

Crawley Down and Imberhorne Schools Share Offer



Invest in clean, green renewable solar energy for yourself, your children, your schools and your community – for the future



Contents

Letter from the REPOWERBalcombe Board.....	3
Anticipated Financial Offer and Timetable	4
Summary	5
Risk Factors.....	8
Risk Factors continued.....	9
Our proposed installations	10
The Team behind REPOWERBalcombe	12
Information about REPOWERBalcombe	14
Financial Information.....	17
How to Invest.....	21
Glossary	22
Terms and Conditions of the Offer	23
Share Offer Application Form	25

Letter from the REPOWERBalcombe Board

Dear Potential Investor,

Thank you for your interest in investing in REPOWERBalcombe's third share offer. In 2015 REPOWERBalcombe installed 45kWp of solar photovoltaics (PV), at Grange Farm, Turners Hill School and Balcombe School. We are now building on this success and launching this share offer to raise £110,000 for the installation of 100 kWp of solar PV at two local schools.

Crawley Down Village Church of England School is a primary school located around ten miles to the north of Balcombe. We plan to install 49.92kWp of solar PV and anticipate that the school will use approximately 80% of the electricity generated, while the rest will be fed into the national grid. This will save the school approximately £2,088 on their energy bill each year.

Imberhorne School is a secondary school and sixth form in East Grinstead. We plan to install 49.92kWp at the school and anticipate that the school will use approximately 75% of the electricity generated, while the rest will be fed into the national grid. This will save the school approximately £1,394 on their energy bill each year.

We are excited to work with these schools who are at the heart of their communities and to provide an educational opportunity to the pupils. We are inviting you to invest in REPOWERBalcombe to fund the solar PV installations at these two primary schools. Investing in this share offer will enable you to:

1. Support a local business financially and promote renewable, sustainable energy usage.
2. Generate renewable energy, helping tackle energy security.
3. Support sustainable development within our community.
4. Fund the installation of solar PV panels that can be used as an education resource for local children.
5. Reduce carbon emissions and create a blueprint for sustainable electricity generation in other communities.
6. Receive an attractive and fair return on your investment, anticipated to be 5%.

This share offer will close when fully subscribed or on 25th March 2016 (although the directors may choose to extend the date). An application form with details of how to invest is attached at the end of this share offer document.

Please read this entire document and consider the risks, before investing. If you have any questions about REPOWERBalcombe please contact us on hello@repowerbalcombe.com.

We hope you will join us in this exciting opportunity to invest to repower our community.

Yours sincerely,



Julian Fitzsimons (Chairman) and the rest of the REPOWERBalcombe board

Anticipated Financial Offer and Timetable

The board expects the share offer to remain open until 25th March (but will close early if the maximum capital is raised, or extend the period if necessary) and for the following timetable to apply:

7 th March 2016	Offer period opens (shares will be issued on a first come first served basis)
25 th March 2016	Offer period ends (unless closed early or extended)
28 th March – 8 th April 2016	Solar PV installation at Crawley Down School
28 th March – 8 th April 2016	Solar PV installation at Imberhorne School
31st December 2016	Financial Year End
May 2017	Annual General Meeting
June 2017	1st Annual Payment of share interest to new members
June 2018	Annual Payment of share interest to members
May / June 2019	Annual General Meeting, Payment of share interest to RPB members and 1st capital repayment. Investors may commence withdrawing capital, subject to availability of fund



The REPOWERBalcombe team and supporters celebrating their first install at Grange Farm.

Summary

Purpose of this summary

This summary provides an overview of the offer. It conveys the essential characteristics of and risks associated with investing in REPOWERBalcombe. Any decision to invest in the share offer should be based on consideration of the share offer document as a whole.

The purpose of this share offer

REPOWERBalcombe is holding this share offer to raise £110,000 to fund the installation of solar PV on the roofs of two local schools.

The solar panels will generate renewable electricity and the co-operative will receive income from:

- a) The Feed-in tariff (FIT) – a 20-year inflation-protected price legally required by the government to be paid by the electricity industry to the co-operative for generating electricity from renewable resources.
- b) Export tariff from energy fed to the grid
- c) The sale of electricity to the schools

Investing the capital raised at the schools

If the co-operative raises the capital required of £110,000 it will install solar PV panels at Crawley Down Village Church of England School and Imberhorne School.

If the co-operative fails to raise £110,000 but raises enough for one of the installations, then it may proceed with one school or it will return any money invested via this share offer.

Investor returns – interest and return of capital invested

Investors in the co-operative will receive a return on their investment- anticipated to be 5% per annum.

Your investment is in the co-operative as a whole and will sit alongside those made by members in our previous share offers.

You will receive returns based on our income (less costs) from all five solar PV installations. Our first three installations are performing well and there is more information in this share offer document regarding our financial history and current position. Modelling of the performance of the two new proposed solar PV installations show that they will provide a strong return on investment and support our target to pay all our members interest of 5% per annum on their investments.

Withdrawing Shares

Co-operative members do not have the right to withdraw share capital but the board has the power to permit its shares to be withdrawn. There are no arrangements or binding commitments in place to enable a realisation of shares but as an indication of an exit route the co-operative currently envisages, if it has sufficient funds and members agree, that shares in the co-operative might be disposed of by making available about 15% of its capital for redemption of shares at the end of the financial year three years after the share issue they have invested in.

As an indication of an exit route currently envisaged it might redeem about a further 5% of its shares each year thereafter. Shares will be redeemed in proportion to members'

shareholdings. All redemptions will be at the par value of £1.

