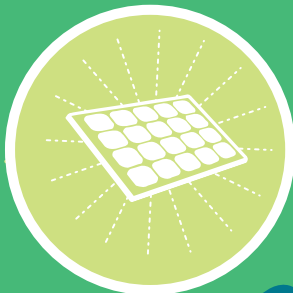




Community Energy Fund Share Offer Document

**CREATING ENERGY
WE CAN ALL FEEL
GOOD ABOUT**

Deadline:
7 March 2019
Target: £800,000
5% annual target
interest rate*



Community
Shares
STANDARD

*Capped at 4% for the first
four years of investment

www.lowcarbonhub.org/invest

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR CAREFUL ATTENTION.

This document sets out in detail an invitation to subscribe for shares in the Low Carbon Hub IPS Limited, a Registered Society, run for the benefit of the community.

It should be read in conjunction with the following documents:

- *Community Energy Fund Guidelines*
- *Rules of the Low Carbon Hub IPS Limited*
- *Low Carbon Hub Business Plan*
- *Low Carbon Hub IPS Limited Accounts*

These are all available on request or online at www.lowcarbonhub.org/invest

This document should be read in its entirety. If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (FSMA), or from another appropriately authorised independent financial adviser.

Reliance on this document for the purposes of engaging in investment activity may expose an individual to a significant risk of losing all the money they have invested. You may lose all or some of your money. Do not invest money you cannot afford to be without.

In any event, investors should appreciate that any investment they make is an acknowledgement of their support for the development of community energy and, accordingly, a subscription for shares in the Low Carbon Hub IPS Limited should primarily be regarded as an investment for social and environmental purposes rather than one which will produce a significant financial return. It should also be noted that members of Registered Societies do not have access to the Financial Ombudsman Service (FOS) or the Financial Services Compensation Scheme (FSCS).

Nothing in this document constitutes investment, tax, legal or other advice by the Low Carbon Hub IPS Limited, its Directors or advisers.

7 January 2019

A glossary of terms is available at:
www.lowcarbonhub.org/invest





YOUR INVITATION TO INVEST

The days of fossil fuels are numbered. The shift to renewable energy generation is gaining pace and gives us the opportunity to reshape the way we manage our energy. The Low Carbon Hub is a social enterprise that's out to prove we can meet our energy needs in a way that is good for people and good for the planet.

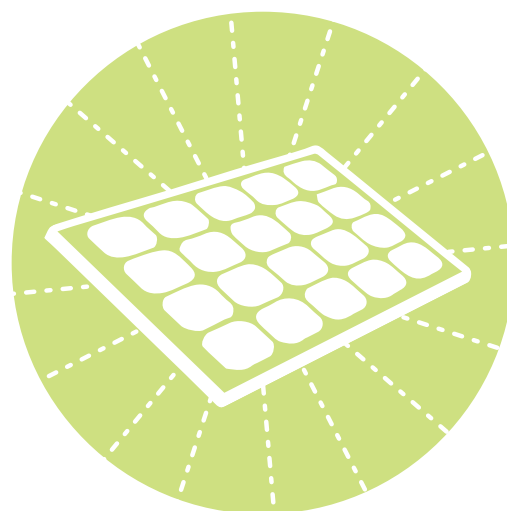


Climate change is a global crisis that needs local solutions. With the support of our Members and partners, we have already built renewable energy projects for schools and businesses across Oxfordshire. They are producing electricity that is not just cleaner and greener, but cheaper too. Host organisations save money on their bills, all of our surpluses are re-invested in local carbon-cutting initiatives, lowering carbon emissions further, and our investor Members receive a decent return for their financial support.

There's so much more to do - and the opportunity is huge - but we need more investment to make it happen.

Each year, Oxfordshire spends £1.5 billion on energy. By encouraging energy efficiency, increasing local energy generation, supporting the shift to electric transport and championing community ownership, we can both cut the county's carbon emissions and ensure that more of this money stays local. We are creating a better energy template, not just for Oxfordshire, but for the whole of the UK.

Will you invest in the Low Carbon Hub and join us in our mission?





ABOUT THE COMMUNITY ENERGY FUND

The Community Energy Fund is your opportunity to put your savings to work tackling climate change.

Since our inception in 2011, the Low Carbon Hub's portfolio of community-owned energy projects has grown from a single solar array to a portfolio of 42 renewable energy projects. This has been made possible thanks to over £5 million investment entrusted to us by our Members.

The Community Energy Fund was created in 2018 to give new and existing Members the opportunity to support us as we move into our next ambitious phase of activity. When you invest in the Fund, you enable us to pursue a range of ventures to strengthen and grow the Low Carbon Hub's portfolio of community energy projects.

These include:

- **Increasing our portfolio of solar PV projects**

We have less than a year to go until the Feed-in Tariff (FIT) ends; we want to install as many new solar roofs as possible before then and we need your investment to help us do that.

- **Investing in our existing solar PV portfolios**

By buying out existing project debt, the Fund acquires a stake in good solar assets that are already generating income and will enable the Fund to start earning interest from day one.

- **Developing new types of community energy projects**

These could be many and varied but all will contribute to reductions in carbon emissions. Some examples of the type of project we hope to bring forward are:



Climate change is a global crisis that needs local solutions. We invite you to invest in the Community Energy Fund and become part of the solution.

Barbara Hammond MBE
CEO, Low Carbon Hub

💡 It is a really special feeling when you go out of your house and you actually see projects in Oxfordshire that you've helped to make happen. 💡

Jenny, *Investor*

- **A post-FIT offer for schools**

By combining a solar PV project with battery storage, energy efficiency and electric vehicle charging we hope to create an offering for schools that is financially viable in a post-FIT world.

- **Local microgrids**

We are working with academic and community partners to explore in detail the concept of local microgrids. We hope to develop the first one as part of a community-led housing project that is currently under development.

- **Solar car parks**

We are working on models for turning big car parks into community power stations for zero-emission transport.

- **Investments in other community energy businesses**

There may be occasions where our investment into community energy businesses run by others could enable us to achieve our aims.

These are just some of the ideas we are currently developing; we are sure that many others will emerge over the coming years. We want to be ready to move quickly on robust new ideas, so that the local community can take its proper part in catalysing and funding the energy system of the future.

We were thrilled to raise £782,335 of investment into the Community Energy Fund in its first year. This money is already being put to work to support community energy projects across Oxfordshire. £628,715 was used to buy out Oxford City Council's short-term debt in our existing solar 2016 portfolio, giving the Fund a stake in already operational projects. This means we can start to accrue the funds to pay interest to investors from day one. The investment has also supported our new projects pipeline, providing the long-term capital to fund solar PV arrays at Sonning Common Primary School, Longfields Primary and Nursery School and the pre-development costs on two more sites.

However, we want to achieve so much more, which is why we want to raise further equity to fund our work.

In return for your investment, we aim to offer you:

A target interest rate of 5%

(capped at 4% for the first four years of investment)

The Fund has a target interest rate of 5% for each year following the fourth anniversary of your investment, and 4% per annum before that.

An equity withdrawal mechanism

While we hope you will wish to invest in us for the long term, the Community Energy Fund will provide an annual opportunity for investors to request the return of capital after the fourth anniversary of their investment. Please note our ability to fulfil requests to withdraw capital is entirely dependent on the availability of sufficient funds at the time and is in no way guaranteed.

Regular feedback on the impact achieved by the Fund and plans for future activity

Investment raised through the Community Energy Fund is ring-fenced with the Fund acting as a Special Purposes Fund. We will give you regular updates about the specific projects you are supporting, and report on the social and environmental impact they deliver, and their financial performance.

An annual opportunity to invest in community energy

The Community Energy Fund will be used to raise the equity we need to continue to deliver new energy projects in the future. We plan to open the Fund up to new investment each year, providing a regular opportunity to increase your support of community energy.

See Terms and Conditions (p. 38) for further details. In particular it is important to note that the target interest rate is not guaranteed, and that we may not be able to fulfil all requests to withdraw capital each year.



“It’s helped us to save money on our energy bills, but also the students in our school have learnt more about the environment now that the solar panels are installed.”

Jason, Teacher



When you invest in the Community Energy Fund you help us deliver:



Local action to tackle the global issue of climate change

More investment means we can deliver more energy projects that reduce CO₂ emissions and reinvest the profits in energy-related community action.

Lower energy bills for schools and organisations

Our host organisations can benefit from lower electricity bills, thanks to buying discounted clean electricity from us, and practical support to improve their energy efficiency.

Long-term funding to support further carbon-cutting activity in our community

All our surpluses are put to work encouraging community energy initiatives to flourish in Oxfordshire and beyond, supporting increased renewable energy generation and delivering energy efficiency measures to reduce energy demand.

Flexible funding to seize new opportunities as they arise

The launch of the Community Energy Fund marked a significant shift in the way the Low Carbon Hub funds its projects.

Our original share offers gave investors the chance to support a specific set of long-term, but time-limited projects. The Community Energy Fund gives investors the chance to support us in a more flexible way. The investment raised can be used for a wide range of projects, rather than being tied to a single fixed portfolio of projects. What’s more, as a project returns capital, we are able to reinvest in new projects, rather than automatically returning it to investors.

The Community Energy Fund also brings greater flexibility for our investors, as it provides a way for us to bring in new equity on an ongoing basis, facilitating the return of capital to existing Members. This flexibility enables us to use your investment to support new projects as they arise, bringing benefits to you, the Low Carbon Hub and the people of Oxfordshire.

LATEST INVESTMENT OPPORTUNITIES

Investing in the Low Carbon Hub's Community Energy Fund is your opportunity to set your cash to work for a social good: supporting local action to tackle the global issue of climate change.

We aim to raise £800,000 of new investment into the Community Energy Fund this Spring to support two key current funding needs.

The first is to provide the long-term capital to enable us to install as many solar panels as possible before the Feed-in Tariff (FIT) comes to an end in March 2019. We continue to develop our pipeline of new roof-mounted solar PV projects in Oxfordshire and will continue to explore opportunities right up to the deadline.

Our other main priority is to repay the outstanding short-term debt to Oxford City Council that was used to fund our Solar 2016 portfolio. Thanks to investment into the Community Energy Fund in 2018, we have already been able to reduce the original £1.3 million loan to £677,852. This is due for repayment on 29 March 2019.

If we achieve our target, this will grow total investment in the Community Energy Fund to almost £1.6 million, doubling the Fund's stake in community energy projects across Oxfordshire.

