

# GMCR

## COMMUNITY SHARE OFFER



**Invest in clean energy in Greater Manchester**

**Target: £100,000**  
**Minimum Investment: £100**  
**Closing Date: 5 July 2019**

Welcome!

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

Our first two community share offers funded the installation of solar panels at five primary schools in Salford and a community centre in Partington. We estimate that so far our solar arrays have:

- generated 300,000 kWh of clean electricity - enough to make 16 million cups of tea!
- prevented 90 tonnes of carbon dioxide emissions from polluting power stations; and
- saved our partners over £7,000 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 continued reductions in Government support for renewable energy, we've developed this, our third Share Offer.

This Share Offer seeks to raise £100,000 to fund the installation of solar panels on 3 more schools. Your investment will help them to save money on their 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, 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, Hussam Al-Amin, Kate Eldridge, Andy Hunt and Graham Smith

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.**

## Contents

<b>1. Summary of Share Offer</b>	<b>4</b>
<b>2. Vision</b>	<b>5</b>
<b>3. Business Overview</b>	<b>6</b>
<b>4. Sites</b>	<b>7</b>
<b>5. Financial Projections</b>	<b>9</b>
<b>6. Risk Factors</b>	<b>13</b>
<b>7. The Board</b>	<b>14</b>
<b>8. Governance</b>	<b>15</b>
<b>9. Terms and Conditions</b>	<b>16</b>
<b>10. Glossary</b>	<b>19</b>

### **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.

# 1. Summary of Share Offer

## Introduction

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

## 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 full year of operation, we expect that our nine Sites will:

- generate 275,000 kWh of clean, green electricity
- save approximately 67 tonnes of carbon dioxide

Over the next 20 years, we expect to deliver:

- total energy bill savings of £175,000
- a Community Fund of £190,000.

## The Share Offer

The Optimum amount sought from this Share Offer is £100,000. The Minimum is £20,000.

The Share Offer will open on 5 June 2019 and will close when share applications reach the Optimum or on 5 July 2019, 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 2019 Shares

The new 2019 Shares are Ordinary 2019 shares of £1 each. For each member, the minimum investment in this Share Offer 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. 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 2021 and rise incrementally to 4% by 2027. 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.

## **2. Vision**

After seeing successful community solar energy projects in other parts of the country, GMCR was founded 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.

### 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 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 on Ordinary 2019 shares will be as follows:

2021-2022	2023-2024	2025-2026	2027 onwards
2.5%	3%	3.5%	4%

A share interest payment is not included in the budget for Ordinary 2019 shares for 2020, as the Society will generate less than a full year's income from its New Sites in the financial year ended March 2020.

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.

## Project timetable

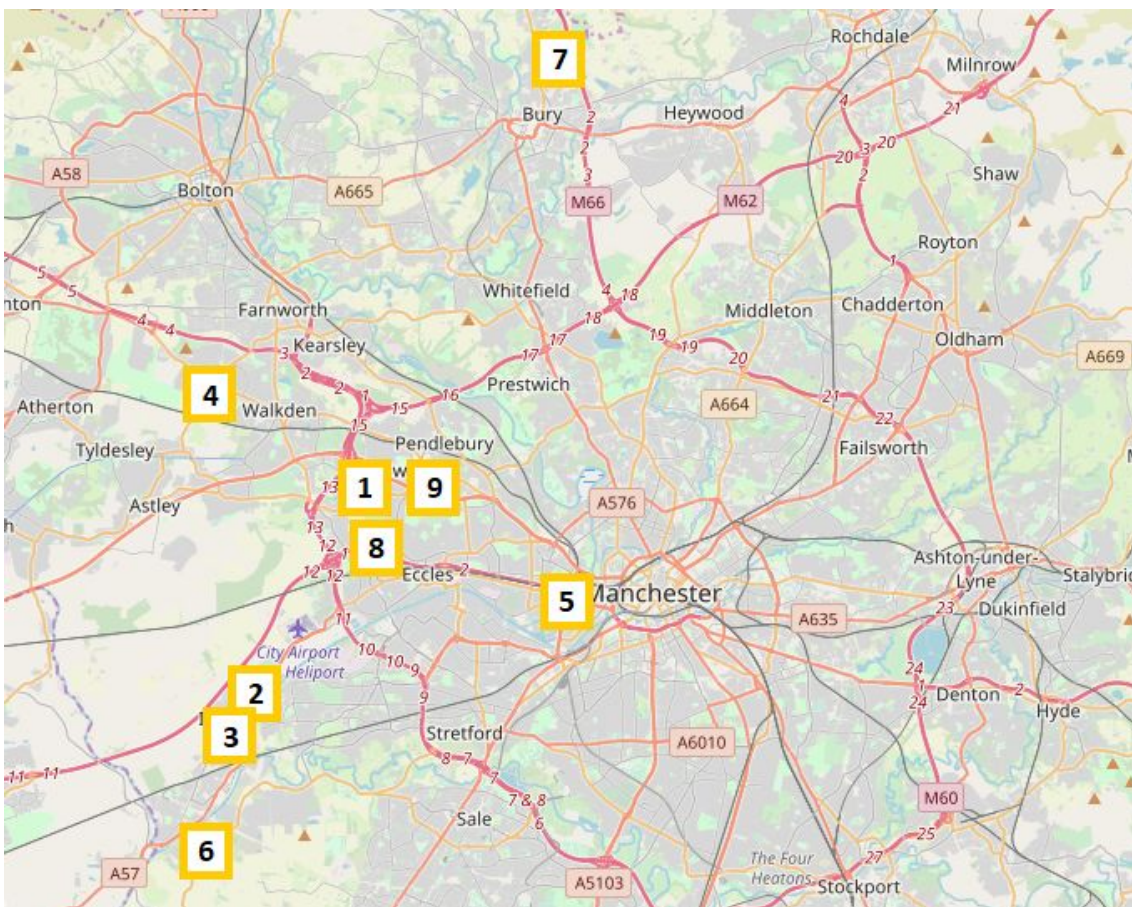
The following timetable is planned.