The intent is that Members receive interest on the capital they have that remains invested in the co-operative and that all capital is returned by the end of 20 years after each share issue.

Investing for children and grandchildren

As a long term investment with an increasing return that can span the generations, parents and grandparents can invest in the co-operative now for their children and grandchildren; or can invest on their own behalf now and give their investment to their children and grandchildren in their wills.

Are there any Tax Benefits?

Investors in our previous offers have been able to benefit from tax relief. However, the government has now prevented renewable energy projects from accessing these schemes. Despite this, we are confident that this offer provides an attractive investment opportunity as well as offering the opportunity to support an important local business and increase the amount of renewable energy being generated locally.

Is the government still supporting solar installations?

The business model for our co-operative is based on feed-in tariffs - a government scheme that gives homeowners, businesses, schools and organisations payments for installing and generating their own clean energy. As of January 2016 access to the scheme has been severely restricted but we were able to pre-register the two school sites that we are now raising capital for - giving us until September 2016 to install the solar panels and still benefit from feed-in tariffs at rates set in September 2015.

Other investment considerations: making a difference in our community

Investing in REPOWERBalcombe will not only provide an attractive return, but is also an ethical and environmental investment. The co-operative enables investors to make a real contribution to the development of renewable energy in their community and to the UK's response to climate change and energy security, while supporting local schools financially and in their educational, sustainability and community work.

The co-operative allocates a proportion of its income to its community fund which will be used to support energy efficiency projects and awareness of environmental issues, both within the schools that are hosting our solar installations and in the wider community.

Directors, their investment in the co-operative and key suppliers

The directors of REPOWERBalcombe are committed to the success of the co-operative's business, the ethos it represents, the ability of a community to make a difference by their own actions and the financial, environmental, educational and community returns it delivers. They are unpaid for their work, but together with their partners and children hold shares in the co-operative on the same terms as other members. The directors may also purchase further shares in the co-operative through this share offer.

The board is experienced, and includes skills in development of community owned energy and education.

The co-operative is working with Energy4All to run this share offer and will be contracting with them to provide ongoing administrative support over the 20-year life span of the installations. Co-

operatives supported by Energy4All have raised over £40million since 2002 and they are a trusted and respected organisation within the community energy sector.

How to Invest

An application form, with details of how to invest, is attached at the end of this share offer document.

The minimum investment is £250 and the maximum shareholding permitted by law is £100,000.

If a person is an EIS holder from a previous issue, then to qualify for EIS that person may hold no more than 30% of the co-op during the 3 year qualifying period (which starts from the date of trading or the issue of shares if later). This equates to a total of £57,000

Risks

All investment and commercial activities carry risk. Investors should take appropriate advice and make their own risk assessment whilst also bearing in mind the financial, social and environmental aspects of investing in REPOWERBalcombe. Your attention is drawn to the risks identified on page 8-9. In particular, you should appreciate;

- a) Shares in the co-operative are not transferable so you will not be able to sell them, except back to the co-operative for the price you paid.
- b) The principal source of income of REPOWERBalcombe is from the Feed-in tariff, and the co-operative's profitability is dependent on the Feed-in tariff continuing to be paid in accordance with current legal regulations and future governments honouring this obligation.
- c) Descriptions of possible returns are illustrative only and based on informed assessments relating to variable, changeable and uncertain factors.

REPOWERBalcombe and co-operatives

REPOWERBalcombe is a co-operative formed under the Industrial and Provident Societies Act 1965 (number 32268 R). As such it is owned by and managed for the benefit of its members, who are protected by limited liability status. Its constitution is in the form of rules approved by and registered with the Financial Conduct Authority.

As a co-operative, REPOWERBalcombe is committed to high ethical standards and by the values of co-operation and democracy as well as a commercial ethos.

Constitutionally, key characteristics of REPOWERBalcombe are: a member must have the minimum number of shares (250); there is a single class of shares with a nominal value of £1; all members have one vote regardless of how many shares they hold. If shares are held in joint names, the couple only have one vote. No member, except another Industrial and Provident Society, may hold more than £100,000 of shares; the board is elected by the members; only members are eligible to serve on the board; shares are transferable only on death and are not tradable; at the discretion of the board shares can be withdrawn by members at the price paid for them and the board may require shares to be withdrawn at that price as part of a return of capital to all members in proportion to their shareholding.

Risk Factors

All investment and commercial activities carry risk, and although the directors consider that investment in the co-operative is lower risk than many forms of investment, because it will benefit from a secure inflation-linked income stream over 20 years and electricity generation from solar panels is a comparatively low risk business, there are still underlying risks.

Investors should take appropriate advice and make their own risk assessment whilst bearing in mind the social and environmental aspects of this investment opportunity.

An investment in shares is an investment in a trading business not a loan or deposit.

We draw your attention to the following risks:

The value of your shares and income from them can fluctuate and you may not get back the amount you invested. Investment in smaller unquoted businesses is likely to involve a higher degree of risk than investment in larger companies and those traded on the stock exchange.

Your capital is at risk. You could lose up to, but not more than, your entire investment.

Your shares will not be tradable. Your shares can be withdrawn (i.e. redeemed by the co-operative for the price paid for them) in accordance with the rules but may not be withdrawable at short notice or when you wish to do so. If the co-operative lacks sufficient cash to enable shares to be withdrawn when desired, withdrawal may be delayed. Investment in the shares should be seen as a long-term investment.