By investing, you can help us to:

1 Grow our portfolio of rooftop solar PV arrays

With the Feed-in Tariff set to end in March 2019, this is our last opportunity to install solar PV arrays that will benefit from this additional income stream. We have been working closely with Oxfordshire County Council to encourage more schools to join our Solar School scheme. At time of writing, we have another four projects either agreed, or in development, and all are aiming for installation before the deadline. We have set an investment raise target for this round of £122,000 to help fund this pipeline.



New solar PV key facts

Our total equity needs will depend on our success in recruiting new school partners. For each £100,000 of capital investment in new solar power, we aim to achieve the following results:

Total installed capacity **98 kW**

Annual predicted generation **83,500 kWh**

Annual CO₂ savings **32 tonnes**

20-year lifetime anticipated benefits

Interest paid to the Community Energy Fund **£81,538**

Savings on electricity bills by hosts **£45,640**

Community benefit income from this portfolio **£21,657**

Lifetime benefits expressed as nominal values at today's prices and based on equity levels at financial year-end.

2 Invest in our Solar 2016 Portfolio

Investing in our existing Solar 2016 Portfolio – buying out existing project debt – enables the Fund to acquire a stake in already operational solar projects. This will enable the Fund to start accruing the funds to pay interest to investors from day one.

This portfolio of roof-mounted PV arrays was the Low Carbon Hub IPS Limited's second major wave of solar PV projects across Oxfordshire. It is fully operational, generating clean, green electricity, with the final installation commissioned in November 2016.

The original capital cost of the projects have been funded by £793,100 of investment and £1.3 million short-term debt courtesy of our debt facility with Oxford City Council. £628,715 of this has been repaid, leaving £677,852 to be paid by 29 March 2019. By replacing the short-term debt with investment, we are increasing community ownership of renewable energy.



Solar 2016 Portfolio key facts

Number of installations 13

Total installed capacity 1.868 MW

Annual predicted generation 1,565,720 kWh

Annual CO₂ savings 601 tonnes

20-year lifetime anticipated benefits

Payment to Fund and original investors £1,726,077

Savings on electricity bills by hosts £416,789

Community benefit income from this portfolio £473,054

Projects in this portfolio

- Botley School
- Crompton Technology Group Ltd
- Didcot Girls' School
- Langtree School
- Long Furlong Primary School
- Middle Barton Primary School
- Nettlebed Community School
- Orchard Fields School
- Prodrive
- Rose Hill Primary School
- Sir William Ramsay School
- Windmill Primary School
- Wood Green School

Overall portfolio benefits expressed as nominal values and based on revised portfolio financial model issued March 2018, based on actual generation performance, on-site usage and revised RPI forecasts. Assumes 100% equity funding from 2019/20.

What's more, by taking a stake in the Solar 2016 Portfolio, the Community Energy Fund is buying into a fully established and operational portfolio of generating assets, which will provide the Fund with a core of long-term income. The portfolio is already earning interest and is due to make its first interest payment to existing investors and Fund investors next year.

It is our ambition to pay off the full outstanding short-term debt through this share raise. If we are unsuccessful, however, our existing debt contract requires that we prioritise the repayment of this debt from the Feed-in Tariff income from the projects against which the debt is secured. This may reduce the amount of surplus available in the short term to support our community benefit activities.



Solar PV array at ProDrive

Future years

In future years we will use the Fund for three key purposes:

- 1 Raise capital to fund energy projects that reduce CO₂ emissions and generate a profit that supports further community action to tackle climate change.**

These could include:

- rooftop solar PV arrays
- other renewable energy generation projects
- energy efficiency projects
- energy balancing and smart grids
- energy storage
- other energy-related products and services which can generate a profit while reducing carbon emissions
- investing in energy projects which further our aims, that are developed by third parties or in partnership with others.

Projects will be assessed on a case-by-case basis, factoring in the likely financial return, CO₂ savings, project risks and other benefits such as innovation and learning.

- 2 Replace debt with equity within existing projects, thereby increasing community ownership.**

Debt funding, such as the short-term loan from Oxford City Council, has proved invaluable in enabling us to access funds as and when we need them to make the most of opportunities as they arise. However, this debt facility is only available for us in the short term and needs to be replaced in the longer term. Plus, putting energy projects into community ownership is an important part of our vision. We strive to keep the total level of debt associated with our projects to no more than 50% of asset value.

- 3 Facilitate equity withdrawal.**

We hope our Members will be able to support us for the long term, but we appreciate that people's financial circumstances change, and so investors may wish to withdraw their investment. The Community Energy Fund will give us an opportunity to raise new equity to help us meet equity withdrawal requests. The process for equity withdrawal has been built into this share offer. Once set up, the Fund also gives us the opportunity to consult with existing Members regarding potential changes to the way we return equity invested in our previous share offers.

We'll set out our plans each year, when we put out a call for new investment, so new and existing Members can see what we aim to do with new investment.

YOUR INVESTMENT

You are invited to invest in the Low Carbon Hub IPS Limited.

Minimum investment: **£250**

Maximum investment: **£100,000**

Investment target for this round:
£800,000

Spring 2019 timetable

- **Application deadline:**
Midnight on 7 March 2019
- **Shares allotted by:**
31 March 2019

Share type

We are offering 'A' shares. These are 'withdrawable' shares that cannot be sold, traded or transferred between Members, unlike the 'transferable' shares typical of a limited company, and only the Low Carbon Hub IPS Limited can buy them back.

Who can invest?

Individuals over the age of 16, charities and other organisations may invest in this offer. You can also buy and hold shares on behalf of children.

How much can I invest?

We are offering £1 shares with a minimum investment of £250 and maximum investment of £100,000. The maximum £100,000 includes any existing investment you may hold in the Low Carbon Hub IPS Limited, including any held on behalf of children.

How do I invest?

Ethex is managing the share administration of this share offer. It is a not-for-profit investment platform, based in Oxford, which makes positive investing easy to understand and easy to do. You can either:

- Invest online at **www.lowcarbonhub.org/invest**. This will take you through to the Ethex website where our share offer is listed. This paperless process is our preferred mechanism and is the most efficient method for investing. If you have any problems, or need help, then please call 01865 403304.
- Or, if you would prefer, you can send a cheque with a paper application to Ethex and they will process your investment. (See application form at the end of this document for more details.)

If you would like to apply for and hold shares on behalf of children, you will need to submit a paper application accompanied by the additional *Holding shares on behalf of children* form at the end of this document. Unfortunately, we do not have the facilities to accept this form online. This must be done at the time of application and cannot be done retrospectively.

What are the benefits?

The biggest benefit you receive as an Investor Member is the knowledge that your funds are being used to support local action to tackle the global issue of climate change and, through that, you are making a tangible difference to the future of your community. In addition, we offer:

- Membership of the Low Carbon Hub IPS Limited
- A stake in a successful community energy enterprise with a proven track record
- Delivery of environmental and community projects resulting in local action on climate change
- Democratic voting rights, with one member, one vote, at our AGM
- Opportunity to elect the Board who govern the Low Carbon Hub IPS Limited
- The Fund has a target interest rate of 5% for each year following the fourth anniversary of your investment, and 4% per annum before that
- Interest accrued from the day your investment is accepted by the Low Carbon Hub IPS Board
- The right to apply to withdraw your capital from the fourth year of investment
- A regular opportunity to increase your support for community energy.

Can I get tax relief?

Enterprise Investment Scheme (EIS): The government ceased to provide relief to the generation of renewable electricity by community organisations in 2016.

Personal Savings Allowance: The interest we pay counts as savings income. This means the interest you receive from your investment may qualify for tax relief under the Personal Savings Allowance. If you're a basic rate taxpayer you can earn up to £1,000 a year in savings income tax-free. Higher rate taxpayers can earn up to £500.

Inheritance Tax benefit: If a Member dies more than two years after investing, the shares can qualify for 100% relief under Business Relief for Inheritance Tax because the shares are unlisted.

Is my investment safe?

You can be sure that your funds will make a positive difference to local initiatives tackling climate change but there is no guarantee of receiving a financial return on your investment. Investors may receive back less than their original investment and may not get it back at all. Please do not invest funds that you cannot afford to lose. You can read more about the risks of investing in the Risks section (p. 35).

Will the value of my shares ever increase?

No, unlike company shares co-operative and community benefit society shares cannot go up in value, but they can go down meaning that you could lose some or all of the money you invest.

Why do I get an interest payment, not a dividend?

Due to our structure as a Registered Society our shareholders can receive interest payments on their investment (rather than dividends) and these are limited under legislation to what is necessary to attract and retain the investment.

What is a 'target' interest rate?

We set a target interest rate for investment held in the Fund; this is the rate we will strive to deliver, based on the anticipated performance of our projects. The Fund has a target interest rate of 5% for each year following the fourth anniversary of your investment, and 4% per annum before that.

Can I withdraw my capital?

We strongly encourage investors to view their investment as a long-term commitment to the Low Carbon Hub, generating long-term financial benefits to you and sustained environmental and social benefit to the community.

However, investors in the Community Energy Fund whose investment has been in the Fund for a minimum of four years have the right to request the return of some or all of their capital. Although we cannot guarantee to fulfil all requests, we commit to making funding available each year to facilitate some requests.

This is a significant change from our previous share raises. Capital invested in previous share raises is gradually returned to investors over the 20-year project lifetime, rather than on request.

How do I apply to withdraw capital?

Investors can apply to withdraw equity that has been held in the Fund for at least four years. There will be an annual process by which investors can apply to withdraw some or all of their equity, up to a maximum of £20,000 in any one year.

Investors should submit application requests by 15 December each year. We will confirm if your application has been successful the following April, with successful applicants having their capital returned within 180 days of notification of their success.

To cover administration costs, successful applicants will forfeit 90 days of interest.

A full description of the process and a worked example can be found in the *Community Energy Fund Guidelines* available from our website.

Because the Low Carbon Hub does not hold large cash reserves, requests to withdraw capital will be met either out of our ongoing project income or by raising new equity to replace it. The timetable set out for replacement reflects the time it may take to raise the necessary capital.

Ultimately equity withdrawal remains at the discretion of the Directors who have an obligation to put the overall financial wellbeing of the Low Carbon Hub IPS Limited first.

How will you prioritise equity withdrawal requests?

Should the total equity withdrawal requests in any one year exceed the available capital, we will prioritise requests as follows, with each of the four stages being applied sequentially:

1 Personal hardship

This could include:

- a) Critical illness or death (affecting the investor or their immediate family)
- b) Redundancy or loss of employment by the investor or their immediate family that results in a significant change in household income
- c) Any other significant, unpredictable changes in circumstances, considered on a case-by-case basis.

