



COMMUNITY-OWNED SOLAR ROOFING



COMMUNITY SHARE OFFER

Ovesco Limited invites you to invest in community-owned solar generation on Ringmer Community College.

OFFER OPENS ON 14th NOVEMBER AND
CLOSES ON 22nd DECEMBER 2016

This is an exciting and innovative opportunity to support local generation of green electricity through solar panels installed on the roof of Ringmer Community College. Ovesco is working in partnership with Ringmer Community College to offer those linked to the college the opportunity to invest. College students have been involved in every stage of the project.

The acting Principal says: “The College is delighted to welcome the new solar panels on top of the Clark Building as another proud addition to our portfolio of sustainable energy options. We would like to encourage all parents, students, staff and members of the school community to invest in an exciting opportunity to make the school a more eco-friendly place. As the interest rate on your investment is around 4%, it makes sense both financially and ecologically”.

This document explains what is planned and how you can be involved.

The community share offer and how it works

We are inviting parents and members of the local community in Ringmer to invest in the 114 solar panels recently installed on the roof of Ringmer Community College. Ovesco has paid for the installation of the panels and is offering the community the opportunity to share in their ownership. The project is designed and costed to be self-sustaining over its lifetime. Most of the electricity generated will be purchased by the school. Any remaining electricity will be exported to the National Grid. We expect to be able to give you 4% interest on your investment from the first year of operation, and to return your money to you in full at the end of the project (after 25 years) at the latest. (See Table 1.)

TABLE 1
Ringmer Community College Solar Array Financial Information
(1st year)

Income from Feed-In Tariff	£3,682.00
Deemed Export Tariff income	£763.00
Electricity Sale Income	£2,362.00
Total Income	£6,807.00
Total running costs	£1,387.00
Interest to shareholders	£2,269.00
Notional redemption costs of shares (at 5% pa)	£1,891.00

The number of sunshine hours in Lewes District is among the highest in the United Kingdom: 4.66 hours a day on average. While the largest volume of electricity is generated when the sun is out, PV panels continue to generate at lower levels, even under overcast skies. This project will harvest this resource. Ringmer College has agreed a contract with Ovesco for 25 years, the duration of the project. 114 solar PV panels have already been installed on the roof to produce an estimated 31,760 kilowatt hours (kWh) of electricity each year, save up to 301 tonnes of CO₂ over its lifetime and receive total income of up to £3,682 a year (see Table 2)

Table 2
Ringmer Community College Community Solar Array:
Technical Information

System Size/Rating	29.64 kWh
Type of panel	260W mono-crystalline silicon panels with optimisers to increase output
Number of panels	114
Estimated output for a year	31760 kWh
Carbon saved (per year)	13.66 tonnes

Ringmer Community College will buy most of the electricity from OVESCO for its operations at a reduced price, while Ovesco will receive the FIT and export the rest of the electricity to the National Grid. A Power Purchase Agreement has been signed with Ringmer College to supply electricity at a cost lower than that offered by its current supplier. The FIT will provide the income from which Ovesco plans to pay interest to investors, build a fund for repayment of investments and administer these activities.

The benefits

The project has been calculated to produce a highly reliable income stream from which interest can be paid to local investors, in addition to community benefits. Green energy, produced from local renewable sources, provides many other, non-financial, benefits. We have designed the offer to balance the need for members to receive a reasonable financial return with community benefits.

Ovesco Limited intends to dedicate a sum from its combined projects to be given to local community groups to assist with insulation, advice on generating renewable energy if appropriate, energy audits to establish the best ways to reduce energy use. This green energy project is expected to provide many, less tangible, benefits for all those who are concerned about energy security, environmental damage and the future of young people.