Changes in legislation, especially to the value of the Feed-in tariff, may affect the co-operative's income.

Weather patterns, electricity prices and business costs can change and affect the co-operative's income.

The planned solar panel installations may be delayed or prove not to be practicable for technical, capacity, financial, planning or legal reasons.

There may be loss or damage to the panels, maintenance to roofs or mechanical or electrical equipment failure that interrupts generation of electricity, reducing the co-operative's income.

The target interest payment is not guaranteed.

Equipment purchased by the co-operative is supported by guarantees from companies believed by the co-operative to be financially strong, but equipment suppliers, contractors, schools, purchasers of electricity or other contracting parties with the co-operative could fail to meet their obligations.

The target returns stated in this offer document are based on financial modelling incorporating best estimates of a range of variable, changeable and uncertain factors, having due regard to historic evidence and the experience gained by REPOWERBalcombe and the solar PV supplier and installer; Joju Solar - including electricity prices, hours of light and sunshine, operational costs, the reliability of the equipment installed and replacement and repair costs.

Risk Factors continued

Shares in the co-operative are not regulated investments for the purposes of the Financial Services and Markets Act 2000 and therefore you do not have the protection provided by this Act. This share offer does not need approval and has not been approved by an approved person under the Act. This share offer is exempt from regulation under the Financial Services and Markets Act 2000 and regulations made under it, so there is no right to complain to an ombudsman. This share offer is not regulated by the Prospectus Regulations 2005 which do not apply because

there is a specific exemption for fundraising by co-operatives. The co-operative is registered with but not authorised by the Financial Conduct Authority and therefore the money you pay for your shares is not safeguarded by any depositor protection scheme or dispute resolution scheme

Changes to rules governing Industrial Provident Societies (IPS), now referred to in legislation as “registered societies”, may make it more challenging for the co-operative to operate.



The installation at Grange Farm, January 2015.

Our proposed installations

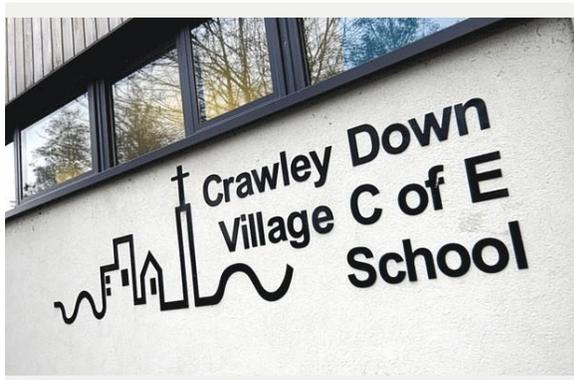
The purpose of this share offer is to raise capital for REPOWERBalcombe to invest in solar PV arrays which will be located on the roofs of two local schools.

About Crawley Down Village School

Crawley Down Village Church of England School is a primary school located around 6 miles from Balcombe. It is at the heart of community life and it is already working on its environmental commitment through the Eco-School programme. They have three buildings with suitable roofs for solar panels.

“Crawley Down Village C of E School are looking forward to working with REPOWER Balcombe on an exciting community energy project. The school will be reducing its carbon footprint, contributing to the Eco-Schools agenda and making financial savings which will enable us to invest into other ‘green’ projects. The children will benefit from a range cross-curricular learning as well as having the opportunity to handle ‘real live data’ in maths lessons.”

Ollie Burcombe, Head Teacher, Crawley Down Village School



About Imberhorne School

Imberhorne School is a large comprehensive school in East Grinstead with over 1,500 pupils.

They have a large flat roof on one of their main buildings that is suitable for hosting solar panels, using a racking system to ensure the panels receive the maximum amount of sun.



Visualisation of how solar panels will look on Imberhorne school

“Imberhorne school is working in collaboration with a local cooperative, Repower Balcombe, on a project to install solar panels on the roof of the school.

As a forward looking, environmentally aware organisation we take our responsibilities seriously. Not only will solar energy provide the school with a better value power source, we believe we are also sending out a strong message about sustainability. Solar panels, are a ‘green’ renewable energy source that will reduce our carbon footprint, something the students and staff feel very strongly about. We hope that this step contributes to students’ learning and helps build a wider awareness of environmental matters.”

Martin Brown, Head Teacher, Imberhorne School

Benefits to the Schools

The solar PV installations at these two schools will not only save the schools' money and cut the schools' carbon footprint, but will also provide the schools with a fantastic education resource. In addition to the solar photovoltaic system, the co-operative will provide the schools with display monitors showing how much electricity the panels are producing, how much carbon dioxide they are saving from reaching the atmosphere, a data link to the panels' output and educational materials – to involve the students and their parents in climate change mitigation, sustainability and renewable energy generation.



The installation at Grange Farm, January 2015.

Legal, Planning and Financial agreements

The electricity generated will benefit from a 20-year inflation protected price legally required to be paid by the electricity industry to the co-operative under government regulations known as the Feed-in tariff. The co-operative will receive income from the Feed-in tariff and from the schools.

Crawley Down School will receive the electricity generated by the panels on their roof free of charge but will pay us a maintenance charge of 3p per kWh while

Imberhorne School will pay us for the electricity they consume at rate of 6p /kWh

The solar PV panels will be insured against loss or damage by the schools. The co-operative will have public liability insurance but is not insured against any loss of income if the panels are damaged and the electricity they generate is interrupted.

