



Community  
Shares

STANDARD

**DRAFT**

# **Community Share Offer 2018**



**EDEN-ROSE  
COMMUNITY**

**We are aiming to raise £80,000 to  
£100,000**

**You may invest from £50 to £8,000**

**Offer opens: TBC 2018**

**Offer closes: TBC 2018**

**Interest payable on shares: Up to 2.5% p.a.**

# Contents

You are invited to invest in, and become a member of The Eden-Rose Community Limited (ERCL). In the following pages you will learn about our work, our reasons for seeking investment at this time, the terms of the share offer, and why we have established the business.

The Eden-Rose Community Limited has been established to generate sustainable income in order to support the charity Eden-Rose Coppice Trust and substantially benefit local communities across Suffolk.

It has been well documented that small to medium charities are finding it increasingly difficult to sustain the level of funding required to maintain themselves. This leads Trustees to explore ways of generating sustainable funding, without the need to rely on grants.

Our Community fund beneficiary: 'Eden-Rose Coppice Trust' is a registered local charity that was experiencing this uncertainty. It felt compelled to increase commercial activities in order to survive. Whilst profitable, the commercial activities detracted the charity from its important mission to provide advice and support to children and adults with a life limiting illness, such as Cancer.

After seeking extensive advice from the Plunkett Foundation through their Making Local Woods Work programme, funded by the National Lottery, the decision has been made to establish a commercially focused, not for profit, community benefit society to generate income to help sustain the charity and support the local community.

We are seeking investment from the community to ensure the success of the not-for-profit community enterprise: ERCL and thus sustain the charity. The new business will provide outdoor education and health services for people with disabilities and/or mental health challenges. It will also serve the community at large by offering activities, courses, hospitality packages and events and eventually products.

Contents	1
An Invitation to Invest	2
About this Share Offer	3
Bussiness Overview	4
Financial Projections	6
Frequently asked questions	7
Application Form for Investment	8



Pond at Eden-Rose Coppice / Sudbury

## Turbulent times ahead for small charities!

*"With the impact of Brexit, economic uncertainty and growing pressures on local government adding unprecedented uncertainty for their futures, small charities must take action."*

**Facing Forward Report  
The Lloyds Bank Foundation**

## Communities are being destroyed!

*"Charities have lost more than £3.8bn in grants from government over the last decade and, at the continued rate of decline, there will be no government grant money for charities by the next general election. This could destroy families and communities across the UK."*

**The Guardian**

## Charities futures are at risk!

*"To survive, charities need to diversify their income streams."*

**Rebecca Cooney  
Third Sector**

# An Invitation to Invest

This is an exciting opportunity to invest in the development of The Eden-Rose Community (ERCL). Our key aims are to help sustain the charity: The Eden-Rose Coppice Trust, and support the local community. We'd love you to join us in making this possible.

## Introduction

The purpose of this share offer is to raise sufficient funds to enable the purchase of necessary equipment, fund any work that is required on either site, that is specific to the business' needs, and provide initial working capital.

You can join ERCL by subscribing for Shares and becoming a Member.

*Amongst other sites, both outdoor retreats owned by the charity will be leased to ERCL when not in use for ERCT's charitable aims.*

## What we are aiming to raise

We are aiming to raise a minimum of £80,000 and a maximum of £100,000 through a combination of the sale of community shares with potential match funding from Co-operatives UK and Locality. If we do not meet our target of £80,000 we will extend the offer period.

## Be part of The Society

ERCL is operated on a 'one member, one vote' principle, as set out in its Rules. Individuals (aged 16 years and over) and institutions can apply for membership by subscribing for shares at a nominal price of £50.00 per share, with a minimum investment of 1 share (£50.00). The maximum that can be invested by an individual or institution is £8,000 (160 shares). The minimum target of the share issue is £80,000 and the maximum £100,000.

*If the share offer is oversubscribed, the Management Committee will offer shares to investors on a first come, first served basis.*

The Eden-Rose Community Ltd. is registered at the Financial Conduct Authority under the Cooperative and Community Benefit Societies Act 2014. Its Registered number is 7710



Please read this document carefully, in full, before making a decision to subscribe for shares. This share offer opens on **TBC 2018** and closes on **TBC 2018**, unless closed earlier or extended by the Management Committee

## SHARE OFFER LAUNCH EVENT

We are inviting the community to celebrate the share launch and find out more about the community share offer.