Unless exceptional circumstances can be explained, it is unlikely that retirement, the arrival of a new baby, or moving to a new house would be considered grounds for personal hardship prioritisation.

The return of capital for hardship cases would usually follow the annual withdrawal timetable. However, in exceptional circumstances, and when funds allow, the Directors may consider requests for the immediate return of capital.

2 Fulfilment of unsuccessful applications from previous rounds

Any requests that were unfulfilled in the previous year will be next in line for consideration, which we will endeavour to meet.

3 Length of investment

Remaining requests will be fulfilled with priority given to funds that have been invested in the Community Energy Fund for the longest period of time.

4 Amount requested

In the event that we lack sufficient capital to meet all the requests relating to funds with the same investment anniversary, we will endeavour to meet the first £250 of every request and then meet an equal proportion of the remaining withdrawal request.

When equity withdrawal is part-funded by new equity, we may be in a position to return some equity more quickly and we would offer some investors their equity back sooner, using the same prioritisation rules.

We cannot guarantee you will be able to withdraw your capital. Please do not invest funds that you cannot afford to be without.

When else might capital be returned?

The financial models we use for our renewable energy projects anticipate the gradual repayment of capital over the project lifetime. By using this released capital, combined with new equity, we hope to fulfil capital withdrawal requests.

If the sum total of requests to withdraw capital is lower than the capital to be returned, we may have to proactively return capital to investors. The decision to return capital will be made by the Directors.

Can I hold shares on behalf of children?

Members must be at least 16 years of age. You have the option of holding shares on behalf of someone who is under 16. Following that person's 16th birthday they may become a Member of the Society and those shares can be passed on to them. If you would like to hold shares on behalf of children, complete the *Holding shares on behalf of children* form at the end of this document. Unfortunately, we do not have the facilities to accept this form online. Please complete a paper application and return it to Ethex.

Can we hold shares in joint names?

We have historically had very few people applying to hold shares in joint names, so we have decided to not offer this option at this stage.

What happens to my shares if I die?

If a Member dies, the repaid value of the shares will normally be added to the estate for probate purposes. The simplest way to ensure your shares will be transferred in line with your wishes is to complete and return a *Nomination of shares on death form* to the Low Carbon Hub. This will be sent out with share certificates and can also be downloaded from the Low Carbon Hub website 'Invest' page.

If a Member dies more than two years after investing, the shares can qualify for 100% relief under Business Relief for Inheritance Tax because the shares are unlisted.

What happens to my investment if you develop more projects?

Your return will be based on the performance of the total portfolio of energy projects developed and supported by the Community Energy Fund. This will change over time as new projects are developed or mature projects reach the end of their life. Each year we will report on the financial, social and environmental performance of the projects where the capital invested in the Fund is currently deployed.

Where can I find further details about the way the Community Energy Fund will operate?

The *Community Energy Fund Guidelines* document sets out how the Fund will be managed and operated.

What is the minimum target for this round of investment?

There is no minimum target for the share offer.

What is the maximum target for this round of investment?

Our target for this round of investment is £800,000. However, should we have sufficient new solar PV projects confirmed to enable us to quickly make use of additional equity, we may increase the maximum target to enable us to attract the equity needed to cover their costs during this investment raise round.

What happens if the share offer is undersubscribed?

If we fail to meet our target it is our intention to process any applications made by the deadline to the timetable outlined in this Share Offer Document. If we still have an immediate need for new investment, we will set a new application date later in the year for a follow-up round of investment, to enable us to meet our capital requirements.

What happens if the share offer is oversubscribed?

Should the offer be oversubscribed, we will accept additional investment so long as we have sufficient confirmed energy projects in the pipeline to quickly make use of the additional capital. Should this not be the case, we will not exceed the target in order to avoid overcapitalisation. In which case, we will prioritise investment in order of receipt of application.

Please read the document *Community Energy Fund Guidelines* in conjunction with this document. It outlines the way the Fund will be managed, how interest payments are calculated and the rules for equity. Please also see the full Terms and Conditions (p. 38).



This 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. These standards ensure that:

- The offer document and application form are easy to understand
- You are provided with all the facts you need to make an informed decision
- The facts are supported by the annual accounts and/or business plan for the society
- Nothing in the documents is purposefully incorrect, confusing or misleading
- Societies are asked to sign a code of practice requiring them, among other things, to give the public a right of complaint to the Community Shares Unit.

For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit, go to: **www.communityshares.org.uk**

LOW CARBON HUB AT A GLANCE



PLANET

42 renewable energy installations*

Together they can:



generate
4.3 GWH
green electricity
a year



power
1,394
typical homes



save
1,290
TONNES
of CO₂ **



PEOPLE



955 investor Members who between them have invested £5.1 million to finance the costs of our projects and whose investments bring energy into community ownership



36 host organisations – the schools, businesses and community organisations that host our energy projects



27 community shareholders – the low carbon community groups who share our aims and have a stake in us



PROSPERITY

£5.1M share capital raised

£3M debt plus additional funding to support our projects

£8.1M capital expended on renewable energy installations

Our portfolio of renewable energy installations is anticipated to deliver the following benefits over their lifetime:

£4.8M interest to investors

£1.7M savings on electricity bills by hosts

£2.5M community benefit income



PERCEPTION

We are committed to developing a sustainable energy system for community benefit. And our stakeholders agree...

96%

believe we are committed to the creation of a low carbon, locally owned renewable energy system

98%

trust our expertise around local, renewable energy and low carbon

* Including IPS- and CIC-owned installations.

** Based on 2018 government emission conversion factors for greenhouse gas reporting.

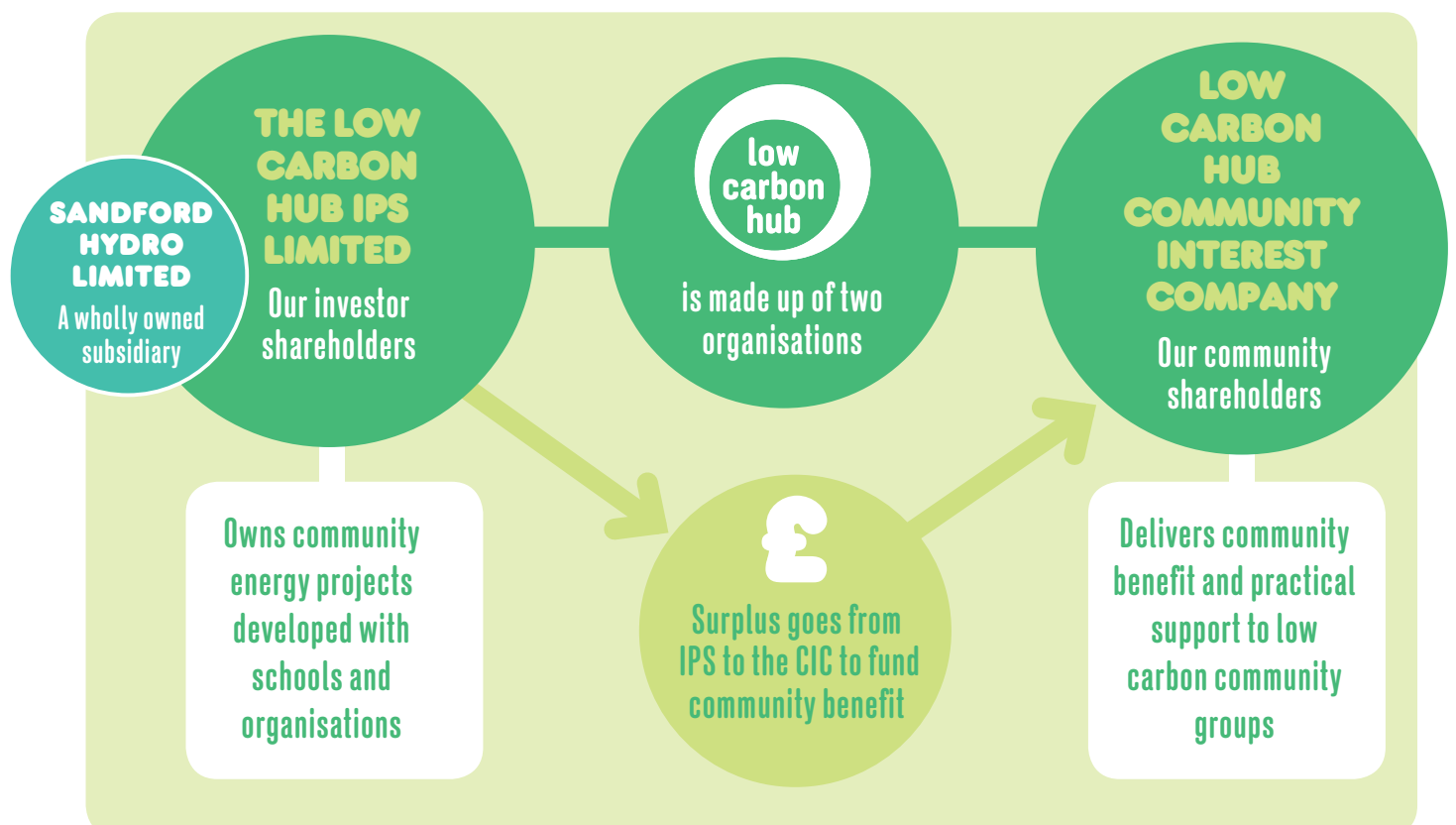
Metrics as calculated 31 March 2018 and reflect the combined work of The Low Carbon Hub IPS Limited and Low Carbon Hub CIC. Lifetime benefits are nominal values modelled over a 20-year project lifetime. Perception statistics based on 124 responses to the 'How are we doing?' Low Carbon Hub stakeholder survey March 2018.



ABOUT THE LOW CARBON HUB

The Low Carbon Hub is a social enterprise that's out to prove we can meet our energy needs in a way that's good for people and good for the planet.

It is made up of two organisations. The Low Carbon Hub IPS Limited owns community energy projects in Oxfordshire. Surpluses from the IPS are donated to the Low Carbon Hub CIC to support further local carbon-cutting initiatives.



LOW CARBON HUB IPS LIMITED

The Low Carbon Hub IPS Limited is a Registered Society that's owned by our investor Members and run for the benefit of the community.

The Low Carbon Hub has been successfully delivering and managing renewable energy projects for schools and businesses across Oxfordshire since the installation of our first solar PV array at Oxford Bus Company in 2013.

By pooling the resources of organisations and individuals with our energies and enthusiasm, our projects deliver:

- Reduced carbon emissions through the generation of clean, green electricity
- Lower energy bills for schools and organisations hosting our solar PV installations
- Interest payments to the investors whose capital funds our projects
- Long-term funding to support further carbon-cutting activity in our community.