The solar PV installations fall under permitted development, so do not require planning permission. The co-operative has obtained permission from the national grid at both sites. The co-operative has undertaken electrical and structural surveys before installing the panels. The roofs on which the panels are installed are not anticipated to require repair at least for several years. Output from the panels will be monitored to identify any unexpected drop in performance so that checks and any necessary maintenance can be undertaken.

The Team behind REPOWERBalcombe

The Co-operative's Directors



Julian Fitzsimons lives in Balcombe. He is the Chairman and a Director of the REPOWERBalcombe co-operative and is currently Head of IT for a global organisation in

the retail industry with a major focus on reuse and recycling of packaging. As a Parent Governor Julian started Balcombe Primary School on the Eco-Schools program. A long-time advocate of promoting a greener way of living and looking after our planet, Julian regularly commutes to London from Balcombe by bicycle.



Thomas Parker has lived and worked in Turners Hill for over 20 years as a Head Gardener, and is currently Technical Director of the co-operative. As a governor at Turners

Hill School Tom has been responsible for a number of environmental initiatives including solar power, wind turbines, air source heat pumps, rainwater harvesting, LED lighting and many more. Thomas has made his century-old house carbon neutral and in total has delivered over £100,000 worth of environmental projects locally. He is also a director of the Springbok Sustainable Wood Heat Co-operative.



Joe Nixon lives in Balcombe. He is the Communications Director for the REPOWERBalcombe Co-operative. Joe currently works as

general manager for two multi restaurant sites in London, looking after a team of over 200 employees and the day to day demands of the busy restaurant business. He is passionate about making a difference for the better in the community and wonderful countryside around us. REPOWERBalcombe has been an amazing opportunity for him to be able to deliver something special for Balcombe to be proud of.

Going live at Grange Farm – In the Snow!



The directors are supported by an active and committed team of volunteers and members who help run the co-operative, which also benefits from widespread support within Balcombe and the wider community.

REPOWERBalcombe also receives support from Energy4All (energy4all.co.uk), Community Energy South (communityenergysouth.org.uk) and 10:10 (1010uk.org).

Other matters relating to the directors

Directors' declaration

REPOWERBalcombe and each of its directors are responsible for the information in this share offer document and have taken all reasonable care to ensure that it contains sufficient information for potential investors to make a proper financial assessment.

None of the directors has any convictions in relation to fraudulent offences and none have been involved in any bankruptcies, receiverships or insolvent liquidations, or received any public reprimand or sanction by a statutory or regulatory authority or designated professional body, or been disqualified from any function by any court.

Investment in the co-operative by those connected with the share offer

Directors, their partners and their children have invested in shares in REPOWERBalcombe, on the same terms as other members of the co-operative.

The Directors are unpaid

The directors of REPOWERBalcombe are unpaid for their work; they are acting as directors because they are committed to the success of this business, the ethos it represents, the ability of a community to make a difference by their own actions and the financial, environmental, educational and community returns the business delivers. Directors will be given priority for share applications under the share offer, but there are no pension schemes or share option schemes and, except for the reimbursement of properly incurred expenses, there are no other benefits for the directors.

Board practices

Directors serve in accordance with the rules of the co-operative. There are no service contracts for them.

At each annual general meeting one third of the board will retire although may be re-elected. Co-operatives are democratic organisations and the board is appointed by the co-operative's members on the basis that each member has one vote, regardless of the number of shares held.



A Grange Farm Cow living under our Panels

Information about REPOWERBalcombe

The Co-operative

REPOWERBalcombe 1 Co-operative Limited is a co-operative incorporated by the Financial Conduct Authority under the Industrial and Provident Societies Act 1965 on 17th December 2013 with number 32268 R. Its registered office is: Solstice House, London Road, Balcombe, West Sussex, RH17 6HT.

The business of the co-operative

Our goal is to produce community-owned locally-generated renewable energy. We were established in 2013 and have to date held two share issues raising £80,000 to install a 19kWp solar PV installation at Grange Farm in January 2015 and a total of 26kWp of solar PV on Balcombe and Turners Hill Schools in Summer 2015.



REPOWERBalcombe members in front of our installation at Balcombe School

Community Benefit

REPOWERBalcombe aims to have sufficient cash flow to start contributing towards a community benefit fund from 2018 onwards. The main purpose of the fund is to help people and organisations reduce energy use, particularly those least able to afford this.

In addition, we may wish to look at energy efficiency projects at the five sites hosting the co-op's solar panels.

We will invite our members to propose ideas and projects that could be supported by our community fund.

Administration and management

The REPOWERBalcombe board currently manages the administration of the co-operative. It is intended that after the completion of this share offer REPOWERBalcombe will begin to pay Energy4All to manage the day-to-day administration of the co-operative, for example paying our members annual share interest. At the time of writing, REPOWERBalcombe have not yet appointed accountants.

You can find out more about us on our website: www.repowerbalcombe.com

What is a co-operative?

REPOWERBalcombe is a co-operative formed under the Industrial and Provident Society Act 1965. It is a company, with limited liability and has a board of directors appointed by members.

The main differences with a company are that a co-operative is a democratic organisation, with each member having one vote regardless of their shareholding; it is an ethical organisation and a social enterprise not a profit maximising organisation: it seeks to pay a fair return to members on capital invested, and a sufficient return to attract and retain that capital, but is also motivated by broader community objectives and the values of the co-operative movement. For this reason, returns will be capped at 5% so all remaining income will be allocated for developing further renewable energy and energy saving projects and for community benefit activities.