**TBC - The Granary / Sudbury**

**TBC - TBC/ Ipswich**

Drinks and nibbles

It is essential that you book a place for these events as space is limited. You can do this on our website and by telephone or email.

07896 844814

[www.ercommunity.co.uk](http://www.ercommunity.co.uk)  
[www.facebook.com/ercommunity](https://www.facebook.com/ercommunity)  
[info@ercommunity.co.uk](mailto:info@ercommunity.co.uk)

## What your investment will mean to you!



**Consciousness that you are developing a community, whilst also supporting a charity.**



**Concession prices for most activities, events and services**



**Interest paid at a rate of 1.5% - 2.5%**



**50% Tax relief under the Seed Enterprise Investment Scheme ('SEIS') from HMRC. See page 3 for more details**



**Membership in the community business and voting rights for important decisions.**

# Terms & Conditions

## Key Information

<b>Issuer:</b>	<b>The Eden-Rose Community Limited</b>
<b>Offer period:</b>	<b>TBC 2018 – TBC 2018, (or such later date as may be advised)</b>
<b>Minimum amount targeted:</b>	<b>£80,000</b>
<b>Maximum amount sought:</b>	<b>£100,000</b>
<b>Type of investment:</b>	<b>Withdrawable Community Shares</b>
<b>Nominal share price:</b>	<b>£50.00</b>
<b>Minimum Investment:</b>	<b>£50.00 (1 share)</b>
<b>Maximum Investment:</b>	<b>£8,000 (160 shares)</b>
<b>Lock-up period:</b>	<b>Shares must be held for 5 years from issue before a withdrawal can be requested.</b>

## SEIS Tax Break

HMRC have granted us advanced authorisation for the Seed Enterprise Investment Scheme ('SEIS'). Under this scheme, investors can deduct 50% of the cost of their investment from their income tax liability, either for the tax year in which the investment is made or the previous tax year. This means that for income tax payers the net cost of their investment will be reduced by 50%, depending on their status.

*Anyone investing on the basis of the potential tax break should check with their own financial advisor as to their eligibility and the means by which they will claim it.*

## Returns

It is the Societies prediction to pay an interest rate of 1.5%. However, we could pay up to 2.5%. ERCL plans to pay interest on all shareholdings at an interest rate proposed by the Management Committee, based on the performance of the Society, and put to a vote of Members (you) at the Annual General Meeting. Interest will not be paid to shareholders until at least three years have lapsed from the date the shares were issued.

## Important Information

The shares are not transferable (except on death or bankruptcy) and cannot be sold.

Investors may request to withdraw their shares by giving three months' notice of withdrawal to the Management Committee. Shares cannot be withdrawn until at least five years have elapsed from the date the shares were issued and then only at the discretion of the Management Committee.

The Management Committee will have the authority to refuse a withdrawal request if it would endanger the viability of the Society.

You must be aged 16 or above to purchase shares.

## RISKS!

**This share offer is not covered by the Financial Ombudsman Service or the Financial Services Compensation Scheme.**

All investment and commercial activities carry risk, so please do read the following.

Investors should take appropriate advice and make their own risk assessment, whilst bearing in mind the social and environmental aspects of the Project. Those interested in investing should do so only after reading this document in full and taking appropriate financial and other advice.

In the event that, for whatever reason, ERCL ceases trading, shareholders would be repaid their investment from the assets of the Society after repayment of any debts. Any surplus remaining after such repayment, would be paid to Eden-Rose Coppice Trust or such other charitable or community body as the Management Committee may determine.

As a community benefit society, The Eden-Rose Community Limited is registered with, but not regulated by, the Financial Conduct Authority. This share issue is an unregulated financial activity and is not covered by the Financial Services Markets Act 2000.

Any money you pay for shares is not safeguarded by any depositor protection or dispute resolution scheme. In particular, you have no right of complaint to the Financial Ombudsman Service, nor any access to the Financial Services Compensation Scheme. Please note that if you invest in this you may lose some or all of the money that you invest. *It is important to note that the value of the shares will not increase. The only financial benefit for members is any interest that may be paid annually (after three years of operations) and any initial tax relief that may be obtained under the terms of the SEIS.*

3

# Business Overview

**The objective of The Eden-Rose Community Limited (ERCL) is to provide a range of services and activities, the revenue from which will be utilised to support the work of the Eden-Rose Coppice Trust, a UK Registered Charity.**

ERCL is a not-for-profit Community Benefit Society. It is an enterprise that will be run on commercial lines and is owned and controlled by You, the investors and members. It aims to generate a substantial income that can be used to support its social aims.

