



Update to our Community Share Offer Document

This information is an update as of 12 September 2024 to the share offer document which was released on 1 May 2024. As in 2023, we are going to take a loan to get the projects moving while we continue fundraising. This doesn't affect investment terms, but we do need to let you know.

To date we have received applications totalling £33,000 from members of the public.

Once we have raised £160,000 an additional £80,000 investment from Co-operatives UK via their Booster Fund will be activated.

The next project due is two buildings at CATCH in addition to the work done last year on 3 buildings. The cost for this is £125,000. We Have The Power have offered us a loan for £92k so we can place the order now while we continue fundraising.

This loan lasts for one year, with an average rate of 5% interest. The Board are aware of various finance options available beyond this if needed, but really, we want to move to a position without debt and work towards this by increasing Member investment.

We Have The Power will also provide us with a cashflow loan to cover the VAT.

All legal documents are in place with CATCH, so we are going to ask our installer to commence work in late September 2024.

Be assured that this does not change the key offer terms.

... described in section 5 of the offer document – the target interest rate of 5% and all other terms remain the same. We continue to keep money in reserve to cover any withdrawal requests we receive, and we've planned cashflow for existing Member interest and all other costs.

The loan balance will be paid off using funds from this share offer and some of our income from solar electricity. So, to deliver this for you and the community, we will have our office, staff and student interns paid for by the UK Shared Prosperity Fund and our other funders until March 2025.

The Board and team are confident that we can deliver this plan with no effect on the benefits described in the offer document or to our existing Members from earlier offers.

We are available in person, online or by phone or email if you have any questions.

Yours,

Vicky Dunn (Managing Director) and the Board of GCE



**GRIMSBY
COMMUNITY
ENERGY**

COMMUNITY BENEFIT SOCIETY



Community Share Offer

Open Share Offer
2024 - 2026



Open Share Offer 2024-2026 v1

Community Share Standard Mark

The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice.

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 communityshares.org.uk

Welcome to Grimsby Community Energy

Launched in 2016 by a committed group of people determined to deliver locally owned community energy. Award-winning Grimsby Community Energy is a community benefit society (CBS), a form of not-for-profit cooperative owned and run by local people that works for the benefit of the community.

Over the last eight years we have raised, £444,732 of investment to deliver renewable energy across Grimsby, Cleethorpes and North East Lincolnshire, installing 534kW of solar PV (photovoltaic) panels for community organisations, generating 157MWh of clean electricity and saving 184t of CO₂.

This place-based approach to energy generation means local community organisations pay less for their energy and everyone who invests in Grimsby Community Energy has a vote in the running of our society. We are proud to have kept our promises to our investors and our community, ensuring we pay members a fair rate of return and creating wider community benefits, including creating jobs and establishing a community fund. Our team have worked hard to develop our business but there is so much more we can do with your support. We appreciate grant funding from Co-operatives UK Booster Fund and NELC's UK Shared Prosperity Fund, and the REACH Fund. Our vision is to reach one megawatt of community owned solar PV by 2026, and we won't stop there, adding a second megawatt by 2030. So far, we have identified three new sites and one existing site, with more in the pipeline, that could join our solar community with your help.

This is our newest community share offer, designed to help us raise capital to manage and deliver more solar PV installations. This share offer is an 'open offer' without a closing date, so that people can support us financially whenever they are able to. You can invest from as little as £100 (option for instalments) up to a maximum of £80,000 to help us raise £500,000 and achieve our target of one megawatt of solar PV for Grimsby.

We hope that you will join us in this next exciting stage of our development and help get Grimsby rooftops covered in solar panels.

Dan Clayton
Chair

Vicky Dunn
Managing Director

Share offer summary

Share offer opens: 1 May 2024

Minimum investment: £100

Maximum investment: £80,000 (including any other community shares you hold in GCE.) This value has been chosen as 10% of the total capital expected.