The maximum that can be invested in the co-operative is a maximum holding of £100,000. If a person is an EIS holder from a previous issue, then to qualify for EIS that person may hold no more than 30% of the co-op during the 3 year qualifying period (which starts from the date of trading or the issue of shares if later). This equates to a total of £57,000

When raising funds, co-operatives, whose shares are not transferable, are exempt from regulation under the Financial Services and Markets Act. This enables share offers to the community to be undertaken at a much lower cost and with much less regulation than is the case with a PLC.

Adoption of co-operative principles

As a co-operative REPOWERBalcombe will strive to promote co-operative values of self-help and self-responsibility, democracy and equality, honesty and openness, social responsibility, autonomy and independence, member economic participation, opportunities for education, concern for community and the environment, and co-operation among co-operatives.

Major shareholders and further information about existing members

REPOWERBalcombe currently has 36 shareholders owning 80,000 shares between them. However, REPOWERBalcombe does not have “major shareholders” since each member has one vote regardless of the size of their shareholding ensuring that no individual, organisation or groups of individuals or organisations will have control of the co-operative.

Material contracts and legal proceedings

There have been no governmental, legal or arbitration proceedings relating to the co-operative or its projects and none are pending or threatened.

The following contracts (copies of which will be on the co-operative's website at www.repowerbalcombe.com/documentation) currently exist or are being negotiated with the schools.

Contract with Crawley Down School entitling the co-operative to install, maintain and operate solar PV panels on the school.

Contract with Imberhorne School entitling the co-operative to install, maintain and operate solar PV panels on the school.

Taxation

Interest payments made to REPOWERBalcombe members will be subject to United Kingdom taxation. It is expected that payments will be made gross and investors will be responsible for declaring this income on their tax returns.

Transferability, withdrawal, investing for children, and gifting your shares in your will

As a long term investment with an increasing return which can span the generations, parents and grandparents can invest in the co-operative now for their children and grandchildren; or can

invest on their own behalf now with a view to giving their investment to their children and grandchildren in their wills. Shares can be inherited in accordance with instructions in your will and should not be subject to Inheritance tax as long as you have held the share for more than 3 years. Investors can invest on behalf of children and grandchildren as their nominee.

Other than on the death of the holder, shares may not be transferred and will not be tradable on any stock exchange. REPOWERBalcombe members do not have the right to withdraw their share capital but the board has the power to permit its shares to be withdrawn by agreement between the board and the member in accordance with any procedures and other conditions the board may announce. In addition, the Board may redeem part of the share capital in which case it will redeem the same proportion of every member's shareholding at £1 per share.

The Rules

REPOWERBalcombe is a co-operative owned by its members. Members elect directors and each member has one vote in a members' meeting regardless of the number of shares held. Members are protected by limited liability and are only obliged to contribute the initial cost of their shares.

As an Industrial and Provident Society, REPOWERBalcombe is governed by rules which are approved by and registered with the Financial Conduct Authority. A copy of the rules is available on the co-operative's web site at www.repowerbalcombe.com/documentation and a printed copy is available on request.

Financial Information

Income

As with our three existing installations, the co-operative's income from the installations at the two new schools will come from the sale of electricity, maintenance charges and the Feed-in tariff (that is a payment made by the electricity industry to a generator which generates renewable electricity such as from solar panels). Both sites have been pre-registered with Ofgem, meaning that we are guaranteed to receive the Feed-in tariff rates as they were in September 2015 (£0.1171 per KWh) if we install by September 2016. This rate is increased on 1st April in each year by the rate of inflation in the previous calendar year).

The schools will pay us either a maintenance fee per KWh produced by the solar panels, while receiving the electricity for free or will pay directly for each KWh they consume of electricity generated by the panels.

Subject to the success of this share offer the co-operative's income will be based on the income from five solar PV installations and your investment is in the co-operative as a whole.

Solar PV panels generate most electricity, and therefore income, in the summer. The output of solar PV panels gradually reduces over time, and this effect is reflected prudently in the co-operative's projected income.

Any electricity not consumed on site is sold to the national grid at a rate fixed over 20 years (£0.048 per KWh- rising with inflation).

Expenses

Expenses represent the cost of administering the co-operative (such as preparing accounts, insurance and shareholder communications); monitoring, maintaining and repairing the panels;

operating a sinking fund for inverter replacement (the inverters are the part of the solar panel system which convert the direct current electricity generated by the panels to alternating current electricity for use by the schools and for export to other users via the electricity grid); and depreciation. The inverters are the only part of solar panel systems that are likely to need replacing and each is budgeted to be replaced once. The co-operative is seeking to minimise its operating costs to the lowest reasonably practicable level. The board will not be paid and the co-operative will seek further volunteers in its work. The co-operative's business is straightforward and involves few transactions whilst the installed equipment is usually very reliable.

We will be contracting out the day to day running of the co-operative to Energy4All. For example, they will manage our finances.

Taxation payable by the co-operative

The co-operative does not anticipate having any liability for tax as it should receive capital allowances on its capital expenditure on solar panels and because interest paid to members is tax deductible. The co-operative has registered for VAT.

Interest

Investors in the co-operative will receive a fair return on their investment, intended to be sufficient to obtain and retain enough capital for the co-operative's business requirements. The co-operative will not pay dividends but will pay variable interest annually in arrears on the balance of each member's shareholding reflecting financial performance in the previous year. The interest is paid gross and not subject to a retained income tax credit.

Interest is anticipated to be 5% per annum on the sum invested in the first full calendar year.