We maintain that we have a sound business model that will allow the organisation to prosper and grow in the future.

## What you will be supporting

There is growing evidence that proves that contact with nature and green spaces positively affects health and well-being for young and old alike. Furthermore, partaking in a physical activity in a natural setting alleviates feelings of stress, confusion, anger and depression, whilst increasing greater feelings of rejuvenation.

The Eden-Rose Community Limited (ERCL) uses the natural environment in order to maximise the positive outcomes generated by its services, activities and events.

## ERCL Education

For children who have severe or profound and multiple learning difficulties, natural settings can provide an ideal vehicle for a sensory curriculum. It is a marvellous environment to teach these individuals about themselves, each other and the natural world. ERCL will offer three main educational programmes at both their Sudbury and Ipswich outdoor retreats. Skills for Life: Conservation, horticultural, woodwork and life skill acquisition for young people under the age of 18 with special educational needs. Outdoor Learning Programme: Themed outdoor activity sessions providing a range of activities for school groups of all ages.

## ERCL Health

ERCL Health Programme: Nature-based therapeutic service providing individual or group sessions and bespoke health benefiting volunteering opportunities. Including:  
Drama Therapy  
Supported volunteering  
Mindfulness  
Wilderness Therapy  
Counselling and psychotherapy in the outdoors  
Conservation courses  
Coppice crafts

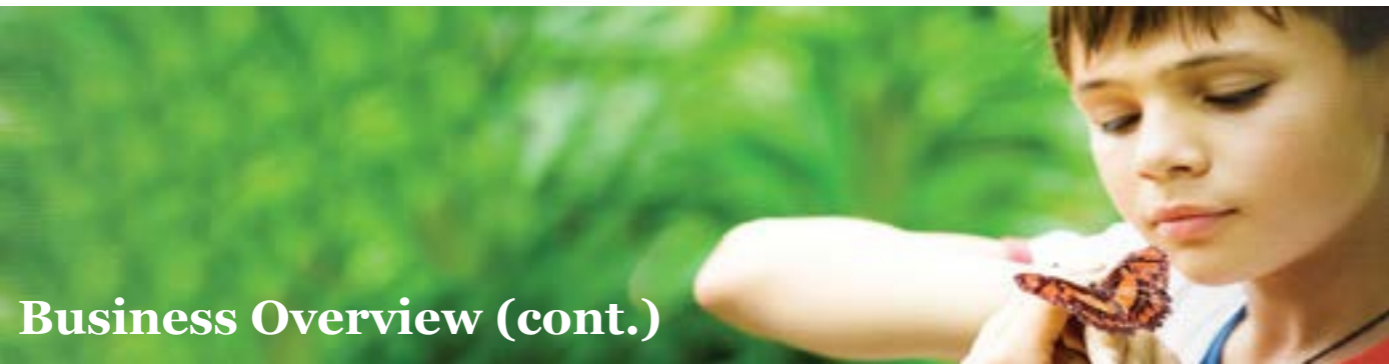
## ERCL Courses

An outdoor, natural environment provides the perfect location for courses in skills and crafts. Studies indicate that learning arts and crafts improves mood and cognitive function, such as: alleviating depression and raising self esteem. ERCL will provide a number of courses throughout the year within a natural environment, and will offer concession prices in order to appeal to the largest number of people in the local community. Example of courses ERCL will provide: Multicultural festival-based courses e.g. Christmas wreath making, Easter table display, Diwali Clay Rangoli making, Chinese New Year drum making. Natural craft based courses e.g. Wooden spoon and spatula carving, Stool/bench making, Bush craft, Fire lighting, Natural dyeing, Bow and arrow making, Wild Art, Foraging and cooking on the fire.



**Please read our Business Plan for a detailed account of our services, activities and events.**

**Our Business Plan, Model Rules and all other relevant documents can be found at: [www.ercommunity.co.uk](http://www.ercommunity.co.uk)**



## Business Overview (cont.)

### Environmental improvement

ERCL focuses on restoring and maintaining urban natural settings for wildlife and people. In 2014, around 54% of the world's population were living in towns and cities, and this number is projected to increase to nearly 70% by the middle of the century. Almost two thirds of the urban area that will exist by the year 2030 is yet to be built, so it is vital that we take the opportunity to create and maintain healthy and sustainable urban environments. Urban green spaces provide a multitude of benefits to human urban populations and are a vital habitat for wildlife. Our 'Skills for Life' educative programme will not only teach young people important skills for their futures, but will also ensure that local green spaces will provide essential homes for wildlife, including local priority species such as the grass snake, West European hedgehog and stag beetle.