- 1 It is one of seven successful Ovesco schemes to generate energy locally, funded by local people, and will bring the total local generation capacity to 250kW
- 2 Alongside their Eco-schools work, it allows Ringmer Community College students to get real experience of, and actively participate in, a community renewable energy project.
- 3 Local electricity generation is more efficient than electricity from the grid.
- 4 It is an opportunity for investors to become involved in generation of renewable energy for the first time.
- 5 It helps meet local, regional and national targets for reduction of CO₂ emissions.
- 6 It helps protect against insecurity of national energy supply.
- 7 It gives a clear sign to children and young people of our care for their future.

Our track record

Ovesco Ltd is a registered community benefit society. Our vision is to develop locally owned renewable energy generation resources that reduce both our dependence on imported energy, and our carbon emissions. This project is a further step towards meeting this goal, and is focused on the Ringmer area.

Ovesco has a strong track record of successful solar projects. Since 2011 we have completed seven projects to install PV panels, including on the roofs of four local schools. In total, these generate 250,000 kilowatt hours of electricity each year.



*Harveys
Brewery
Warehouse*



*Priory
School*

Brickyard Farm



Chailey School



Barcombe Nurseries



Wallands School



Ringmer College

We have 228 members from the local community who have invested over £398,450 in these projects, to whom we pay interest on their investments. Over a number of years, in partnership with Transition Town Lewes's Energy Group, we have organised energy fairs, established open eco-house week-ends, carried out home energy audits, and arranged talks on the need for energy reduction and how to achieve it. We will continue and extend this work.

Ringmer Community College is nationally recognised for its work on sustainability and energy management, and has won several awards for its work, including an Ashden award.

Before this new installation, the College already had an 18kW solar PV array on the roof of the main school building, a wind turbine and a biomass boiler. With the help of the current eco-coordinator, Stephen Green, the college is striving to become fully independent of the National Grid and create all its energy and heat renewably. At least 180 college students are actively involved as eco-representatives, and there is an eco-code to which all staff and students subscribe.

Solar Advanced Systems is a well-established award-winning solar installer based in Kent. It is fully accredited by the Micro-generation Certification Scheme (MCS). It was set up in 2009.

The Ovesco team

The Board of Directors of Ovesco Limited currently has four members with a sound combination of skills and experience. The part-time paid position of project co-ordinator is held by Chris Rowland. The Directors are not related to each other.

The founding Directors are Paul Bellack, Elizabeth Mandeville (Company Secretary), and Nick Rouse. Jan Hunter was voted onto the Board at the AGM in September 2016.

Paul Bellack



Paul has been in the commercial property business for over 35 years, and brings a wealth of business experience to Ovesco Limited. As well as running his own company, he has been a Director of the Ethical Property Company since its inception 12 years ago. Paul has been involved in several community projects, and is particularly passionate about sustainable development and energy.

Elizabeth Mandeville



Director and Company Secretary. Formerly Research Manager in an IT consultancy, specialist areas including home automation and energy load management systems. An active member of a local charity, a number of community groups and the Transition Town Lewes Energy Group, Liz is working with the community to raise awareness and promote practical steps towards a low-carbon future.



Nick Rouse

Technical Director for Ovesco Limited, with a BSc in Electrical & Electronic Engineering and an MSc in renewable energy. Nick has worked for over 30 years in the electronics and electrical engineering industry. His wide range of skills includes knowledge of semiconductors, infra-red imaging/tracking systems, satellite image-processing systems, design of high-performance electron microscopes and alternative energy fields. As Chief Engineer and Head of Design/Development for Telcon Ltd he has worked on the design and development of the company's products, principally electrical current and energy sensors, many of which are used in the renewable energy industry around the world. Nick has vast knowledge and technical skills in energy conservation and power generation (his own home is fitted with PV, solar thermal and a ground source heating plant).