The interest payments you receive will be based on the financial performance of the co-operative as a whole – not just the performance of the two solar installations that we are raising capital for in this share offer. All of our solar installations have been designed to create strong returns that should enable us to pay our anticipated rate of 5% per annum.

The co-operative anticipates holding its annual general meeting in May each year and distributing share interest shortly afterwards, with the first payment being made in June 2017.

Repaying the money, you invest

The investment in principle is for 20 years.

There are no arrangements or binding commitments in place to enable a realisation of shares. As an indication of an exit route the co-operative currently envisages, if it has sufficient funds and members agree, that shares in the co-operative might be disposed of by making available about 15% of its capital for redemption of shares at the end of the financial year three years after the co-operative's last share issue, and as an indication of an exit route currently envisages it might redeem about a further 5% of its shares each year thereafter.

Shares will be redeemed in proportion to members' shareholdings. All redemptions will be at the par value of £1.

In order to provide funds to enable other members to withdraw if they wish, the Directors have confirmed that they will not seek early withdrawal of their shares; additionally, the co-operative will consider borrowing and will also maintain a list of prospective members who wish to invest, or invest further, with those new funds being used to fund those withdrawing.

Shares may only be withdrawn if the Board, in its absolute discretion, consents. Withdrawals are also subject to availability of funds and the co-operative's rules. Except in cases of hardship, the Board will only permit shares to be withdrawn from June 2019 and applications to withdraw shares will generally be dealt with on a "first come first served" basis. Interest will be generally paid in respect of the member's shareholding at 31st December prior to the withdrawal of any shares on that date.

School	Solar PV capacity (kWp)	Anticipated annual output (kWh)	Project cost £ (ex-VAT)	Co-operative's projected income £ (first full year)
Crawley.. Down	49.92	41,752	56,331	6,540
Imberhorne School	49.92	46,476	63,639	8,088

The above figures are based on estimates provided by Joju Solar, the co-operative's contractors and solar advisers. The projected income is the aggregate of the Feed-in tariff and sale of electricity, adjusted for anticipated inflation.

Financial History and Projections

Our 2014 annual accounts are available on our website – www.repowerbalcombe.com. Below is a projection of our financial position over the next 10 years. The table below assumes the co-operative raises £110,000 and installs solar PV panels at Crawley Down and Imberhorne School. It incorporates first two share offers which raised £81,000 for solar PV installations on Grange Farm and Balcombe and Turners Hill schools. The figures are the forecast for 10 years for the five sites combined.

PROFIT & Loss	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Crawley Down School Profit		£2,527	£2,615	£2,704	£2,795	£2,887	£2,980	£3,075	£3,172	£3,269	£2,305
Imberhorne School Profit		£3,065	£3,168	£3,272	£3,378	£3,486	£3,595	£3,706	£3,819	£3,934	£2,874
Grange Farm Profit	£1,326	£1,659	£1,713	£1,768	£1,825	£1,882	£1,940	£1,998	£2,058	£2,119	£2,181
Balcombe Profit	£162	£658	£681	£705	£730	£756	£781	£807	£834	£861	£888
Turner Hill Profit	£259	£1,095	£1,132	£1,168	£1,206	£1,244	£1,283	£1,322	£1,362	£1,402	£1,443
Total Profit	£1,746	£9,004	£9,308	£9,619	£9,934	£10,254	£10,579	£10,909	£11,245	£11,585	£9,692
Member share interest	1,746	9,004	9,308	8,502	8,030	7,557	7,085	6,613	6,140	5,668	5,196
Community fund	£0	£0	£0	£1,116	£1,904	£2,696	£3,494	£4,296	£5,104	£5,917	£4,496
Members Return on Equity	2.57%	4.77%	4.93%	5.00%							
CASHFLOW											
Equity raised by this offer		£110,000									
Profit	£1,746	£9,004	£9,308	£9,619	£9,934	£10,254	£10,579	£10,909	£11,245	£11,585	£9,692
Add back depreciation	1,992	9,447	9,447	9,447	9,447	9,447	9,447	9,447	9,447	9,447	9,447
Total Cash In	£3,739	£128,451	£18,755	£19,065	£19,380	£19,701	£20,026	£20,356	£20,692	£21,032	£19,139
Capital spend		-120,970									
Member Share Interest		-1,746	-9,004	-9,308	-8,502	-8,030	-7,557	-7,085	-6,613	-6,140	-5,668
Community fund			£0	£0	-£1,116	-£1,904	-£2,696	-£3,494	-£4,296	-£5,104	-£5,917
Capital Repaid to shareholders		£0	£0	-£18,894	-£9,447	-£9,447	-£9,447	-£9,447	-£9,447	-£9,447	-£9,447
Total Cash Out	0	-122,716	-9,004	-28,202	-19,065	-19,380	-19,701	-20,026	-20,356	-20,692	-21,032
Opening cash	10,970	£14,709	£20,443	£30,194	£21,058	£21,373	£21,693	£22,018	£22,348	£22,684	£23,025
Closing cash	£14,709	£20,443	£30,194	£21,058	£21,373	£21,693	£22,018	£22,348	£22,684	£23,025	£21,131
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Capital repayments	0	£0	£0	£18,894	£9,447	£9,447	£9,447	£9,447	£9,447	£9,447	£9,447
Share capital balance	67,967	£188,936	£188,936	£170,043	£160,596	£151,149	£141,702	£132,255	£122,809	£113,362	£103,915

20-year summary

Year	2015-2020	2021-2025	2026-2030	2031-2035	Total
Profit	£49,864	£54,010	£50,731	£69,418	£224,023
Member Share Interest	£44,148	£30,702	£18,894	£7,085	£100,829
Annual Return on Investment	4.54%	5.00%	5.00%	5.00%	4.89%
community fund	£5,717	£23,308	£31,837	£62,333	£123,195

Assumptions

The financial projections set out above are based on the following principal assumptions:

Costs incurred in the installations will be in accordance with the estimates received.