### ERCL Hospitality Packages

ERCL will offer bespoke hospitality packages to the local community and businesses. We believe that everyone should have an opportunity to feel a sense of ownership of the natural, outdoor retreats, under our management. The hospitality packages will provide the local community and business with a perfect place to host all-inclusive children's birthday parties, celebratory events, conferences and events. The unique setting offers the perfect space for business meetings, parties and weddings for young and old alike. Our exclusive packages, overseen by an events manager, will include event organisation with options of catering, arts and entertainment, hands on wildlife experiences and themed parties for children or unique experiences for clients.

**Our share offer has been awarded the Community Shares Standard Mark. The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice.**

For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit go to:  
[www.communityshares.org.uk](http://www.communityshares.org.uk)



### ERCL Community Fund

ERCL will generate sustainable income in order to support the charity: Eden-Rose Coppice Trust (ERCT) and its beneficiaries. ERCL's Community Fund will donate any surpluses, after allowance for maintenance, reinvestment in the business and any interest or returns for members, to support Eden-Rose Coppice Trust's work on behalf of people suffering from terminal illness and their families. Its long term plan is to generate enough surpluses to support other local charities alongside The Eden-Rose Coppice Trust.

### How ERCL will be managed

ERCL will employ staff to run the day-to-day activities of the business, under the supervision of a Managing Director.

*Details of the full and part-time staff required are shown in the Business Plan, (which can be found at [www.ercommunity.co.uk](http://www.ercommunity.co.uk)) together with their costs.*

Overall, the formal setting of strategy and oversight of the Society will be overseen by a Management Committee, elected by members at the Annual General Meeting. In line with the Rules of the Society, the Management Committee will comprise of minimum of 4 and a maximum of 12 members.

*Details of the initial Management Committee can be viewed in our Business Plan.*

### Our Aims

Provide opportunities for ALL people to achieve, through learning in an outdoor environment

Help ALL people to improve their health and well-being through outdoor activities

Encourage the community to participate in the conservation of the local environment

Use ecological methods for all practices, where possible

Provide affordable products and services to those with a low income

Offer people opportunities to learn about traditional skills and natural crafts

# Financial Performance and Projections

Full details of the financial projections for ERCL are contained in the full Business Plan, which can be viewed on our website ([www.ercommunity.co.uk](http://www.ercommunity.co.uk)). The Business Plan sets out details of all assumptions made regarding costs and income, including sources.

A great deal of research has been carried out developing the projections and the assumptions behind them (Please see Appendix 8 of the Business Plan for more details.)

The summary projections are set out below:

### Total Income

Income	Year 1	Year 2	Year 3	Year 4	Year 5
Operating Income	£20,116	£49,372	£54,132	£57,762	£58,766
Funding	£8,200	£15,200	£29,200	£29,200	£29,200
<b>Total</b>	<b>£28,316</b>	<b>£64,572</b>	<b>£83,332</b>	<b>£86,962</b>	<b>£87,966</b>

### Total Expenditure

Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5
Salaries	£24,367.56	£41,855.36	£48,039.86	£48,039.86	£48,040
Overheads	£9,480	£9,000	£9,000	£9,000	£9,000
<b>Total</b>	<b>£33,847</b>	<b>£50,855.36</b>	<b>£57,039.86</b>	<b>£57,039.86</b>	<b>£57,040</b>

### Expected Operating Income

	Year 1	Year 2	Year 3	Year 4	Year 5
EBITDA	(6,732)	£12,517	£25,092	£29,222	£29,726

### Expected Community Fund Donations, Share Interest, Depreciation, Tax and Extraordinary Costs

	Year 1	Year 2	Year 3	Year 4	Year 5
Extra Costs	£2,500				
Depreciation	£7,880	£9,213	£9,213	£9,213	£7,880
Interest			£1,200	£1,200	£1,200
Tax					
Gift Amount		£991	£7,340	£9,405	£15,485

### Expected Net Profit

	Year 1	Year 2	Year 3	Year 4	Year 5
Net Profit	(£17,111)	£2,312	£7,340	£9,405	£5,162
P&L Account	(£17,111)	(£14,799)	(£7,459)	£1,945	£7,107

As shown by the tables above, we expect to become a profitable society in year 2, pay share interest in year 3 and overcome our initial losses by year 4.