Share Offer opens	5 June 2019
Share Offer closes	5 July 2019
Legal Agreements signed	July 2019
Installation	July - August 2019
Commissioning	August - September 2019
Educational support	From October 2019
Feed-in Tariff registration deadline	March 2020
First share interest payment for Ordinary 2019 shares	September 2021

## Long term plans

The Board would like to develop further Sites in the future and we have included provision for development finance in the financial projections. As the Feed-in Tariff scheme closed 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.

## 4. Sites



## Existing Sites

GMCR has successfully installed solar arrays at the following Existing Sites:



1. Broadoak Primary School, Swinton (29.7 kWp)



2. Fiddlers Lane Primary School, Irlam (29.68 kWp)



3. Irlam Primary School, Irlam (28.62 kWp)



4. Peel Hall Primary School, Little Hulton (49.68 kWp)



5. Primrose Hill Primary School, Ordsall (29.68 kWp)



6. The Fuse, Partington (49.82 kWp)

## New Sites

This Share Offer is aiming to fund solar arrays at the following New Sites:

7. Chesham Primary School, Bury (49.68 kWp)
8. Monton Green Primary School, Monton (29.70 kWp)
9. Springwood Primary School, Swinton (49.68 kWp)

GMCR has obtained Energy Performance Certificates for these New Sites and pre-registered them with Ofgem. Pre-registration allows us to qualify for the March 2019 Feed-in Tariff if the installations are completed by March 2020 and national deployment caps have not been exceeded.

## Feasibility of the new installations

To assess their suitability, the New Sites have been checked for potential issues, such as roof orientation and shading from trees, and their electricity usage has been reviewed. Structural surveys have been completed, which confirm that the proposed solar panels can be safely installed on 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.



## **Grid connection**

Grid connection applications have been submitted for the New Sites. Electricity North West have confirmed that the grid infrastructure is adequate and no upgrades are required at Monton Green, and we expect to receive responses for the other two New Sites by the end of June 2019.

## **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 will 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 (Bury Council and 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.

## **5. Financial Projections**

### **Accounts**

As shown overleaf, GMCR's accounts for the year to 31 March 2019 show a surplus of £10,847 (2018: £8,200) and net assets of £261,376 (2018: £185,579) comprising £252,055 share capital and a retained surplus of £9,321. These accounts are available on our website or on request.

### **Share Offer amount**

The amount sought from this Share Offer will be used to fund solar arrays on three primary 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.

#### Income & expenditure account (year to 31 March)

	2019	2020	2021	2022	2023	2024	2025-29	2030-40
Grants & other income	1,955	0	0	0	0	0	0	0
Feed-in Tariff income	15,284	18,695	22,003	22,550	23,110	23,685	127,550	256,865
Electricity sales	9,722	16,464	21,648	22,186	22,738	23,303	125,492	275,430
Export income	2,658	3,961	5,188	5,317	5,449	5,584	30,074	65,055
Bank interest	288	202	141	141	142	143	726	1,647
<b>Total income</b>	<b>29,907</b>	<b>39,322</b>	<b>48,980</b>	<b>50,194</b>	<b>51,439</b>	<b>52,715</b>	<b>283,841</b>	<b>598,997</b>
Development costs	(2,793)	(0)	(3,200)	(3,296)	(3,395)	(3,497)	(19,122)	(53,476)
Operating costs	(5,951)	(13,373)	(11,475)	(11,683)	(11,897)	(12,118)	(78,044)	(172,313)
Depreciation	(10,316)	(15,037)	(17,851)	(17,851)	(17,851)	(17,851)	(89,257)	(160,563)
<b>Operating surplus</b>	<b>10,847</b>	<b>10,912</b>	<b>16,453</b>	<b>17,364</b>	<b>18,295</b>	<b>19,248</b>	<b>97,419</b>	<b>212,645</b>
Share interest	(5,450)	(6,235)	(8,590)	(10,402)	(10,899)	(10,656)	(49,828)	(42,093)
Community grants	(0)	(4,000)	(7,500)	(6,500)	(7,000)	(8,000)	(46,000)	(111,000)
<b>Surplus before tax</b>	<b>5,397</b>	<b>676</b>	<b>363</b>	<b>462</b>	<b>397</b>	<b>593</b>	<b>1,591</b>	<b>59,552</b>
Corporation Tax	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(59,369)
<b>Net surplus</b>	<b>5,397</b>	<b>276</b>	<b>363</b>	<b>462</b>	<b>397</b>	<b>593</b>	<b>1,591</b>	<b>183</b>