Installations will all be undertaken in accordance with the timetable.

Inflation is 2%.

Electricity output is in accordance with Joju Solar's estimates. Panel degradation is assumed to be better than supplier's guarantee, with a drop in output in first 10 years no worse than 10%, and in next 15 years no worse than a further 10%.

Inverters are expected to require replacing once in 20 years, and inverter prices are expected to fall in real terms by 50% over 10 years resulting from improvements in manufacturing technology. The remaining equipment has minimal moving parts and is considered to be highly reliable.

Expenses of the share offer

The expenses of the share offer have been built in to the financial modelling for the two school sites.

Borrowing

The co-operative does not intend to have any long term borrowings but may borrow comparatively modest sums (as a proportion of its capital) on a short to mid-term basis for business purposes such as

- a) Funding any VAT due, pending its repayment;
- b) Completing an installation at a school if funds raised are insufficient;
- c) Repairs and replacements above budgeted amounts and
- d) Enabling share capital to be withdrawn.

How to Invest

An application form with details of how to invest is attached at the end of this share offer document.

We will prioritise applications to maximise local participation, participation by numbers of members, and by degree of participation.

Decisions will be at the discretion of the board.

Investors must be at least 16 years old. A member may hold shares on behalf of somebody who is under 16 but those shares shall be treated as belonging to the member until they are transferred following the child's 16th birthday.

Other co-operatives and corporate bodies that support the objectives of the society may purchase shares through this offer.

Investors must support the objectives of the co-operative. If you invest you agree to membership of the co-operative and to be bound by its rules. Please read the rules before investing.

All documentation relating to the co-operative (including the rules) can be found at www.repowerbalcombe.com/documentation.

Do contact us if you have any questions about your investment on hello@repowerbalcome.com.



Glossary

Board

The Board of REPOWERBalcombe 1 Co-operative Limited.

The co-operative

REPOWERBalcombe – REPOWERBalcombe 1 Co-operative Ltd, registered office: Solstice House, London Road, Balcombe, West Sussex, RH17 6HT. Registered Industrial and Provident Society number 32268 R.

Directors

The directors of REPOWERBalcombe.

Feed-in tariff

The government-regulated inflation-linked price payable to producers of qualifying renewable electricity for 20 years.

Offer or Share Offer

The offer of shares in REPOWERBalcombe contained in this Offer Document.

Offer Costs

The expenses incurred by or on behalf of REPOWERBalcombe in issuing this Offer Document.

Offer Document or Share Offer Document

This document inviting persons to subscribe for the shares.

Offer Period

The period during which the offer will remain open (including any extension).

Offer Shares or Shares

New shares of £1 in REPOWERBalcombe, offered at £1 each on the terms and conditions under this offer document.

Rules

The rules of REPOWERBalcombe, a copy of which is available from the co-operative and at www.repowerbalcombe.com/documentation.

Terms and Conditions of the Offer

Eligibility

This share offer is open to individuals over 16 years of age and to organisations who support the objects of the Co-operative. Investments can be made by a nominee on behalf of children under 16.

Minimum and maximum holdings

Shares cost £1 each. The minimum number of shares which can be applied for is 250 and the maximum investment is £100,000.

Please note that if a person is an EIS holder from a previous issue, then to qualify for EIS that person may hold no more than 30% of the co-op during the 3 year qualifying period (which starts from the date of trading or the issue of shares if later). This equates to a total of £57,000

Application procedure

Read the accompanying share offer document, paying special attention to the Risk Factors set out on page 8-9 of the offer document.

Consider whether you need to take financial advice or other advice in relation to the terms and conditions of this share offer.

Read the Rules of the Co-operative set out at www.repowerbalcombe.com/documentation. If you receive Offer Shares you agree to automatic membership of REPOWERBalcombe 1 Co-operative Ltd and to be bound by its rules

Shares must be applied for using a completed and signed Application Form.

Attach your cheque or pay by BACs as described below under “payment” and send the completed form to REPOWERBalcombe 1 Co-operative Limited, Unit 26, Trinity Enterprise Centre, Furness Business Park, Barrow in Furness, Cumbria, LA14 2PN.

By delivering an application form you offer to subscribe, on the Terms and Conditions contained in this offer document, for the number of shares specified, or such lesser number as may be accepted by the co-operative.

Once an application has been made it cannot be withdrawn.

If the offer is unsuccessful

If a sum less than the minimum capital is raised to install both sites, but enough is raised to install one site then a reduced share offer may proceed. If a sum less than the minimum capital required for a single site is raised, then the share offer will not proceed. Monies will be returned in full to the applicants as soon as practical.

Over-subscription

The number of shares you apply for will not necessarily be the number of shares you will receive. If the share offer is over-subscribed, shares will be allocated at the board’s discretion. The Board reserve the right to determine how to allot shares.

Governing law

The Terms and Conditions of the share offer are subject to the jurisdiction of English Law.

Money laundering

Under money laundering regulations, you may be required to produce satisfactory evidence of your identity and it is a condition of this share offer that you do so if requested.