# Share Capital

## Why we need people to invest in this community.

ERCL requires an injection of capital (in the form of community shares with potential matched funding from Co-operatives UK and Locality) in order to take full advantage of this defining moment in our evolution as a community focused organisation. We feel this evolution requires a great surge of energy in 2018-19 in order to reach the next stage in our development and help us to vastly support the Eden-Rose Coppice Trust charity.

We are asking people to invest in the vision of what Eden-Rose in the Community (ERCL) could become if we're able to continue growing.

## Why we need to raise share capital.

ERCL needs a mixture of capital items, plus initial revenue and site specific funds in order for the society to operate.

How the share funding will be allocated:

ITEM	REASON	COST TO ERCL
<b>CAPITAL</b>		
Crew Cab Tipper Truck	Needed to drive students on and off different sites plus carry equipment.	£18,000
Conference Equipment	Necessary for hospitality packages	£4,000
Horticultural Equipment	Necessary for education and health services	£3,000
Wood Chipper	Required for Education services and future products	£6,000
Table Saw	Required for education services and added value wood product sales.	£1,599
Domain name, web building and hosting	Needed for bookings, marketing and sales.	£2,500
<b>TOTAL</b>		<b>£35,099</b>
<b>Site specific preparations</b>		
Large Tree Felling	Necessary for safety of entire site	£10,000
Workshop Fittings	Needed for education services	£6,000
Additional WC	Necessary due to new ruling of non DBS volunteers on site whilst under 16's present.	£15,000
Fire Escape Door	Necessary for safety of students	£600
<b>TOTAL</b>		<b>£31,600</b>
<b>Revenue / People Skills</b>		
Education Lead - 4 hours per week for 20 weeks	Necessary for finding extra education service procurements	£984
Education Lead - 1 hour per week for 39 weeks	Needed to obtain status of recognised qualification centre	£479.70
Health Lead - 4 hours per week for 20 weeks	Necessary for finding extra health service procurements	£984
2 month invoice term for current education services	Needed for changeover from charity to CBS	£985
2 month invoice term for current health services	Needed for changeover from charity to CBS	£170.16
Manager		£12,000
<b>TOTAL</b>		<b>£15,602.86</b>
<b>TOTAL ALL</b>		<b>£82,301.86</b>

We have kept figures for all aspects to a bare minimum. We must raise a minimum of £80,000 in share capital for ERCL to proceed and prosper. If we were to reach our maximum amount of £100,000 we would use the excess £17,698.14 on site specific improvements that would benefit the environment and people with disabilities using the services of ERCL. The Committee would vote on the most necessary improvements and manage the monies accordingly.

## Join The Eden-Rose Community Today!

# Frequently Asked Question (FAQs)

## Why should I buy community shares?

We need your investment to help establish ERCL. Without sufficient investment from the community we will be unable to establish the business and generate sustainable income to support Eden-Rose Coppice Trust and its clients, their families and friends.

## Who will benefit from this project?

People with disabilities, mental health challenges or those who have simply lost their way in life. It will also benefit the Eden-Rose Coppice Trust's beneficiaries (those with long-term and terminal illnesses, their friends and families) and you, the members.

## Is this a good business proposition?

We expect that ERCL will be financially profitable. We have prepared financial projections based on the perceived specific strengths and weaknesses of ERCL. Full details of our forecasts are shown in the Business Plan.

## Who are the people behind ERCL?

The Management Committee consists of a group of committed people with local links. They care keenly about the future of the Eden-Rose Community. They will also be investing in this share issue. They have contributed a large amount of time to the project so far at no cost. (Please see Appendix 5 of the Business Plan for more information).

## Who will run ERCL and make the day-to-day decisions about the business?

The Management Committee will oversee the business to ensure that it achieves the objectives set out in the Business Plan. Joanna Brooks will be General Manager with day-to-day responsibility for running the business. There will be governance and reporting arrangements in place to monitor financial and other performance. There will be an open and regular dialogue between the General Manager and the Management Committee and the views of members and customers will be actively canvassed by the Committee.

## Can we buy shares as a group?

Yes, we encourage groups to join. One member must be the nominee representing the interests of the joint members.

## Will my shares give me voting rights?

Yes, a Community Benefit Society is an open and democratic organization. One member/group receives one vote on issues determined by shareholders, irrespective of how many shares that member has purchased.