In just a few short years the portfolio of renewable energy projects, owned by the Low Carbon Hub IPS, has grown from a single roof to 42 renewable installations, at an original capital cost of £8.1 million. This has been made possible thanks to the £5.1 million of investment from our 955 investor Members, and £3 million of debt and additional funding.

This year also saw the transfer of solar PV arrays situated at St Barnabas Primary School and the Cherwell School from Oxford North Community Renewables (ONCORE) to the Low Carbon Hub. ONCORE was one of the first community groups in the country to install community-owned solar and we are delighted to welcome their members to the Low Carbon Hub. As a Registered Society, operating for the benefit of the community, we have an 'asset lock' which means not only these physical assets, but also the profits of the organisation are protected for the benefit of the community.

The largest project, Sandford Hydro, is held in a wholly owned subsidiary, Low Carbon Hub Sandford Hydro Limited.



LOW CARBON HUB CIC

The Low Carbon Hub Community Interest Company or CIC uses surpluses donated from the Low Carbon Hub IPS Limited for the benefit of our community, supporting community action on climate change.

The Low Carbon Hub CIC is owned by 27 low carbon community group shareholders. These groups are based across Oxfordshire and help ensure our operation is totally transparent and is guided by those it is set up to serve. The CIC also owns two renewable energy installations.

We offer:

- Grants and loans to community energy enterprises
- Funding, help and advice to support community action on climate change
- Energy efficiency support to reduce our county's energy demands
- Support to innovative initiatives, by providing seed funding for the development of new products and services that encourage carbon-cutting action.

Our investor Members are key to supporting this work. Their investment allows us to build renewable energy projects, from which any surplus generated is donated to community benefit, some examples of which are illustrated opposite.

But it doesn't stop there. Our community benefit income allows us to attract in further funding from other sources.

WORKING IN PARTNERSHIP

In addition to the £¹/₄ million of community benefit income already created by our own renewable projects, we work to secure additional grants and contracts and develop partnerships that help us scale up our work. Examples of such partnerships include:

- OxFutures, a collaborative partnership we lead, bringing together councils, universities and charities to boost low carbon economic development in Oxfordshire, with £3.2m of funding from the European Regional Development Fund.
- Working with the charity Ashden to bring their award-winning schools energy efficiency programme to Oxfordshire. This will enable schools to reduce their energy bills and keep core funding focused on their educational budgets.

You can read more about these partnership initiatives in the *Low Carbon Hub Business Plan*.

While we welcome the generous support of our partners and external funders, it is thanks to the long term sustainable income stream created by our own portfolio of energy projects that we are able to respond flexibly to local needs and have the financial security to plan for the longterm.



“The Low Carbon Hub supports communities around Oxfordshire to make this work on climate change possible.”

Mim, Low Carbon West Oxford



Help and support



Our helpdesk handled 69 cases in 2017/18, giving 277 hours of help, support and advice to encourage grassroots carbon-cutting action.

Energy efficiency



We fund energy audits to help a wide range of organisations to better understand and prioritise the actions they should take to reduce their carbon footprint and energy bills.

Supporting innovation



We provide grants and loans to support early stage development of new carbon-saving projects. By helping get their community energy projects to an investor-ready state we are helping grow Oxfordshire's low carbon economy. Examples include a grant to Hook Norton Low Carbon to kick-start an innovative community-led housing project developing energy efficient, affordable housing for local people.

Community grants



We give grants to support the work of low carbon community groups across Oxfordshire. For example:



£1,000 to Sustainable Kirtlington

Towards the installation of instant hot water heaters at Kirtlington Village Hall, replacing a large carbon-intensive hot water tank.



£9,492 to Power Down East Oxford

A thermal imaging project to reduce the carbon emissions of households in East Oxford, by raising awareness of energy efficiency measures, educating people about how to reduce their energy use and encouraging the installation of energy-saving measures.



£500 to Rose Hill and Iffley Low Carbon

Towards the cost of installing a bike repair kit at Rose Hill Community Centre to upskill and encourage low carbon transport in the area.

OUR PROJECTS

We have renewable projects across Oxfordshire. These are just a few...



1

Oxford Bus Company



The Low Carbon Hub's first installation

- 140 kWp installed capacity
- Generating 123,000 kWh a year
- Enough to power 40 typical homes
- Commissioned: October 2013



💡 Since we installed the panels they've generated more than 500,000 kW hours of electricity and the money generated by the panels has supported local community energy projects. 💡

Luke Marion, Oxford Bus Company

2 Langtree School



One of our largest solar installations

- **103 kWp** installed capacity
- Generating **84,810 kWh** a year
- Meeting **24%** of the school's electricity needs
- **Commissioned:** March 2016

3 Orchard Fields Community School



Largest primary school installation in Oxfordshire

- **100 kWp** installed capacity
- Generating **85,079 kWh** a year
- Meeting **39%** of the school's electricity needs
- **Commissioned:** November 2015

4 Longfields Primary and Nursery School



Our latest solar school

- **48.6 kWp** installed capacity
- Generating **42,184 kWh** a year
- Meeting **33%** of the school's electricity needs
- **Commissioned:** October 2018

5 Sandford Hydro



The largest community-owned hydro on the Thames

- **440 kW** installed capacity
- Generating **1.6 GWh** a year
- Enough to power **500 typical homes**
- **Commissioned:** August 2017 (fully operational February 2018)

Sandford Hydro was built and is managed by the Low Carbon Hub CIC on behalf of Low Carbon Hub Sandford Hydro Limited, a wholly owned subsidiary of the Low Carbon Hub IPS Limited.

Visit www.peoplespowerstation.org to see more renewable energy projects

MEET THE TEAM

The Low Carbon Hub IPS Limited is the investment vehicle for our capital projects. The Low Carbon Hub Community Interest Company (CIC) holds the staff team, develops projects and works with communities to develop new approaches to community energy. Each is governed by a Board of Directors. The majority of Board Members sit on both Boards. However, we have two Board members who act independently to vote on issues where there is a conflict of interest between the two organisations: these are Steve Drummond for the Low Carbon Hub IPS Limited and Sue Halliwell for the Low Carbon Hub CIC.

EXECUTIVE DIRECTORS



Barbara Hammond

CEO, Director Low Carbon Hub IPS Limited & CIC

Barbara's 25-year career in sustainable development and energy, including stints in local government, central government, the private sector and academe, gives her a very unusual ability to network across all of those sectors to build 'coalitions of the willing' to make projects happen. During her time in central government she was responsible for the UK's £350m renewable energy programme and the delivery of the UK's first offshore wind farm, large-scale PV field trials, biomass generators and wave and tidal research programme. She is a pioneer in developing local, collective responses to climate change, being founder and director of Low Carbon Oxford, a city-wide partnership of leading corporations committed to reducing carbon emissions, and founder and director of West Oxford Community Renewables Ltd and Osney Lock Hydro Ltd which together have raised around £1.5m for a range of community-owned solar and hydro projects. She was awarded an MBE in 2015 for her services to the development of community energy.



Adriano Figueiredo

Operations Director, Director Low Carbon Hub IPS Limited & CIC

A Civil Engineer by training and highly experienced manager, Adriano has held senior positions in commercial businesses in the UK, Continental Europe and Latin America, in sectors as diverse as education, industrial property development and heavy construction. An entrepreneur at heart, he has set up, developed and managed subsidiaries of UK businesses in Spain, Mexico and Brazil. He used this experience to co-found Oxford North Community Renewables (or ONCORE) to develop community renewable projects locally. As the Operations Director for the Low Carbon Hub, Adriano has a key role in defining the financial and operational strategies for the organisation, including evaluation of potential projects, the development process, project finance and on-going operation and management.

NON-EXECUTIVE DIRECTORS



George Levvy
Chairman

George took over as Chair of the Boards in Autumn 2018. He began working life in the public sector, before becoming Commercial Manager at a marketing company. In 1991 he became Head of Marketing & Communications at the British Red Cross for three years and then Chief Executive of the Motor Neurone Disease Association for 10 years. Since then he has been consulting, mostly to charities and other non-profit

organisations, on strategy, governance, leadership and leadership teams. He has been a trustee of a number of charities, a Consultant at the Cass Centre for Charity Effectiveness and was, for six years, a Visiting Fellow at Cass Business School. He recently joined the board of Rewilding Britain as vice-chair. George joined the Boards in October 2017.



Luke Marion
Treasurer

Luke is a Chartered Accountant and the Finance and Commercial Director of the Oxford Bus Company and its sister companies Thames Travel, Carousel Buses and City Sightseeing Oxford. In 2013 he helped Oxford Bus Company become the first local business to partner with the Hub, which led to a 140 kWp PV array being installed on the company's depot premises in Cowley. Luke started his career with Ernst & Young before joining Reckitt

Benckiser, where he spent seven years in various commercial finance roles in the UK. He joined the Low Carbon Hub as non-executive treasurer early in 2015. Luke is currently working to introduce Oxford's first electric double deck buses for his City Sightseeing business and hopes to see these in operation in early 2019.



Steve Drummond
IPS independent and Investment Committee Chair

Steve has extensive experience in the energy sector. Starting as an engineer and then moving into finance, he has spent nearly 30 years working in nuclear, conventional and renewable energy power generation. Roles include power station design, operations and development at the Central Electricity Generating Board and its successors, Partner of Corporate Finance at PwC, and emissions trading, finance and global project

development at Cantor Fitzgerald. Steve is now MD of Bainton Capital Partners Ltd, a boutique advisory firm that helps develop and finance renewable energy power projects around the world. Back in Oxford, he was one of the founding directors of Oxford North Community Renewables (or ONCORE) and developed the structure of the enterprise and the financial model to install community renewable projects in North Oxford.



Tom Hoines

Tom is General Manager for Noble Green Energy, a renewable and low carbon energy solutions company which is part of the Noble Foods Group. Noble Energy (formally Bowler Energy) have completed some 500 renewable energy installations across the UK in technologies from solar PV to battery storage and biomass heating.

Previously Tom worked for The Co-operative Energy and then Opus Energy, with nine years' experience in the energy supply business, primarily focused on the purchasing of energy from renewable generators. Tom joined the Low Carbon Hub as a non-executive Director early in 2016.



Tim Sadler

Oxford City Council

Tim is the Executive Director for City Services at Oxford City Council, where he leads a number of programmes including those in respect of environmental and social sustainability. With Sue Halliwell, Tim ensures that the Hub has good links into local government and has access to advice on local policy development.