Jan Hunter

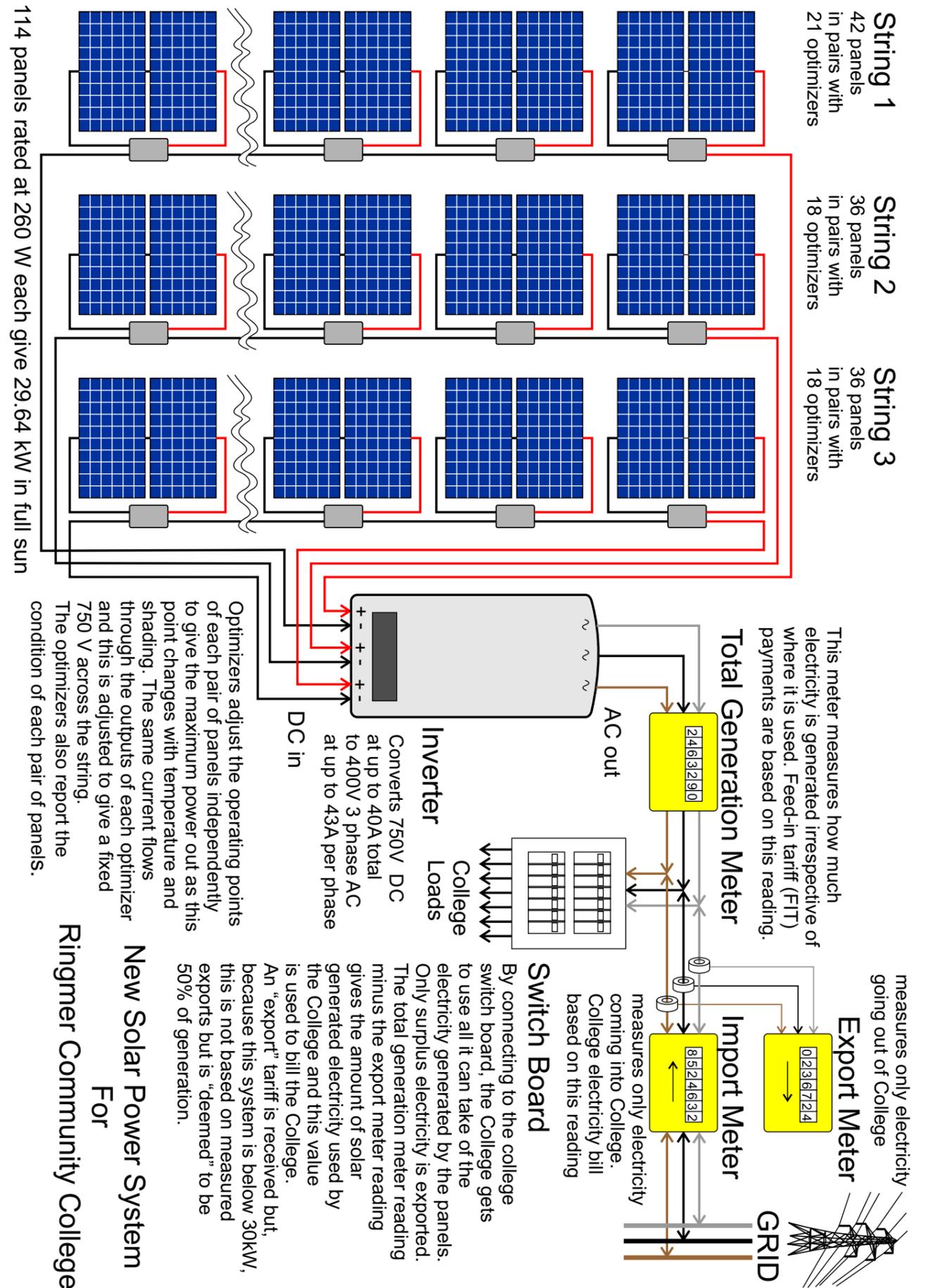
With a background in policy-related social and educational research and evaluation of public services, she worked for 12 years as a senior manager at the Audit Commission, inspecting and evaluating the management and delivery of public services and the use of public money. She has a PhD in comparative education. She has also worked with schools and local authorities as a consultant, been the chair of governors of a Brighton primary school, and is involved in a number of local community organisations. She is strongly committed to Ovesco's work with renewable energy, and has been a shareholder since 2011.