## Can I get my money back?

You will be unable to withdraw your shares for the first three years after purchase. Thereafter you will need to give at least three months' notice of your wish to withdraw shares. Shares can neither be sold nor transferred to someone else. Withdrawals must be funded from surpluses generated by the business or

from new share capital raised from members. The Committee may decline requests for withdrawals depending on the long-term interests of the Society, its need to maintain adequate reserves, and the broader needs of our community.

## What happens if the project does not proceed?

It is possible that we will be unable to commence the project, if, for example, we do not raise sufficient share capital. In the event that this happens, we will return any funds we have received.

## What happens if ERCL does not succeed?

Should the business fail, all assets would be sold and the proceeds of the sale (after paying any creditors) divided between the shareholders up to the value of their shares. You might receive the full value of your shares back or you might lose part or all of your investment.

## What redress do I have if the business fails and I lose the value of my shares?

This share offer is first and foremost an investment in the community. The investment is unregulated and not covered by the Financial Services and Markets Act 2000. Furthermore, there is no right of access to the Financial Services Compensation Scheme nor to the Financial Ombudsman.

## Will I receive interest from my shares?

We aim to pay a reasonable interest rate to our members. However, you can opt in to donate your interest to the Eden-Rose Coppice Trust charity. Our business plan assumes we will pay interest on shareholdings at a rate of 1.5% after three years, subject to the business generating sufficient surpluses. Interest will be paid gross and each member has a responsibility to declare such earnings to HMRC if appropriate.

## Will my investment be eligible for tax relief?

We have advanced assurance that investments will be eligible for tax relief under the Seed Enterprise Investment Scheme (SEIS) administered by HMRC. This would mean that eligible income tax payers, who purchase shares, can apply for income tax relief equal to 50% of the amount invested. Whilst still gaining interest on the full amount.

## How can I purchase shares in ERCL?

To apply, please read the detailed information regarding our Share Offers Terms and Conditions as well as our Rules (our governing document) available on our website. If having read these you still wish to invest, please fill in the application form, at the end of this document, and follow the instruction on where to send it to. Alternatively, please visit our dedicated webpage at [www.ERcommunity](http://www.ERcommunity) and complete the online application form.

# Application for Membership

Individual and Joint Applications

Number of shares I/we wish to purchase:

(For this issue the minimum is 1 and the maximum is 800)

Value of shares you wish to purchase: £

Shares cost £50 each (For this issue the minimum is 1 and the maximum is 800)

I wish to pay by cheque:

Cheques are made payable to The Eden-Rose Community Ltd and should be posted to:  
The Eden-Rose Community Ltd  
Blackfriars, Sudbury, Suffolk, CO10 2AQ

I wish to

ERCL's Bank

Sort Code: 20-00-00

Account number: 00000000000000000000

Reference: SUDBURY

Please send to

**Please note: The offer is not open yet. Please fill in the Expression of Interest form and we will contact you when the offer opens.**

Please tick the appropriate box to confirm payment has been made direct to our account.

**Name and Address** (PLEASE USE CAPITAL LETTERS). For more than two joint applicants, please print this form again and include all applicant details.

	Applicant	Joint Applicant
First Name		
Surname		
DOB		
Address		
Town / City		
Postcode		
Telephone		
Email		
If at address for less than 3 years, please give previous address		

## Agreement

- FOR JOINT APPLICANTS ONLY - Please tick to agree that the person in the left hand column is the nominee for joint applications.
- Please tick here to agree to us contacting you, via email, about events and activities at Eden Rose Coppice in Sudbury and Brickmakers Wood in Ipswich, and how we are supporting the Eden-Rose Coppice Trust.
- I am over 16
- I have read the share offer document, including the risk factors pertaining to this offer
- I wish to become a member of The Eden-Rose Community Ltd
- I am bound by the terms & conditions included in this share offer document, and by the rules of The Eden-Rose Community, which can be viewed at [www.erccommunity.co.uk](http://www.erccommunity.co.uk)
- I consent to receiving formal notices by email
- I have attached a cheque

Please send your completed form, plus cheque if applicable, to: The Eden-Rose Community Ltd, 49 Blackfriars, Sudbury, Suffolk, CO10 2AQ before **TBC 2018**.

**Data Protection:** The data provided by you will be stored on a hard copy and an electronic database. The data will be used for The Eden-Rose Community Limited purposes and will not be disclosed to any third party.