Sue Halliwell

Oxfordshire County Council and CIC independent

Sue is Director for Planning and Place at Oxfordshire County Council, overseeing place-shaping functions including strategic infrastructure planning, transport, and environmental strategy and policy including low carbon community engagement and green infrastructure. Previously Sue has been involved in developing energy and resource management strategies both locally and nationally and established a centre of excellence for local authorities sharing best practice in business resource efficiency.



Ramsay Dunning

Ramsay's first involvement in community energy was in 2004 with the Gigha community-owned wind farm in Scotland. He was co-founder of Green Energy (UK) plc in 2001 and then Co-op Energy in 2010, which he ran as Managing Director until July 2017. Ramsay remains involved with Co-op Energy as a non-executive director. As part of Co-op Energy, Ramsay set up the annual Community Energy Conference, now run with Community Energy England. Ramsay joined the Board in October 2017.



Nina Alphey

CIC Community Director

In 2018 the Low Carbon Hub CIC's community shareholder groups elected Nina Alphey as their representative. Nina is a long-term member of Westmill Solar Co-operative Ltd and has been on its Board since 2016 and was an active member of low carbon community group Kidlington vs Climate Change until 2014. As Community Director on the Board, Nina's main focus is on achieving benefit for our communities and representing the interests of the community shareholder groups. She is also interested in encouraging partnerships with academic institutions to support research, in particularly in relation to renewable energy and climate change mitigation.

STAFF TEAM

The day-to-day operation of the Low Carbon Hub is managed by a team of 11 staff (8.6 full-time equivalents) employed by the Low Carbon Hub CIC.

- **Barbara Hammond, CEO**, steers the strategy of the Low Carbon Hub, in conjunction with the Boards, and ensures the Low Carbon Hub is well-managed, resourced and effective in delivering our business plan.
- **Adriano Figueiredo, Operations Director**, ensures all of the Low Carbon Hub's systems and technical resources are in place to keep our financial models and operations on track.
- **Fernando Toniolo, Asset Manager**, ensures the efficient operation of our renewable energy projects.
- **James Ochiltree, Project Manager**, develops and maintains new and existing renewable energy projects.
- **Rachel Boyes-Watson, Chief Operating Officer**, ensures all business operations run smoothly including finance, billing and insurance. Rachel is Company Secretary for the Hub and manages the registry administration for our investor Members.
- **Kurt Walker, Bookkeeper**, is responsible for the effective day-to-day management of the Hub's finances.
- **Saskya Huggins, Social Impact Manager**, is responsible for developing a robust community benefit strategy, reporting on the Hub's social impact and raising investment for energy projects.
- **Alison Grunewald, Business Relationship Manager**, manages the European Regional Development Fund project, OxFutures, which is growing Oxfordshire's low carbon economy.
- **Beth McAllister, Communications Executive**, plans and implements the Hub's communications and marketing strategy.
- **Kat Luddecke, Stakeholder Engagement Advisor**, engages with key partners including community groups and manages the administration for the Boards of Directors.
- **Sandra Dipate, Administrator**, is responsible for responding to investor and renewable energy host queries and ensures the smooth running of the Hub office.



“Everybody at the Low Carbon Hub is really dedicated, knowledgeable and passionate and that all together means they are making fantastic things happen.”

Jenny, Investor

FINANCE SUMMARIES

Finance Summary for Low Carbon Hub IPS Limited

The Low Carbon Hub has delivered more than £8 million worth of green energy projects since 2011. The following tables show the consolidated financial position for the Low Carbon Hub Group, which comprises the Low Carbon Hub IPS Limited and Low Carbon Hub Sandford Hydro Limited, a wholly owned subsidiary.

Please note: These tables have been revised since our 2018 Community Energy Fund Share Offer Document to include the consolidated group accounts, and to reflect the finalised 2017 accounts that were not available at the time of going to print. They have also been updated to correct an error relating to the reserves line, such that they now reflect the accounting losses caused by depreciation. This is a paper loss only and does not affect our overall positive cash flow situation.

Society funds

At the end of the 2017/18 financial year, Member share capital in the IPS stood at £4.1 million. This has since been boosted by an additional £782,335 of equity raised through the Community Energy Fund during the current financial year and £248,856 investment relating to the transfer of engagements from ONCORE. The table on p.32 gives a further breakdown of the investment in each of our portfolios of projects.

Long term liabilities as of March 2018 related to a £200,000 loan from Resonance, a £100,000 Oxford City Council loan towards the Sandford Hydro fish pass, and a long-term loan of £1,879,497 from Charity Bank, held in Low Carbon Hub Sandford Hydro Limited. This loan is ring-fenced within the wholly owned subsidiary and therefore exposure is limited only to Sandford Hydro portfolio shareholders. The total long-term liabilities also include £126,089 deferred income relating to grant funding. We also have short-term liabilities of £677,852 due this year that relate to the outstanding balance on a loan from Oxford City Council.

Use of society funds

Our installations are now operational and generating income, resulting in an annual surplus being generated each year. This surplus is enabling us to accrue interest in line with the timetables set out during our share offers and to make community benefit donations to the Low Carbon Hub CIC.

These assets are forecast to continue to generate an operating surplus over their project lifetimes. The financial projections for the new solar PV and Solar 2016 portfolios illustrate how this operates on a project level basis (see following pages.)

Once depreciation of the value of the fixed assets is taken into account, the reserves in the profit and loss account show accounting losses. However, as explained in the following project financial projections section, accumulated reserves reach £0 at the end of the life of each portfolio, with total accumulated profits matching the equity invested and repaid over the life of the portfolio.

In line with FCA guidance on the withdrawal of share capital, our policy is that capital withdrawal will be from trading surpluses, after all other liabilities have been met, or by matching with new equity. Over time, the society will reduce its negative reserves as portfolios mature, ensuring that the negative reserves do not exceed share capital.

Society Funds £s	Year 2017/18	Year 2016/17	Year 2015/16*
Fixed assets	7,185,859	5,959,450	2,158,973
Member share capital	4,105,278	3,459,462	2,046,603
Society reserves (or losses)	(436,709)	(279,446)	(118,828)
Long term liabilities (loans)	2,323,586	1,100,000	800,000
Net assets	3,668,569	3,180,016	1,927,775

Member Share Capital £s	Year 2017/18	Year 2016/17	Year 2015/16*
Opening balance of member share capital	3,459,462	2,046,603	1,844,003
New share capital invested during year	651,816	1,412,861	202,600
Share capital withdrawn during the year	6,000	0	0
Closing balance of member share capital	4,105,278	3,459,462	2,046,603

Membership levels	Year 2017/18	Year 2016/17	Year 2015/16*
Number of members at the beginning of year	647	396	357
Number of new members joining	165	251	39
Number of members leaving	3	0	0
Number of members at the end of the year	808	647	396

Use of Society Funds £s	Year 2017/18	Year 2016/17	Year 2015/16*
Interest rate on (eligible) share capital	5.4%	5.0%	0%
Interest paid on share capital	104,097	102,330	0
Community benefit spend	100,000	48,497	96,224
Net profit (loss)	(157,263)	(160,618)	(56,202)
Addition (reduction) to society reserves	(157,263)	(160,618)	(56,202)

* The 2015/16 figures relate only to the IPS as Sandford Hydro was not yet trading.

Project Financial Projections

We undertake detailed financial projections for each of the projects we develop. The following tables summarise the modelled lifetime income and expenditure for the Solar 2016 Portfolio and new solar projects to be funded through this share raise.

Like many one-off capital projects, the way the finances are modelled shows the projects running at an accounting loss, although the cash position is always positive. This is because the projects are treated as wasting assets, so depreciation is charged to the income statement but has no impact on cash held in the bank.

Each year, the projects are expected to return a surplus. This surplus is used for the following purposes, in order of precedence:

- Contribute to organisational administrative costs including investor support
- Pay interest on short-term loans
- Provide an interest payment to our investor Members
- Release all the capital originally invested in the project for reinvestment or return to investors, as shown in the tables overleaf in the row capital repayment
- Provide funding for community benefit.

As a Registered Society we make returns to investors as interest, paid before profit is calculated, unlike dividend payments, which are generally paid out after profit is calculated. Similarly, we pay community benefit out of our surpluses.

SOLAR 2016 PORTFOLIO

First five years, including project finances to date and modelled income and expenditure to March 2020.

Solar 2016 - Summary Projections first five years (£)

KEY FINANCIAL TABLE ASSUMPTIONS

- 20-year projects
- System degradation 0.45% a year
- 80% of electricity consumed on site
- RPI at 3%

		Original projected project finances			
	Actual to Mar 2018	To Mar 2018	Apr 2018 – Mar 2019	Apr 2019 – Mar 2020	First five years
Operating Cash Flow					
FIT Income	137,723	137,548	114,709	117,611	369,868
Sales Income	171,969	184,047	138,419	141,915	464,381
Total Operating Income	309,692	321,596	253,128	259,527	834,250
Operating Costs	-80,719	-99,420	-65,211	-67,168	-231,799
Net Operating Cash Flow	228,972	222,176	187,916	192,359	602,451
Expenditures Cash Flow					
Reserve Funds	42,922	137,548	21,461	21,461	85,843
Interest on Short-Term Debt	98,906	184,047	0	0	167,937
Portfolio Operating Surplus	87,145	321,596	166,456	170,898	348,671
<i>Payment to Community Energy Fund & Original Investors</i>	0	-99,420	127,810	127,810	255,620
<i>Capital Repayments</i>	0	0	0	0	0
<i>Community Benefit Donations</i>	78,974	0	38,645	43,088	93,050
Total Expenditures Cash Flow	220,802	222,176	187,916	192,359	602,451
Balance	8,171	0	0	0	0
	To Mar 2018	To Mar 2018	Apr 2018 – Mar 2019	Apr 2019 – Mar 2020	First five years
Profit and Loss Account					
Total Revenue	309,692	321,596	253,128	259,527	834,250
Operating Costs	-80,719	-99,420	-65,211	-67,168	-231,799
EBITDA*	228,972	222,176	187,916	192,359	602,451
Cost of Finance	-98,906	-167,937	-127,810	-127,810	-423,558
Community Benefit Donations	-78,974	-11,317	-38,645	-43,088	-93,050
Depreciation	-188,456	-213,017	-106,508	-106,508	-426,034
Total	-137,364	-170,095	-85,048	-85,048	-340,191

* EBITDA= Earnings before interest, tax, depreciation, and amortisation

Actual figures to March 2018 show a higher than anticipated community benefit donation because short-term project debt was required for less time than modelled.

The full financial models are available on request.