Closing date: this is an open share offer with no closing date, however we will occasionally pause the share offer to allow us to confirm new sites for solar PV, if necessary.

Investment process: please apply using the Crowdfunder website www.crowdfunder.co.uk/p/grimsby-community-energy

Alternatively use the form at the end of this document or complete it online on our website www.grimsbycommunityenergy.coop/



Grimsby Community Energy Story

Grimsby Community Energy is a Community Benefit Society a form of cooperative, where every member has one vote. All our members are dedicated to bringing community energy projects to our local area to help local organisations save money, to strengthen our community and to reduce the carbon emissions that are the primary cause of climate change.

Since 2016 we have been raising funds through community share offers to install solar PV at worthwhile not-for-profit local organisations. Local people and organisations have invested in us to support their community and receive a fair financial return. Their support has enabled us to install solar PV on ten buildings for five local organisations so far:

- St Andrew's Hospice
- The Rock Foundation
- E-Factor business centres
- YMCA Humber
- CATCH apprentice centre

We work with community organisations because when they save money on their electricity bills through solar PV they have more money to spend supporting their thousands of local service users. To date, our customers have saved £65,400 on electricity when compared to their usual energy provider and we will continue to save them money every year - money that can be repurposed to make a difference locally.

We also continue to support the local community with our Community Benefit Fund, helping organisations decarbonise and make their spaces less costly to run. For example, in 2023 we granted money to local arts organisation 'Our Big Picture' to install loft insulation. We are also providing local jobs and building a skilled



green workforce, supporting students, employees, and volunteers through training, development, and work experience placements, and we're sharing our learning, for example helping Northumberland Community Energy to accelerate their renewables journey too.

“Your input in the development stage was hugely helpful, thank you.”

Simon Green, Founder member,
Northumberland Community Energy





Community shares are fully at risk.

You could lose some or all of the money you invest.

You have no right to compensation from the Financial Services Compensation Scheme, nor any right of complaint to the Financial Ombudsman Service.

Please don't invest any money you can't afford to lose.

What does investing mean for you?

If you chose to invest in Grimsby Community Energy you are purchasing community shares. By purchasing shares, you become a member of our society, and all members are entitled to one vote - regardless of how many shares they hold.

Who can invest: We can accept investment applications from individuals over the age of 16, and from companies and organisations. You can purchase a maximum of £80,000, including any previous shares you own in GCE, with a minimum purchase of £100. Each share is worth £1, and this will not change over time. Large investments may be subject to money-laundering checks.

Long-term investment: Community shares are a long-term investment because although you can withdraw your investment you cannot sell, trade or transfer your shares. Members will be paid interest on their shares if the Board believe it would be sensible to do so. After a two-year waiting period members can also withdraw their shareholding, subject to the approval of our Board.

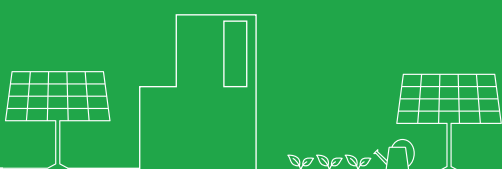
Paying interest: Like a savings account, we pay interest each year on your investment. We intend to pay interest 5% annually, but this is dependent on having sufficient funds. Our Board will set the rate each year; it will not exceed 5%. We may offer the option to take interest in shares rather than a payment to you.

Withdrawing your shares: Withdrawable shares work a lot like a savings account, as you get your money back by withdrawing it from the society together with any interest accrued. However, the society can only pay it back to you if we're doing well as an organisation. Legally, we must have sufficient surpluses and ready cash available before we can give you your investment back when you want it. Our Board will decide whether they can afford to allow shares to be withdrawn and if so, how many.

It's good to know that our track record shows our model works, and to date we have approved all shareholder requests for withdrawal of share capital. We plan to repay about 5% of the share capital each year and intend that all capital can be repaid within 20 years if required.