## Cash flow statement

	2020	2021	2022	2023	2024	2025-29	2030-40
Share issue	100,000	0	0	0	0	0	0
Feed-in Tariff income	18,695	22,003	22,550	23,110	23,685	127,550	256,865
Electricity sales	16,464	21,648	22,186	22,738	23,303	125,492	275,430
Export income	3,961	5,188	5,317	5,449	5,584	30,074	65,055
Bank interest	202	141	141	142	143	726	1,644
<b>Total cash in</b>	<b>139,322</b>	<b>48,980</b>	<b>50,194</b>	<b>51,439</b>	<b>52,715</b>	<b>283,841</b>	<b>598,993</b>
Install costs	(106,817)	(0)	(0)	(0)	(0)	(0)	(0)
Development costs	(5,770)	(3,200)	(3,296)	(3,395)	(3,497)	(19,122)	(53,476)
Operating costs	(13,620)	(11,722)	(11,930)	(12,144)	(12,365)	(79,279)	(174,215)
Share withdrawal	(15,037)	(17,851)	(17,851)	(17,851)	(17,851)	(89,257)	(158,151)
Share interest payments	(5,290)	(8,590)	(10,402)	(10,899)	(10,656)	(49,828)	(42,093)
Community grant fund	(5,082)	(7,500)	(6,500)	(7,000)	(8,000)	(46,000)	(111,000)
Corporation Tax	(0)	(0)	(0)	(0)	(0)	(0)	(59,448)
<b>Total cash out</b>	<b>(151,617)</b>	<b>(48,864)</b>	<b>(49,980)</b>	<b>(51,289)</b>	<b>(52,369)</b>	<b>(283,485)</b>	<b>(598,383)</b>
Cash b/f	40,406	28,111	28,227	28,441	28,591	28,937	29,293
Cash movement	(12,295)	116	215	150	346	356	610
<b>Cash c/f</b>	<b>28,111</b>	<b>28,227</b>	<b>28,441</b>	<b>28,591</b>	<b>28,937</b>	<b>29,293</b>	<b>29,903</b>

## **Balance sheet (at 31 March)**

	2019	2020	2021	2022	2023	2024	2029	2040
Fixed assets	244,440	357,027	357,027	357,027	357,027	357,027	357,027	186,176
Accumulated depreciation	(20,699)	(35,802)	(53,653)	(71,505)	(89,356)	(107,207)	(178,613)	(183,361)
	223,741	321,225	303,374	285,522	267,671	249,820	178,414	2,815
Current assets	46,561	29,915	30,032	30,245	30,395	30,741	30,876	32,543
Current liabilities	(8,926)	(4,125)	(3,878)	(3,631)	(3,384)	(3,137)	(2,149)	0
<b>Total assets</b>	<b>261,376</b>	<b>347,015</b>	<b>329,527</b>	<b>312,137</b>	<b>294,682</b>	<b>277,424</b>	<b>207,141</b>	<b>35,357</b>
Share capital	252,055	337,018	319,167	301,315	283,464	265,613	194,207	18,608
Retained surplus	9,321	9,997	10,360	10,822	11,218	11,811	12,933	16,749
<b>Total equity funds</b>	<b>261,376</b>	<b>347,015</b>	<b>329,527</b>	<b>312,137</b>	<b>294,682</b>	<b>277,424</b>	<b>207,141</b>	<b>35,357</b>

## **Assumptions**

The financial model assumes:

- Development and installation costs will be in accordance with the quotes received
- Electricity generation in the first full year of operation will be 275,000 kWh
- Feed-in Tariff rate for the New Sites in the first year is 4.03 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 £4,800 per annum in the first year
- Insurance costs are £2,600 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 70-85% of electricity generated (varies between Sites)

## **Withdrawal of shares**

Provision is made for members to withdraw their shares. 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.