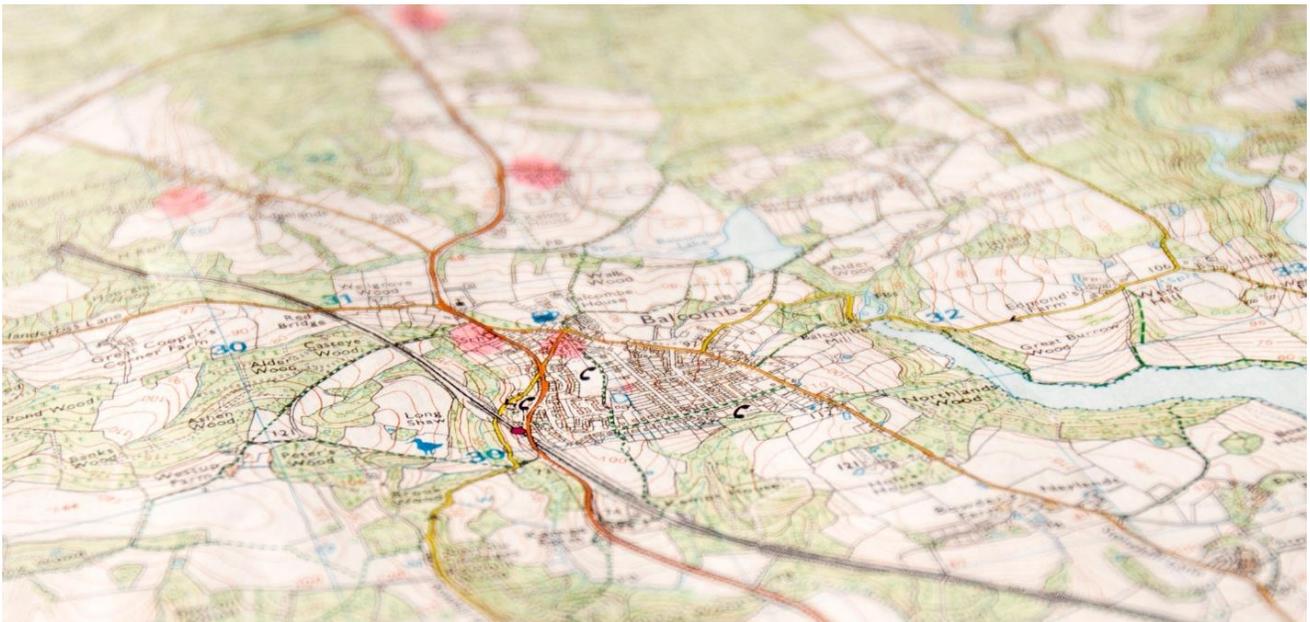
Payment

You can pay direct through the banking system into the REPOWERBalcombe bank account.

Please quote your surname and date of birth as a reference and pay to:

Account number **50251836** / Sort Code **20 23 98**.

Alternatively attach a cheque drawn on a UK bank or building society, for the exact amount shown in the box under 'Amount to invest'. If there is a discrepancy between the two, or if the cheque is not honoured on presentation, your application may be rejected without further communication.



Share Offer Application Form

PLEASE USE CAPITALS AND BLACK INK

I wish/my organisation wishes to invest a total amount of £ in REPOWERBalcombe 1 Co-operative Limited on the Terms and Conditions of the Offer Document dated March 2016 at the price of £1.00 per Share (You must invest at least £250 but not more than £100,000).

Applicant details

Title: Forenames: Surname:

Or Organisation Name: Company Registration Number:

Name of authorised signatory signing below:

Address:

Town: County:

Postcode: Date of Birth:

Email:

Telephone: Mobile:

If Applicant is nominee for a child

Child's name: Child's date of birth:

Child's address (if different from above):

Post code:

Please tick this box if you are a parent or teacher at Crawley Down or Imberhorne School. If the share offer is over-subscribed, then we will give priority to those with a local connection.

Payment Details

I have paid by bank electronic transfer/BACS to 'REPOWERBalcombe 1 Co-operative Ltd
Please pay to Sort Code **20 23 98** Account Number: **50251836**

Please use your surname & date of birth as the reference when making an all electronic payments

I enclose a cheque or banker's draft crossed A/c Payee to the value indicated above, payable to REPOWERBalcombe 1 Co-operative Ltd

I have read the Share Offer Document and understand the risks. I understand that the cheque supporting this application will be presented for payment following receipt and I warrant that it will be paid on first presentation (if paying by cheque).

Signature Date:

(as applicable also on behalf of the Applicant organisation)

Annual Share Interest Payments

REPOWERBalcombe 1 Co-operative Ltd will pay share interest due on shares by electronic transfer via BACS. To receive your share interest please provide the following details:

Account Number: Sort Code:

Name on account:

We will be grateful if you would inform us how you first heard of this Share Offer:

Energy4All via Imberhorne School Via Crawley Down School

Local Press 10:10 Friend / Family Member

Other (please specify): _____

Notices by email and documents on our website

To help reduce paper costs (and CO2 emissions), Repower Balcombe and Energy4All would like to send you notices and information by email and refer you (by email) to documents posted on the Repower Balcombe website. By signing this form you are consenting to receiving such notices by email and accessing documents through the website.

Please scan and email your completed application to info@energy4all.co.uk or post to REPOWERBalcombe 1 Co-operative Limited, Unit 26, Trinity Enterprise Centre, Furness Business Park, Barrow in Furness, Cumbria, LA14 2PN

Office Use Only

URN:

BATCH:

INITIAL :