Chris Rowland, administrator

Graduated from the Royal College of Art as an MA furniture/product designer in 1988, and worked in the design and build construction industry for over 16 years on projects for McLaren, HSBC, Shell and GSK. Architectural Glass Design Manager for Komfort Workspace PLC for four years before joining Ovesco Limited as a Director and project co-ordinator, managing the Ri/REG grant scheme and Energy Efficiency Advice Service. Excellent project management and construction skills and knowledge of design and build.

Right: a technical diagram of the Ringmer Community College system designed by Nick Rouse



The offer

Ovesco Ltd is seeking to raise £40,000 to cover the cost of installing the PV panels on Ringmer Community College. Individuals and organisations can invest between £250 and £10,000. The maximum limit does not apply if the member is a Community Benefit Society. Your investment will make you a full voting shareholder of Ovesco Limited, and you will be eligible for a single vote at the AGM, irrespective of the amount you invest. We expect to be able to pay interest of 4% from one year after the date on which the share offer closes. The total interest that you receive will depend on how much you have invested.

We plan that your investment will be returned to you in full 25 years from the date on which the share offer closes, unless you have withdrawn it before then. However, you may withdraw some or all of your money as detailed below on page 10. If you prefer, you can make a donation or a loan to OVESCO instead. We will not pay interest, but will make an individual agreement with you on the terms of the donation or loan.

We need to raise £40,000 to repay the short-term bridging loan used for the installation. The money invested will be used to pay for the installation of the PV roof and associated costs, including contracts, management costs and insurance. We will give priority to those over sixteen living in the Ringmer area or with children at the Community College.

The income will be used for four primary purposes:

1. to pay interest to members.
2. to accumulate a fund for future repayment of members' remaining investment in full.
3. to cover the cost of administering the project.
4. to generate a fund to provide advice and assistance to the local community on reducing energy bills and understanding how they can make best use of available sources of energy.

New local energy generation projects may be sought and undertaken under this offer document in the future, if funds allow, and with the agreement of members. If we raise more than £40,000 from community investment we will ask those whose payments arrive at the Ovesco office after that date whether we can use their money to fund additional activities including finding further sites suitable for renewable energy projects and developing and managing such projects for community benefit. Alternatively, we will return the money to you if you tell us that you would prefer that.

A detailed financial spreadsheet has been prepared by Ovesco Limited's accountant and is available on request from invest@ovesco.co.uk.

What guarantee do I have for my investment?

No form of investment is entirely without risk. This is a long-term investment, and the value you will receive includes the contribution you will be making to community benefit. However, the solar array is already in situ on the roof of Ringmer Community College and is producing electricity at the predicted rate.

As we are a Community Benefit Company, the value of a share in Ovesco Limited cannot increase beyond the nominal value of £10, and can be reduced if liabilities exceed assets. Ovesco Limited can pay interest on shares, and intends to do so, but the Directors must exercise their discretion to balance the community benefit derived from the project against the financial reward for shareholders. This would only arise in the case of unexpected adverse circumstances.

Shares can only be sold back to Ovesco Limited. To get back part, or all, of the sum you initially invested (or any reduced value), you need to give 180 days' notice. This can be done from two years after your initial investment. Withdrawal will be at the discretion of the Directors, who will have to judge whether Ovesco Limited has adequate cash reserves to fund withdrawal at that time. We will consider sympathetically all requests to withdraw money, and intend each year to support requests totalling at least 5% of the total invested if means permit. Your shares may not be sold, but they can be inherited by your beneficiaries, free of inheritance tax. Ovesco Limited has paid-up capital of £398,450.