Asset lock: The Grimsby Community Energy rules include a statutory asset lock that can never be changed. This protects the community nature of the society for all time. Our rules can be found on the Mutuels FCA Register - www.mutuals.fca.org.uk/Search/Society/9077.

Quality Assured: Our share offer, outlined in this document, has been granted The Community Shares Standard Mark, which is awarded to share offers that meet national standards of good practice. For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit that developed the standard mark go to communityshares.org.uk. We also advise you to consider the risks involved in any investment, and to take financial advice if you have any doubts.



What difference does being a member make?

Being a member of Grimsby Community Energy means you are already making a difference for the local community and for the planet, and there are several ways you can get more involved if you want to. Our members are our best champions, encouraging other people to support us, and that's the real secret of community ownership: we make the rewards of our success something you can share with the people who matter most to you.

As a member you also get a vote at our AGM, able to influence decisions about how we are run and, if you chose to, stand for election to our Board. We are run by our members, and we welcome your involvement.

By purchasing shares you will:

- Gain an equal vote with every other member in how GCE is run – we only have one class of share
- Participate in local renewable energy ownership that retains the benefits locally
- Support local organisations to reduce their costs and their CO2 emissions
- Be eligible for annual interest payments to members, subject to Board approval



Risks

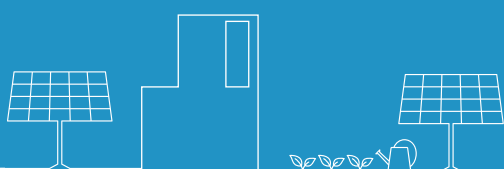
All investments and commercial activities carry risk. By buying shares you should weigh up financial risk and reward as you would with any other investment opportunities. Please read this document in full including the section on risks and read the accompanying documents available on our website. You should take appropriate financial advice if you have any doubts.

This invitation to subscribe for community shares in GCE is not regulated by the Financial Services and Markets Act 2000 or subsidiary regulations. Therefore, the money you pay for your shares is not safeguarded by any depositor protection scheme or dispute resolution scheme.

You should buy shares only with money you can afford to have tied up, without interest, and without capital appreciation, for several years or longer and with money that you are prepared to lose. Should GCE get into difficulty, you may be unable to withdraw, or could lose some or all of your money.