Solar 2016 - Summary Projections Lifetime (€)

	First five years	Apr 2020 – Mar 2025	Apr 2025 – Mar 2030	Apr 2030 – Mar 2037	LIFE- TIME TOTAL
Operating Cash Flow					
FIT Income	369,868	634,045	717,494	1,075,372	2,796,780
Sales Income	464,381	746,866	953,872	1,513,985	3,679,103
Total Operating Income	834,250	1,380,910	1,671,366	2,589,357	6,475,883
Operating Costs	-231,799	-367,300	-661,870	-712,422	-1,973,391
Net Operating Cash Flow	602,451	1,013,611	1,009,496	1,876,935	4,502,492
Expenditures Cash Flow					
Reserve Funds	85,843	107,304	-193,147	0	0
Interest on Short-Term Debt	167,937	0	0	0	167,937
Portfolio Operating Surplus	348,671	906,307	1,202,643	1,871,680	4,329,301
<i>Payment to Fund & Original Investors</i>	<i>255,620</i>	<i>623,075</i>	<i>521,466</i>	<i>325,916</i>	<i>1,726,077</i>
<i>Capital Repayments</i>		<i>202,366</i>	<i>564,495</i>	<i>1,363,309</i>	<i>2,130,170</i>
<i>Community Benefit Donations</i>	<i>93,050</i>	<i>80,866</i>	<i>116,682</i>	<i>182,456</i>	<i>473,054</i>
Total Expenditures Cash Flow	602,451	1,013,611	1,009,496	1,871,680	4,497,238
Balance	0	0	0	5,254	5,254
	First five years	Apr 2020 – Mar 2025	Apr 2025 – Mar 2030	Apr 2030 – Mar 2037	TOTAL
Profit and Loss Account					
Total Revenue	834,250	1,380,910	1,671,366	2,589,357	6,475,883
Operating Costs	-231,799	-367,300	-661,870	-712,422	-1,973,391
EBITDA*	602,451	1,013,611	1,009,496	1,876,935	4,502,492
Cost of Finance	-423,558	-623,075	-521,466	-325,916	-1,894,014
Community Benefit Donations	-93,050	-80,866	-116,682	-182,456	-473,054
Depreciation	-426,034	-532,542	-532,542	-639,051	-2,130,170
Total	-340,191	-222,872	-161,195	729,512	5,254

* EBITDA= Earnings before interest, tax, depreciation, and amortisation.

NEW SOLAR PV

PER £100,000 INVESTED

KEY FINANCIAL TABLE ASSUMPTIONS

- 20-year projects
- System degradation 0.45% a year
- 75% of electricity consumed on site
- RPI at 3%
- Interest to investors at 5% a year

New Solar PV - Summary Projections first five years (£)

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Operating Cash Flow						
FIT Income	3,304	3,388	3,474	3,562	3,652	17,379
Sales Income	7,708	7,902	7,871	7,994	8,206	39,680
Total Operating Income	11,012	11,289	11,345	11,556	11,858	57,059
Operating Costs	-3,152	-3,246	-3,344	-3,444	-3,547	-16,732
Net Operating Cash Flow	7,860	8,043	8,001	8,112	8,311	40,327
Expenditures Cash Flow						
Reserve Funds	1,010	1,010	1,010	1,010	1,010	5,052
Interest on Short-Term Debt	0	0	0	0	0	0
Portfolio Operating Surplus	6,850	7,033	6,991	7,101	7,300	35,275
Interest Payments	5,500	5,500	5,500	5,473	5,418	27,390
Capital Repayments	0	0	500	1,000	1,500	3,000
Community Benefit Donations	1,350	1,533	991	629	383	4,885
Total Expenditures Cash Flow	7,860	8,043	8,001	8,112	8,311	40,327
Balance	0	0	0	0	0	0
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Profit and Loss Account						
Total Revenue	11,012	11,289	11,345	11,556	11,858	57,059
Operating Costs	-3,152	-3,246	-3,344	-3,444	-3,547	-16,732
EBITDA*	7,860	8,043	8,001	8,112	8,311	40,327
Cost of Finance	-5,500	-5,500	-5,500	-5,473	-5,418	-27,390
Community Benefit Donations	-1,350	-1,533	-991	-629	-383	-4,885
Depreciation	-5,000	-5,000	-5,000	-5,000	-5,000	-25,000
Total	-3,990	-3,990	-3,490	-2,990	-2,490	-16,948

* EBITDA= Earnings before interest, tax, depreciation, and amortisation.

The full financial models are available on request.

New Solar PV per £100,000 – Summary Projections five year periods (£)

	Years 1 to 5	Years 6 to 10	Years 11 to 15	Years 16 to 20	TOTAL
Operating Cash Flow					
FIT Income	17,379	19,698	22,326	25,305	84,709
Sales Income	39,680	47,963	59,278	67,364	214,285
<i>Total Operating Income</i>	<i>57,059</i>	<i>67,661</i>	<i>81,604</i>	<i>92,669</i>	<i>298,993</i>
Operating Costs	-16,732	-19,397	-33,601	-26,068	-95,798
<i>Net Operating Cash Flow</i>	<i>40,327</i>	<i>48,264</i>	<i>48,003</i>	<i>66,601</i>	<i>203,195</i>
Expenditures Cash Flow					
Reserve Funds	5,052	5,052	-10,104	0	0
Interest on Short-Term Debt	0	0	0	0	0
Portfolio Operating Surplus	35,275	43,212	58,107	66,601	203,195
<i>Interest Payments</i>	<i>27,390</i>	<i>25,520</i>	<i>19,828</i>	<i>8,800</i>	<i>81,538</i>
<i>Capital Repayments</i>	<i>3,000</i>	<i>13,000</i>	<i>34,000</i>	<i>50,000</i>	<i>100,000</i>
<i>Community Benefit Donations</i>	<i>4,885</i>	<i>4,692</i>	<i>4,279</i>	<i>7,801</i>	<i>21,657</i>
<i>Total Expenditures Cash Flow</i>	<i>40,327</i>	<i>48,264</i>	<i>48,003</i>	<i>66,601</i>	<i>203,195</i>
Balance	0	0	0	0	0
	Years 1 to 5	Years 6 to 10	Years 11 to 15	Years 16 to 20	TOTAL
Profit and Loss Account					
Total Revenue	57,059	67,661	81,604	92,669	298,993
Operating Costs	-16,732	-19,397	-33,601	-26,068	-95,798
<i>EBITDA*</i>	<i>40,327</i>	<i>48,264</i>	<i>48,003</i>	<i>66,601</i>	<i>203,195</i>
Cost of Finance	-27,390	-25,520	-19,828	-8,800	-81,538
Community Benefit Donations	-4,885	-4,692	-4,279	-7,801	-21,657
Depreciation	-25,000	-25,000	-25,000	-25,000	-100,000
Total	-16,948	-6,948	-1,104	25,000	0

* EBITDA= Earnings before interest, tax, depreciation, and amortisation.

FREQUENTLY ASKED QUESTIONS

Who is Ethex and what is its role in this share offer?

Ethex brings together on one platform the best positive savings and investment opportunities to make it easy to make money do good. On its platform, you can browse, compare and invest in a range of products from bank accounts and ISAs to equity investments and charity bonds that offer a social and environmental as well as a financial return.

Through Ethex you can invest and save with businesses you believe in – whether it's renewable energy, fair trade, social housing, organic farming, green transport, or micro-finance schemes – and these positive businesses can then find the investment they need to develop and grow. Ethex wants everyone to invest and save in a way that brings benefit to society and finances a more sustainable world. That's what it calls positive investing.

What about data protection?

Although we are using third parties to assist with the administration of the share offer, the Low Carbon Hub IPS Limited controls and is responsible for the use of your information. We will use your data to keep you up to date with the work of the Low Carbon Hub IPS Limited and Low Carbon Hub CIC. We will not sell, rent or lend your data to other organisations. Our full Privacy Policy is available on our website.

How does 'one member, one vote' work?

In line with co-operative principles, a Registered Society operates on the democratic basis of 'one shareholder, one vote', so all shareholders have equal say regardless of the size of their investment.

What is the relationship between Members investing in this share offer and existing investors?

The Low Carbon Hub IPS Limited is fortunate to already have almost 1,000 Members who have already invested. The vast majority of them hold

withdrawable 'A' Class shares, the same share class as being offered in this share offer. There are also 10 pioneer investors who between them hold £150,000 of 'B' Class 'transferable' shares. All investors in the Community Energy Fund will share the same democratic rights as existing Members. The key difference between Members relates to how interest payments are calculated and how capital is returned. These details are set out in our previous share offer documents.

Any equity invested in the Community Energy Fund by existing Members will be subject to the terms set out in this Share Offer Document. Their pre-existing investment will continue to be subject to the conditions set out in the share offer in which it was invested.

How does this share offer differ from previous share offers?

There are a number of key ways in which this offer differs from our previous offers.

Time-bound vs open share offer

Our previous share offers have focused on raising funds for a discrete set of projects through a time-bound share offer. This means investors' equity being tied to the performance of those projects for the lifetime of the project, with capital from the projects being slowly released over time and gradually returned to investors. At the end of the project lifetime investors will have had all their equity returned and will cease to be a Member.

Through the Community Energy Fund, investors are now being offered the opportunity to invest in an 'open' share offer which will stimulate and support the organic growth of the Low Carbon Hub.

The monies invested in the Fund will be used to support an identifiable set of projects, so you will still get tangible feedback about the projects we deliver thanks to your support. This portfolio of projects will change over time, as new opportunities arise, and we'll keep you up to date about the changes to the portfolio of projects over time.

Previously, each time a new set of projects has arisen we have launched a new time-bound share offer specifically to fund those projects, resulting in a new share portfolio.

Going forward, we can use the Community Energy Fund to support new opportunities as they arise. Each year, we will reopen the share offer to bring new equity into the Community Energy Fund to support new projects.

As projects mature and release capital, this can be used to support further community energy projects that will sit inside the Fund. This means that your Membership isn't limited to the lifetime of a single set of projects, and so can continue beyond the life of the original projects, continuing to deliver environmental, social and financial benefits.

Interest payments

In our earlier offers interest has been expressed as an 'Internal Rate of Return' (IRR) reflecting

the overall likely performance over the project lifetime. This could include an initial 'grace period' where no interest was paid. For our Solar 2014, Solar 2016 and Sandford Hydro investors, this was set at 5% IRR.

The Community Energy Fund is offering a simple annual target interest rate which starts to accrue from day one of your investment being accepted.