Demutualisation – protection from ‘carpet-baggers’

You may not benefit financially from your shares if Ovesco Limited converts or transfers its business or is wound up. In this case, the only financial benefit you may receive from your shares is the possibility of interest at a rate not exceeding 4%. The Directors draw your attention to your obligations under Rule 14 of Ovesco Limited's Rules, regarding the windfall if Ovesco transfers its business or is wound up. As a Community Benefit Society, Ovesco Ltd's assets may not be sold off if it is wound up, but must be transferred to an equivalent society.

Risks

The Directors consider that this project is more risk-free than many forms of investment, because it creates what is expected to be a secure income stream over 25 years, and the calculation of the investment needed includes the costs of administering the project and maintaining the installation. Any cost arising from damage to the solar roof structure itself, apart from Acts of God, the result of terrorist activity or any other standard exclusions, will be fully covered by insurance and our contract with the installer. Furthermore all the equipment has already been installed and is operating successfully.

Nevertheless, the Directors have identified the following risks:

1. The price of electricity can go down as well as up.
2. The government has undertaken not to change the tariffs retrospectively but changes in legislation could affect the project.
3. The amount of electricity produced may vary because of unusual weather patterns.
4. There may be damage to the site that interrupts generation of electricity although there is insurance to cover both damage and loss of income from interruptions in generation.
5. Any subsequent increase in capital costs will have to be met by monies raised in this share offer and any other sources of funding (gifts, grants and loans).
6. Legislative changes to the roles and functions of the Financial Conduct Authority, or to those of other regulatory bodies, may change the way in which Ovesco Limited is regulated.

This list is not necessarily comprehensive.

Offer documents such as this one have to point out that all forms of investment are risky in one way or another. Our share offer is exempt from the Financial Services and Markets Act 2000 or subsidiary regulations, which means that you have no right of complaint to an ombudsman. A Community Benefit Society is registered with, but not authorised by, the Financial Services Authority, and so any money you pay for your shares is not safeguarded by any deposit protection scheme or dispute resolution scheme. Please consider your investment carefully in the context of the complete share offer document, and seek independent advice if you are not sure about anything.

How do I invest?

A share application form is included with this document. It can also be downloaded from www.ovesco.co.uk.

The minimum investment is £250, and the maximum is £10,000. You are investing in Ovesco Limited, which is a Community Benefit Society registered with the Financial Conduct Authority (Registered No. 30875R). Our governing document, The Rules, explains members' rights as well as details of the nature of the shares and the management and constitution of the society. They can be examined in the Ovesco office, or sent via email on request. Ovesco Limited uses the Rules for an IPS created by Wessex Community Assets, specialists in community investments (www.wessexca.co.uk).

Your payment

Individuals, charities and other organisations may invest in this offer. We will acknowledge receipt of your cheque and application. We may cash your cheque as soon as it is received. Ovesco Limited will hold your money on trust for you in a separate account until the Directors have considered your application, which will be after the offer has closed.

1. If we decide not to issue shares to you, we will return your money to you (within 28 days of the Board of Directors meeting at which we consider your application).
2. If we decide to issue fewer shares to you than applied for, we will return the balance to you within 28 days of the Board of Directors meeting.
3. If we have received more money from this offer than we need (£40,000) before we receive your cheque, we will contact you to find out whether you are willing for your money to be used to develop other similar projects as described above. If you don't want that, we will return your money, or whatever part of it takes the total investment above the target figure, without making any administrative charges. The money will belong to Ovesco Limited (and the Directors will no longer hold it on trust for you) as soon as the Directors issue shares to you, when it will become part of the paid-up capital of the Society.

Ovesco Limited will not pay you any interest on any money it returns to you after the offer.

Your promise to us

You promise that:

1. Your cheque will be honoured on presentation.
2. You as an individual are at least 16 years of age.
3. 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.
4. You will provide us with proof of your identity and address if the Directors ask for it. We may need to do this to comply with the Money Laundering Regulations 2003. The Directors may have to hold back your shares until they see this.
5. You are a British Citizen and resident in the United Kingdom.