### Development costs

Development expenditure incurred to date has included technical feasibility work and legal costs. We would like to thank Mono Fire and Security Ltd for their grant of £173 towards promotional materials, and those individuals who have made donations. 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 2019 has been planned to take account of VAT.

## 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
<b>Renewable energy industry risks</b>	
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 weather patterns could result in lower levels of electricity generation.	We have used industry standard data from the MCS website to estimate yield.
<b>Financial risks</b>	
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.
<b>People risk</b>	
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.
<b>Legal and regulatory risks</b>	
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.
<b>Third Party risks</b>	
Suppliers, contractors or the Sites purchasing electricity may fail to meet their obligations. New Sites may not wish to proceed, sites may close or schools may convert to academies.	The Board has contracts with suppliers and plans to enter into a contract with the installer and an Electricity Supply Agreement with each Site. GMCR will not commit funds raised from this Share Offer unless and until agreements have been secured.

## 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. His other commitments include:

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

### Hussam Al-Amin

Hussam Al-Amin is a qualified Electrical Engineer (HND from Liverpool John Moores University) with over 30 years' experience in sales & business development, including in PV solar systems. Originally from Baghdad, Iraq, he is a native Arabic speaker and his career has covered a wide geographical area including UK, EMEA and the Pacific Region.

### **Kate Eldridge**

Kate Eldridge is a qualified Chartered Secretary, with over 10 years experience of company secretarial practice and corporate governance. She also has over 5 years experience of campaigning and community engagement and is a former Director of Stockport Hydro Ltd, a community-owned hydro-electric project on the river Goyt.

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. She does not have access to the banking system in her role at the bank.

### **Andy Hunt**

Andy Hunt is a Board Member of Bee Sustainable Ltd, which has sought to develop 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.

### **Graham Smith**

Graham Smith is a Chartered Accountant and a director and part owner of Mono Fire and Security Ltd. Born in Oldham, he studied Environmental Biology at Liverpool and lived in London for several years before returning north. He is also a Director of Oldham Community Power Ltd and educational charity, STEGTA.

### **Directors' shareholdings**

The Directors and Connected Persons collectively hold 26,253 shares in GMCR.

### **Remuneration**

The 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.

## **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.

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 2019, the Society had 178,155 Ordinary £1 shares and 73,900 Ordinary 2018 £1 shares in issue. This Offer Document offers Ordinary 2019 £1 shares. The difference between the Ordinary, Ordinary 2018 and Ordinary 2019 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.

## **9. Terms and Conditions**

### **Eligibility**

The Share Offer is open to any person aged 16 years or over, 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 5 June 2019 and will close when share applications reach the Optimum target or on 5 July 2019, 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 £20,000 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 their 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 2019 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 2019 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 2019 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 2019 Shares specified, or such lesser number as may be accepted.
- An Applicant who receives 2019 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/invest](http://www.gmcr.org.uk/invest) where you will find this Offer Document, the Application Form, our Privacy Notice and our Rules.

Alternatively, contact Ali Abbas at [info@gmcr.org.uk](mailto:info@gmcr.org.uk) or on 07786 090520.

**GMCR would like to thank the following for their financial support**  
Mono Fire and Security Ltd

## **10. Glossary**

**2019 Share** New Ordinary 2019 share of £1 in the Society, offered at par on the Terms and Conditions and payable in full.

**Applicant (also You)** An applicant for 2019 Shares through submission of an Application Form.

**Application Form** The form on our website ([www.gmcr.org.uk/invest](http://www.gmcr.org.uk/invest)) 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 administered by the Society for grants to community projects relating to climate change, energy efficiency and environmental education.

**Connected Person** Is as defined in s.252 Companies Act 2006 and includes a Director's spouse, children, parents, or a company of which they own more than 20%.

**Existing Sites** GMCR's solar installations at Broadoak Primary School, Fiddlers Lane Primary School, Irlam Primary School, Peel Hall Primary School, Primrose Hill Primary School and The Fuse.

**GMCR** (also, the **Society, Us, We**) Greater Manchester Community Renewables Ltd, registered number 7066

**Feed-in Tariff (FiT)** Incentive for electricity generation introduced on 1 April 2010 under powers from the Energy Act 2008 and closed to new applications on 31 March 2019.

**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 £20,000.

**MCS** Microgeneration Certification Scheme

**New Site** The location of a proposed solar installation.

**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.

**Ofgem** Office of Gas and Electricity Markets, the Government regulator for gas and electricity markets in Great Britain

**Optimum** The optimum amount to be raised from the Share Offer, being £100,000.

**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 2019 Shares in the Society contained in this Offer Document.

**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.

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  
[www.gmcr.org.uk](http://www.gmcr.org.uk) | [info@gmcr.org.uk](mailto:info@gmcr.org.uk) | @wearegmcr