable on submitted Application Monies which become returnable.
- Applications on incomplete or inaccurate Application Forms may be accepted as if complete and accurate.
- The Society reserves the right not to enter into correspondence with Applicants pending the issue of share certificates or the return of Application Monies.
- Results of the Share Offer will be published on the GMCR website within one month after the Share Offer has been closed.
- If GMCR needs to return any or all of your monies because of oversubscription or cancellation of the Project, monies will be returned by cheque, or to the account from which they were paid.
- This application may be withdrawn by the Applicant if a supplementary share offer is issued, but not otherwise and, if and when accepted by GMCR, forms a contract subject to English law on the Terms and Conditions of the Share Offer.

GOVERNING LAW

The Terms and Conditions of the Share Offer are subject to English law and the jurisdiction of English courts.

DATA PROTECTION

Applicant data will be processed to administer your application and membership of the Society, and communicate with you about GMCR. Your details may be shared with third party service providers for the above purposes. Please read the Privacy Notice which can be found on our website.

FURTHER INFORMATION

For further information about GMCR, please visit www.gmcr.org.uk where you will find this Offer Document, Application Form, Privacy Notice and our Rules.

Alternatively, contact Ali Abbas at info@gmcr.org.uk or on 07786 090 520.

GMCR WOULD LIKE TO THANK THE FOLLOWING FOR THEIR FINANCIAL SUPPORT



GMCR IS A MEMBER OF



SECTION 10:

GLOSSARY

Applicant (also You)

An applicant for Shares through submission of an Application Form.

Application Form

The form in this Offer Document or any such other form as the Directors agree.

Application Monies

The total gross sum realised by this Share Offer.

Board (also, the Directors)

The Society's Board of Directors

Community Fund

A fund endowed by the Society for grants to community projects relating to climate change, energy efficiency and environmental education.

Existing Sites

The locations of our existing solar arrays as listed in Section 4.

GMCR (also the Society, Us, We)

Greater Manchester Community Renewables Ltd, registered number 7066

Family Members

Is as defined in s.253 Companies Act 2006, and includes spouse, children and parents.

Feed-in Tariff (FiT)

Incentive for electricity generation introduced on 1 April 2010 under powers from the Energy Act 2008.

kWp (kilowatt peak)

The output power achieved by a solar array under Standard Test Conditions.

kWh (kilowatt hour)

A unit that measures energy and is equal to the energy that can provide the power of 1 kW for the period of one hour.

Minimum

The minimum amount to be raised for the Share Offer to proceed, being £25,000.

MCS

Microgeneration Certification Scheme

New Site

The location of a proposed solar array.

Offer Document

This document

Offer Period

The period during which the Share Offer will remain open (including any extension) as set out in the timetable in this document.

Optimum

The optimum amount to be raised from the Share Offer, being £145,000.

Permitted Development

Developments which do not require planning permission.

Project

The proposed ownership and operation of solar installations at the New Sites.

RPI

Retail Prices Index

Rules

The Rules of the Society, available on the Society's website, and on request.

Share Offer

The offer of Shares in the Society contained in this Offer Document.

Shares

New Ordinary 2018 shares of £1 in the Society, offered at par on the Terms and Conditions and payable in full.

Site

The location of a proposed or existing solar installation.

Terms and Conditions

The terms and conditions of the Share Offer contained in and constituted by this Offer Document.

APPLICATION FORM

TO BECOME A MEMBER OF GREATER MANCHESTER COMMUNITY RENEWABLES LTD

PLEASE USE CAPITAL LETTERS AND COMPLETE BOTH PAGES OF THE APPLICATION FORM

Important: Before completing this Application Form you must:

- Read the Offer Document
- Pay special attention to the Risk Factors set out in the Offer Document
- Consider where you need to take financial advice or other advice
- Read GMCR's Rules and Privacy Notice (available at www.gmcr.org.uk)
- Ensure your application and payment arrive by 30 June 2018.

1. APPLICANT DETAILS

Title																				
Forenames																				
Surname																				

Address																				
Postcode																				

Email																				
Phone																				

2. AMOUNT TO INVEST

I wish/my organisation wishes to invest a total amount of:	£				
...in Greater Manchester Community Renewables Ltd on the Terms and Conditions of the Share Offer at the price of £1 per Share. (Minimum £100, maximum £20,000)					

3. PAYMENT OF YOUR SHARE INTEREST

Please select one option only.

Option 1: If you would like to donate your share interest to the GMCR Community Fund, please tick here.																
Option 2: If you would like your share interest to be paid to you by bank transfer, please tick here and provide bank details below.																
Name on account																
Sort code			-			-										
Account number																
Option 3: If you would like your share interest to be paid to you by cheque, please tick here.																

4. APPLICANT’S DECLARATION

I confirm that (please tick):

I have read the Privacy Notice and understand that my Data will be processed as described in the Privacy Notice as part of fulfilling the terms of this agreement.	
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I confirm that I have read the Offer Document and accept the Terms and Conditions:

Signature	
Date	

5. PAYMENT

I have made payment by (please tick):

Cheque or banker’s draft payable to Greater Manchester Community Renewables Ltd	
Bank transfer to: Greater Manchester Community Renewables Ltd Sort Code: 60-83-01 Account Number: 20348098 Reference: Please use your full name as the reference	

6. RETURN OF APPLICATION

Please check you have completed and signed this Application Form, that you have enclosed or sent payment, and then send it to:

Greater Manchester Community Renewables Ltd
Green Fish Resource Centre
46-50 Oldham Street
Manchester M4 1LE

How did you hear about this Share Offer?



WWW.GMCR.ORG.UK

INFO@GMCR.ORG.UK

  WEAREGMCR

Greater Manchester Community Renewables Ltd

Registered Office:
Green Fish Resource Centre,
46-50 Oldham Street,
Manchester, M4 1LE.

Registered Society Number 7066
VAT Registration Number 227991472