Glossary

Acts of God: An event that directly and exclusively results from natural causes that could not have been prevented by the exercise of foresight or caution

Ashden Award: An award that supports the leaders in sustainable energy to accelerate the transition to a low-carbon world.

Biomass boiler: A wood-fuelled heating system that provides both heating and hot water.

Energy audit: An assessment of the energy needs and efficiency of a building.

CBS: Community Benefit Society as defined by the Co-operative and Community Benefit Societies Act 2014.

Deposit protection scheme: An arrangement to look after a deposit in the case that a project becomes unviable.

Dispute resolution scheme: An arrangement to arbitrate independently in any dispute between members and a company/organization

Feed-in tariff (FIT): A payment made to households or businesses generating electricity through the use of methods that do not contribute to the depletion of natural resources, proportional to the amount of power generated. For photovoltaic systems this is currently guaranteed by the Government for 20 years.

Financial Conduct Authority: A regulatory body that focuses on the financial regulation of businesses.

IPS: Industrial and Provident Society. These were automatically converted to Community Benefit Societies by the Co-operative and Community Benefit Societies Act 2014.

kW (kilowatt): A measure of one thousand watts of electrical power.

Kilowatt hours (kWh): A measure of electrical energy equivalent to a power consumption of one thousand watts for one hour

Money Laundering Regulations 2003: a brief definition at <https://www.gov.uk/guidance/money-laundering-regulations-your-responsibilities>

Ombudsman: an official appointed to investigate an individual's complaints against a company or organisation, especially a public authority.

Power Purchase Agreement: a contract between two parties, one which generates electricity (the seller) and one which is looking to purchase electricity (the buyer).

PV (photovoltaic): pertaining to the production of electricity from light.

Transition Town Lewes: An organisation whose core purpose is to mobilise and facilitate community action in order to respond effectively and positively to climate change and peak oil.

Wound up: the process of selling all the assets of a business, paying off creditors, distributing any remaining assets to the partners or shareholders and then dissolving the business.



The registered office of Ovesco Limited is:
2 Station Street Lewes East Sussex BN7 2DA
Tel: 01273 472405 Email: invest@ovesco.co.uk Web: www.ovesco.co.uk

Our bank account is with HSBC
Account Name: Ovesco Ltd IPS
Sort Code: 40-28-15
Account Number: 71409166

APPLYING FOR SHARES IN OVESCO LIMITED

How to invest: individual applicants

To become a member requires the purchase of shares. Each share costs £10. Each shareholding member has one vote, regardless of the size of their shareholding.

Application form

I/We wish to become a member of Ovesco Limited in accordance with the Rules, and apply for: £250 (min.) £500 £1000 £2000 £10,000 (max.) Other (please state) amount) £ of Ordinary shares and enclose payment for that amount (cheques payable to Ovesco Limited).

First name(s) in full Last name

Address

Telephone E-mail

For joint applications list the names of all applicants (up to four persons) in the space below with your own name first

Agreement

I am at least 16 years old.

I agree to be bound by the Terms and Conditions included in the attached offer document and the Rules of Ovesco Limited.

I understand that Ovesco Limited's Board may reject my application and does not have to tell me why it has been rejected.

Data protection and money laundering

The data provided by you on this form will be stored in a computerised database. The data will be used only for Ovesco Limited purposes and will not be disclosed to a third party. It is a term of the offer that to ensure compliance with the Money Laundering Regulations 2003, Ovesco may at its absolute discretion require verification of identity from any person seeking to invest.

Signed as a deed Please sign here

Witnessed by

Date

Please return, enclosing your cheque, to Ovesco Limited, 2 Station Street, Lewes, East Sussex BN7 2DA

For more information please contact:
01273 472405
invest@ovesco.co.uk
www.ovesco.co.uk