Capital repayment

Our earlier share offers model capital return to investors as taking place gradually over the 20-year lifetime of the project. The investment held in the project slowly reduces over time until the last capital is repaid and you cease to be a Member.

The Community Energy Fund does not automatically return capital, rather, it gives our Members greater control as to when their equity is returned.

Summary of share offer portfolios to date

As of December 2018

Portfolio	Class A £1 shares	Class B £1 shares	Associated debt £	Original capital expenditure £
Solar 2014	1,694,000	150,000	0	1,626,900 *
Solar 2016**	790,100	0	677,852	2,157,514
Sandford Hydro	1,471,177	0	1,917,987	3,992,712
ONCORE	238,719	0	0	248,856**
Community Energy Fund	782,335	0		£628,715 invested in Solar 2016 £153,620 allocated to new solar pipeline

*£200,000 of equity held in this portfolio is also used as working capital at an internal charge of RPI+3%.

** Figure relates to original project costs at time of construction by ONCORE. CAPEX is not exactly equal to equity raised due to equity-raising expenses and small differences between the final construction costs of projects at project commencement.

Portfolio	Lifetime target return	First year interest accrued	Interest awarded for 2017/18 £	Equity returned to date £
Solar 2014	5% IRR	2016/17	99,576	0
Solar 2016**	5% IRR	2018/19	0	3,000
Sandford Hydro Pioneer Investors	5% during construction then 5% IRR	2017/18	0	0
Sandford Hydro	5% IRR	2018/19	0	3,000
ONCORE*				
2011 A	4%	2012/13	5,285	6,891
2001 B	3%		882	1490
2014	4%		3,567	4,250
Community Energy Fund	4% years 1-4 then 5% a year	2018/19	£0	£0

* Information relates to original ONCORE portfolios prior to their transfer of engagement to the Low Carbon Hub IPS Ltd.

The projects

How do you select your partner schools?

We actively welcome enquiries from all Oxfordshire schools and academies and assess suitability based on a number of criteria which include:

Site suitability:

- A site able to host a solar array of sufficient size for the model to be financially viable
- Roof orientation: Ideally oriented between south-east and south-west (or flat roof)
- Roof is structurally sound and able to support panels for a 20-year project lifetime.

Active commitment from the school and in particular that governors and head teacher are:

- Supportive of the programme
- Able to work within programme timescales
- Willing to authorise key steps, including roof lease contract
- Happy to facilitate site surveys and contribute to an installation plan.

Will the announced end of the Feed-in Tariff have a negative impact on projects?

No, it won't as the operational projects have already secured 20-year FIT and new projects will have been commissioned before the final deadline for FIT. Future projects will have to be financially viable without FITs.

Who will manage the installations?

The Low Carbon Hub CIC will manage the installations throughout the project's 20-year lifetime. This will include monitoring the performance of the systems and maintenance of equipment.

How do you fund the initial capex costs of a project?

Many of our projects are initially funded using short-term debt provided by Oxford City Council. The Oxford City Council loan is short-term funding for construction only and enables us to cover capital costs in the short term as opportunities arise, without the need to wait until sufficient equity is raised. It has to be repaid within 12 months of the first drawdown for a given project. The total amount of the facility is £2.3 million and the interest rate is 5% per annum.

What warranties and guarantees do you have?

The systems are covered by a number of warranties and will be insured against third party damage and theft and for loss of income. Further information is available in the Risks section of this document.

What happens to the installations at the end of the 20 years?

At the end of 20 years we would still expect the systems to be performing well, at around 80% of their

original capacity. The lease between the Low Carbon Hub IPS Limited and the host organisation will have expired and host organisations will be given the opportunity to take ownership of their systems.

What happens to the installations if the Low Carbon Hub IPS Limited ceases to exist?

If the Low Carbon Hub Limited is wound up, then its assets will first be used to meet its liabilities, then to repay Members for their shares and finally any surplus remaining will be passed on to a charity or social enterprise with similar objectives.

What plans do you have for projects in the future?

As well as continuing to grow our portfolio of renewable energy projects, we would like to develop a range of different community energy projects, which may include:

- Other renewable energy generation projects
- Energy efficiency projects
- Energy balancing and smart grid
- Energy storage
- Other energy-related products and services which can generate a profit while reducing carbon emissions.

We will set out our plans for new activities each year as part of our reporting to investors in the Fund.

The organisation

What is an IPS and Registered Society?

The Low Carbon Hub IPS Limited was set up as an Industrial and Provident Society, which is a legal form used for organisations that act either as a co-operative or for the benefit of the community.

In 2014 the Co-operative and Community Benefit Societies Act consolidated and replaced previous Industrial Provident Society legislation. Under the Act a society registered before August 2014 must refer to itself as a 'Registered Society', rather than a Community Benefit Society, although we are governed by the Act.

Key principles are:

- **Purpose:** Our business must be entirely for the benefit of the community
- **Membership:** We have members who hold shares and we are run on a democratic 'one member, one vote' basis
- **Application of profits:** Must be used for the benefit of the community with any interest on share capital being viewed as an operating expense rather than a distribution of profits
- **Use of assets:** The physical assets and any profits must only be used for the benefit of the community and, as such, have an 'asset lock'.

RISKS

Investing in the Low Carbon Hub IPS Limited should be seen as more of a social than a financial investment. We cannot guarantee a safe haven for your money or even that you will ever receive back all the money you invest or receive interest payments.

Members of Registered Societies do not have access to the Financial Ombudsman Service (FOS) or Financial Services Compensation Scheme (FSCS). The Low Carbon Hub IPS Limited has signed up to the Community Shares Unit Code of Practice, giving investors in the Community Energy Fund a right of complaint to the Community Shares Unit.

These risk factors are not set out in any particular order of priority and should not be regarded as exhaustive or a complete and comprehensive statement of all potential risk and uncertainties associated with the Society. Additional risks and uncertainties that are not presently known to the Directors, or which they currently deem immaterial, may also have an adverse effect on the Society's operating results, financial condition and prospects.

The Directors have identified the following risks:

Liability

When you invest in the Community Energy Fund you are investing in, and becoming a Member, of the Low Carbon Hub IPS Limited. As the Low Carbon Hub IPS Limited has been incorporated with limited liability, the liability of its Members will be limited to the amount paid for their shares.

Loss of capital

The value of your shares will never increase and may reduce. Do not invest any funds that you cannot afford to be without.

Income

Our predicted income is based on a number of assumptions built into our financial and business models. The actual income generated by projects may differ from that anticipated by our financial modelling. Factors affecting income include, but are not limited to, the following:

- Projects may be delayed or incur additional costs due to technical, financial or legal matters.
- Installations given as security to Oxford City Council construction facility could be taken over by the City Council should we fail to repay the loan. This would not affect shareholders or their return because it would only relate to installations not funded by shareholders.
- Costs associated with the management and maintenance of the projects and debt servicing may increase beyond the rate of inflation currently allowed for within our financial modelling.
- Other assumptions that we have built into our financial modelling relating to energy price inflation, RPI, proportion of electricity sold to host organisations and export levels, may prove to be inaccurate.
- Changes to the government's current timetable for the phase out of the Feed-in Tariff.
- Local weather conditions affecting the amounts of electricity generated from renewable energy projects.
- Mechanical failure.

Technology

Technological failure of equipment such as panels, inverters or any other part of the system and maintenance may cause interruptions to generation and affect income.

The solar PV systems are covered by a number of warranties and will be insured against third party damage and theft, and for loss of income. These include:

- A 10-year manufacturer's warranty and 25-year manufacturer's performance guarantee on the solar PV panels, guaranteed to 80% of nominal performance and panel degradation, is built into our financial modelling.
- Inverters are covered by a two-year manufacturers' warranty, and we are building in a fund to enable all inverters to be replaced once within the 20-year period.
- A six-month installer defects liability period after commissioning, during which we can call on the installers to address any issues, and a two-year workmanship warranty from the installer.

The Directors expect that regular ongoing output monitoring of all projects carried out by the Low Carbon Hub will identify unexpected drops in performance which will in turn trigger a check-up of the system and any necessary maintenance. However, there may be interruptions to generation of electricity caused by mechanical/electrical failure of equipment or poor installation, or during maintenance of the roofs on which the solar panels are mounted.

Interest rate payments

The Low Carbon Hub IPS Limited is permitted to pay interest on your shares, but according to FCA regulation we cannot offer a generous interest rate and may pay no interest at all. The interest rate we offer must reflect the fact that the Society's primary purpose is community benefit. Financial performance is based on assumptions which are subject to variation outside the control of the Low Carbon Hub and cannot be guaranteed. The timing of interest payments and rate of interest will be determined by the Board of Directors.

We have set a target interest rate based on our assumptions about the income earned from the projects we support with the invested capital. Our ability to pay out the interest rate depends on the level of investment in the Fund, the surplus generated by the projects directly funded by the Fund and the overall financial health of the Low Carbon Hub IPS Limited.

We will take the following steps to mitigate the risk to our being able to pay the target interest rate:

- Monitor the level of equity in the Fund to avoid over-capitalisation and return excess capital if necessary
- While the Fund is in its early years, we will only invest in projects that have a scheduled delivery date or are already completed.

Risks to delivery of our environmental and social benefit

The environmental and social benefits delivered by the projects depend on the performance of the installations themselves and the performance of community projects supported by the Low Carbon Hub IPS Limited and CIC. In particular:

- CO₂ reduction targets for the installations may not be met if green electricity generation or energy efficiency saving is lower than predicted.
- We may not generate sufficient profits to be able to provide the level of financial and other support to community-led environmental and social projects.
- Community-led projects supported by the Low Carbon Hub may not deliver the expected carbon and environmental savings.

Liquidity of your investment

Our ability to fulfil requests to withdraw capital is entirely dependent on the availability of funds at the time and our ability to attract new investment.

We anticipate projects returning capital to the Low Carbon Hub IPS over their lifetime. The timetable for capital return will vary between projects and is usually modelled over many years.

For example, our new Solar PV financial model anticipates that the total capital invested in the project is released over a 20-year project lifetime. Capital begins to be released in year three when the model predicts £5 being released per £1,000 invested. The rate of release then gradually increases until it reaches £120 per £1,000 in year 20.

We anticipate it will be harder to facilitate equity withdrawal from released capital during the early years of the Fund. If there is insufficient capital released from our projects to fulfil requests to withdraw equity, we can also facilitate equity release by attracting in new investment to replace it.

We aim to open the Fund to new investment each year which will help facilitate early equity withdrawal by Members of the Fund. However, we cannot guarantee that we will be successful in attracting sufficient new investment to facilitate all requests to withdraw equity.

Each year, when accepting new investment, we aim to prioritise the allocation of new equity to facilitate the withdrawal of funds by existing Members that has been held for more than four years. Equity up to the value of 5% of all funds eligible for withdrawal in the Community Energy Fund will be made available, unless to do so would jeopardise the financial sustainability of the Low Carbon Hub IPS Limited. That means that for each £100,000 invested in the Fund that is eligible for equity withdrawal on 15 December, we aim to meet a minimum of £5,000 of equity withdrawal requests. We intend to make more available if we can.

Ultimately we cannot guarantee that we will be able to fulfil all requests to withdraw equity and equity withdrawal remains at the discretion of the Directors who have an obligation to put the overall financial wellbeing of the Low Carbon Hub IPS Limited first.

General investor risks

As a result of the risks to the projects identified above, investors should be aware of the following risks:

- Shares in the Low Carbon Hub IPS Limited are unquoted securities and may be considered to be riskier than quoted securities and shares.
- There is no prospect of shares in this Registered Society ever being worth more than their nominal value. Investors may receive back less than their original investment and may not get back their original investment.
- Withdrawal of share capital is entirely at the discretion of the Directors, and investors may not be able to withdraw their capital promptly in the event that projects fail.
- The financial performance projections set out in this Share Offer Document are based on assumptions which the Low Carbon Hub IPS Limited considers reasonable but are subject to variation and are not guaranteed. Investors may receive lower returns than those projected.

Information, opinions and quotations in this Share Offer Document are correct at the time of writing and may change without notice. We are under no obligation to ensure that such updates are brought to the attention of any recipient of this material.

This Share Offer Document is issued by the Low Carbon Hub IPS Limited. None of the Low Carbon Hub IPS Limited Members, its Directors, officers or employees gives or offers any investment advice to potential investors in relation to the application for investment in the company. Nor do they provide advice as to whether such an investment is appropriate for a potential investor.

TERMS AND CONDITIONS FOR APPLYING FOR SHARES

Your application

You can cancel your application for shares after we receive your application form and payment and prior to the Board approval of your application.

The Directors do not have to accept your application for shares. They may decide not to issue shares to you or may allocate you fewer shares than you applied for. They do not have to give any reason for their decision. If the share offer is oversubscribed (i.e. the share offer attracts applicants for more than the amount needed), shares will be allocated in order of receipt of application.

The share offer is expected to remain open until the target amount is reached. The Directors may give notice of the closure of the share offer sooner, and any applications received after this time will be returned to applicants.

If your application is received prior to the first target deadline, it will be considered for approval at the first convenient Board of Directors meeting after the target deadline.

Applications received after the first target deadline will be considered on an ongoing basis at the next convenient Board of Directors meeting after receipt of application.

Your payment

Shares are payable in full on application. Ethex, on behalf the Low Carbon Hub IPS Limited, will acknowledge receipt of your payment and application. They may cash any cheques as soon as they are received. Ethex will hold your money on trust for you in a segregated client account until the Directors have considered your application.

Ethex will return your money to you (within 28 days of the Board of Directors meeting at which they consider your application), if Low Carbon Hub IPS Limited decide not to issue shares to you. If the Directors decide to issue you with fewer shares than you applied for, Ethex will return the balance to you (within 28 days of the Board of Directors meeting). The Low Carbon Hub IPS Limited will not pay you any interest on any money it returns to you.

Once your application is accepted, all monies subscribed will be transferred to The Low Carbon Hub IPS Limited; you are no longer able to cancel your order.

Your promise to us

- Your cheque or payment will be honoured on presentation.
- You, as an individual, are at least 16 years of age.
- You have authority to sign the application form. If you are signing it for another person, you will provide the Directors with evidence of your authority to sign if they ask to see it.
- You will supply the Low Carbon Hub IPS Limited or Ethex with proof of your identity and address, if we ask for it. We may need to do this to comply with the Money Laundering Regulations 2003. We may have to hold back your shares until we see the proof.
- You are resident in the United Kingdom.
- You are not relying on any information or representation which is not included in this document and the accompanying *Business Plan* and *Community Energy Fund Guidelines*.

Demutualisation

You may not benefit financially from your shares if the Low Carbon Hub IPS Limited converts, or transfers its business or is wound up. In this case, the only financial benefits you may receive from your shares are:

- The possibility of interest (at a low rate)
- The possibility of the return of the money you paid for your shares.

The Directors draw your attention to your obligations under Rule 14 of the Rules of the Low Carbon Hub IPS Limited regarding the windfall if the Society converts, transfers its business, or is wound up. Should any greater financial benefit come into your hands, it will belong to such charity or community benefit society as we may nominate from time to time. You are

to hold the benefit in trust for that charity or community benefit society. To secure this (and your obligations under Rule 14.2 of the Rules of the Low Carbon Hub IPS Limited) you appoint as your attorney the person holding office (from time to time) as our Secretary. That appointment is irrevocable. Your attorney has power to sign – on your behalf – an undertaking for which we may ask in accordance with Rule 14.3.

Miscellaneous

The Laws of England apply to this document and any subscription made for shares in the project, and the Courts of England and Wales have exclusive jurisdiction in relation to any disputes arising out of the same. You will be bound by the Rules of the Low Carbon Hub IPS Limited (as may be amended from time to time) if the Directors issue shares to you.



OTHER LEGAL DETAILS YOU SHOULD KNOW

Anyone interested in making an application for shares in the Low Carbon Hub IPS Limited is strongly advised to take appropriate independent advice. The list of risks contained in this document is not necessarily comprehensive. Shares in the Society are not 'investments' for the purposes of the Financial Services Marketing Act 2000 (FSMA), therefore you do not have the level of protection that you might otherwise be offered by that Act or subsidiary regulations.

As a Registered Society, Low Carbon Hub IPS Limited is registered with, but not authorised or regulated by, the Financial Conduct Authority and therefore any money you pay for shares is not safeguarded by any depositor protection or dispute resolution scheme. In particular, you will have no right of complaint to the Financial Ombudsman Service nor any access or entitlement to the Financial Services Compensation Scheme.

Low Carbon Hub IPS Limited was registered with the Financial Services Authority (the predecessor regulator to the Financial Conduct Authority) on 21 November 2012 (Registered Number 31903R). We use governing documents provided by Wessex Community Assets (www.wessexac.co.uk), specialists in community investments. Our governing document, the Rules of the Low Carbon Hub IPS Limited, is available to download at www.lowcarbonhub.org and explains Member rights as well as the management and constitution of the Society.

As with any investment, there is risk involved. Should the Low Carbon Hub IPS Limited get into financial difficulties:

- We may not be in a position to pay interest.
- We may have to suspend your rights to withdraw shares.
- You may lose all the money you pay for your shares.

If the Low Carbon Hub IPS Limited is wound up, its assets will first be used to meet its liabilities; then to repay Members for their shares; and finally, any surplus remaining will be passed on to a charity, society or other body with similar objectives.

The Directors of the Low Carbon Hub IPS Limited have taken all reasonable steps to ensure that the facts stated in this document are clear, fair and not misleading in all material aspects, and that there are no other material facts, the omission of which would make misleading any statement in this document. To the extent permitted by relevant law and regulation, the Directors and the Low Carbon Hub IPS Limited expressly disclaim and exclude any and all liability based on this document and for any errors or omissions contained in it. No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. All statements of opinion contained in this document, all views expressed and all projections, forecasts or statements relating to expectations regarding future events or the possible future performance of the Low Carbon Hub IPS Limited, represent the assessment of the Directors based on information available to them as at the date of this document, but they are not to be read as guarantees or assurances that the particular events will in fact come about. Accordingly, no representation is made or warranty given as to the accuracy, completeness, achievability or reasonableness of any such projections, views, statements or forecasts.

Can you afford to be without the money you would pay for these shares?

If not, PLEASE do not apply to buy any shares.



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COMMUNITY ENERGY FUND HOLDING SHARES ON BEHALF OF CHILDREN FORM



An investor Member can hold shares on behalf of somebody who is under 16. To do this, complete this form to say you are holding shares on behalf of children.

Please note this must be done at the time of purchase of the shares and cannot be done at a later date.

Once that person turns 16, they may become a Member and the shares can pass on to them.

If you wish to hold shares on behalf of someone who is under 16, please fill in that person’s details below.

NAME AND ADDRESS (PLEASE USE CAPITAL LETTERS)

First name(s) in full	
Last name	
Date of birth	
Address	
Town/City	
Postcode	

Signature		
Name in print		Date

We do not have the facilities to accept this form online. Please send this completed paper form, along with your application overleaf, to:

Ethex, The Old Music Hall, 106-108 Cowley Road, Oxford, OX4 1JE

If you have any queries about your application, please call Ethex: 01865 403304

2019 APPS. OFFICE USE ONLY

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Advisers and bankers

Accountants: Critchleys, Beaver House, 23–38 Hythe Bridge Street, Oxford, OX1 2EP


Bankers: The Co-operative Bank and Triodos Bank

Share offer administration: Ethex

Community Share Mark assessors: Locality

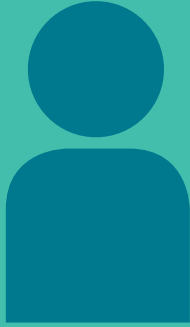
Edited and designed by: www.goodthinkingcommunications.net

You can inspect the detailed documents produced in developing the projects by prior appointment at our offices.




“You can see exactly what you are putting in, what you’re investing, and what you’re likely to get out of it.”

Chris, Investor



“Whether you’ve got a large sum of money or just a little bit, whatever you can manage will help make real, positive change happen in Oxfordshire.”

Jenny, Investor



“I think that the Low Carbon Hub is something that Oxfordshire can be really proud of because it does a lot of innovative work.”

Luke Marion
Oxford Bus Company



www.lowcarbonhub.org/invest

The Low Carbon Hub is two organisations working together: The Low Carbon Hub IPS Limited (registration number: 31903R) and the Low Carbon Hub Community Interest Company (registration number: 7583663).

The Low Carbon Hub IPS Limited is a Registered Society that operates for the benefit of the community. It generates income from the Feed-in Tariff and by selling renewable electricity. It aims to make a surplus that will enable the Low Carbon Hub IPS Limited and Low Carbon Hub CIC to lower carbon emissions across Oxfordshire by helping businesses, the public sector and communities to develop renewable energy projects and reduce energy demand.

To the best of our knowledge, the information contained herein is accurate and reliable as of 15 December 2018.

Both are registered in England and Wales and the registered address is 9 Park End Street, Oxford OX1 1HH.