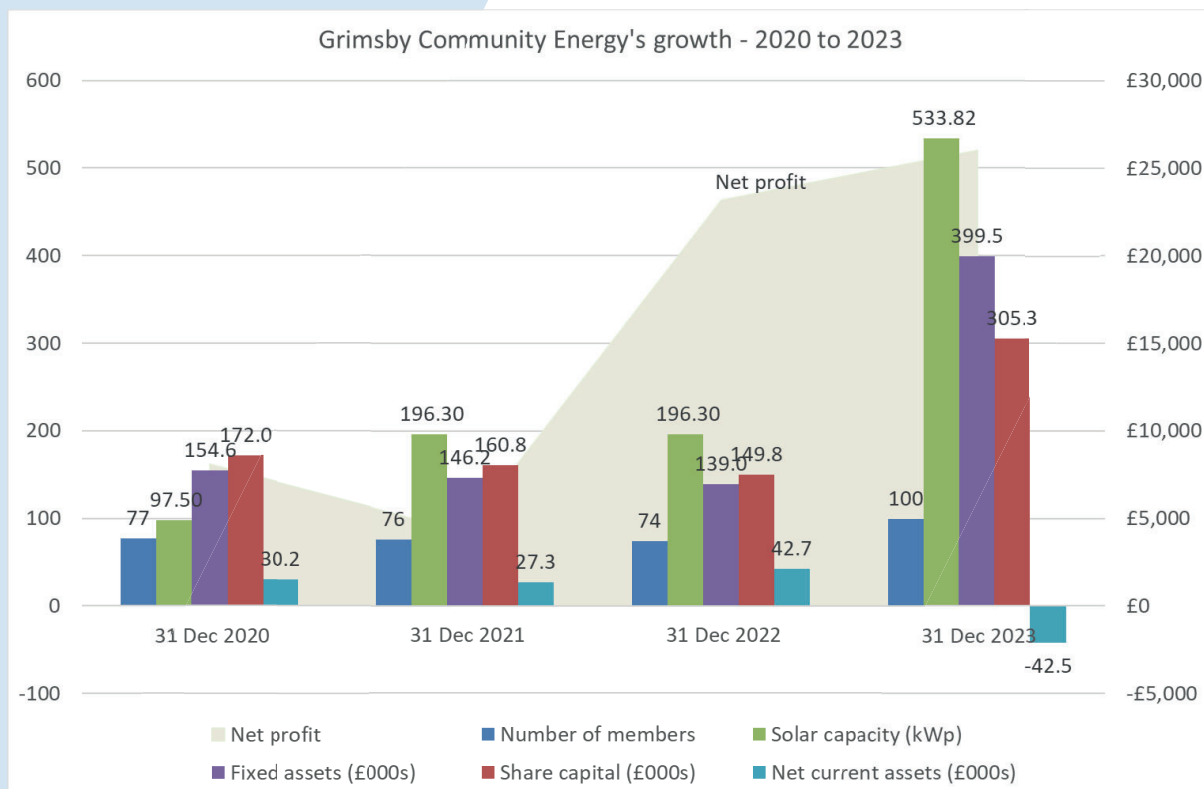
Grimsby Community Energy has taken the decision to pay the same rate of return to all eligible members, so the rate paid will be

dependent both on the return generated from our existing solar PV sites and on the success of projects funded by this open share offer. More information on our rules governing financial returns can be found on our website and on the Mutuals FCA register.



Our Current Position

Grimsby Community Energy has grown rapidly over the last four years, as shown in the graph and tables below. Our share capital doubled in 2023, increasing to £305,250, as people invested in the CATCH and YMCA Foyer offer. This supported a greater increase in our fixed assets, to nearly £400,000, and in the amount of solar installed, to 533.82kWp.



Our net profit significantly increased in 2022 and stayed high in 2023, mainly due to higher prices for our exported electricity, but also from contracted income. We were able to use profits generated over time to invest in the CATCH and YMCA Foyer projects. To complete it, we used a short-term loan from 'We Have the Power' which led to us owing £42,480 more than we had in the bank or were due (negative net current assets) at the end of 2023. At the end of March 2024, the loan is almost entirely repaid, and our net current assets are now positive.

All this has been achieved due to the support of our members. Our membership grew during the 2020 share offer, and again in 2023, and very few members have left. Half of our investors are local to Lincolnshire; others span the UK. During each of our share offers we promoted investment opportunities at in-person events, through social media, webinars, our Business Angels initiative and business networking events, ensuring local people could invest and benefit from their involvement with us, while also attracting larger investments from local and national organisations who share our ethos, to ensure we met our financial targets.

This approach worked and in addition to individual members we also have business investors - mostly local. Our “Business Angels” are celebrated here: www.grimsbycommunityenergy.coop/business-angels/

Our institutional investors, who have chosen to trust us with their own or their members’ money, include Co-operatives UK, via the Community Shares Booster Fund programme, and the Naturesave Trust.

We will continue to promote membership of our society in the coming years, supported by this, our new open share offer, which will enable new members to invest at a time and a level that is right for them. We also continue to encourage our existing members to increase their investment and support our new share offer, recognising that our members are our most powerful advocates and supporters. We currently have 100 members and aim to triple our membership by 2026.

The average (median & mode) shareholding in GCE is £1,000. 13% of Members hold the minimum of £100, and 10% hold £10,000 or more. The maximum shareholding allowed will increase as our share capital increases.

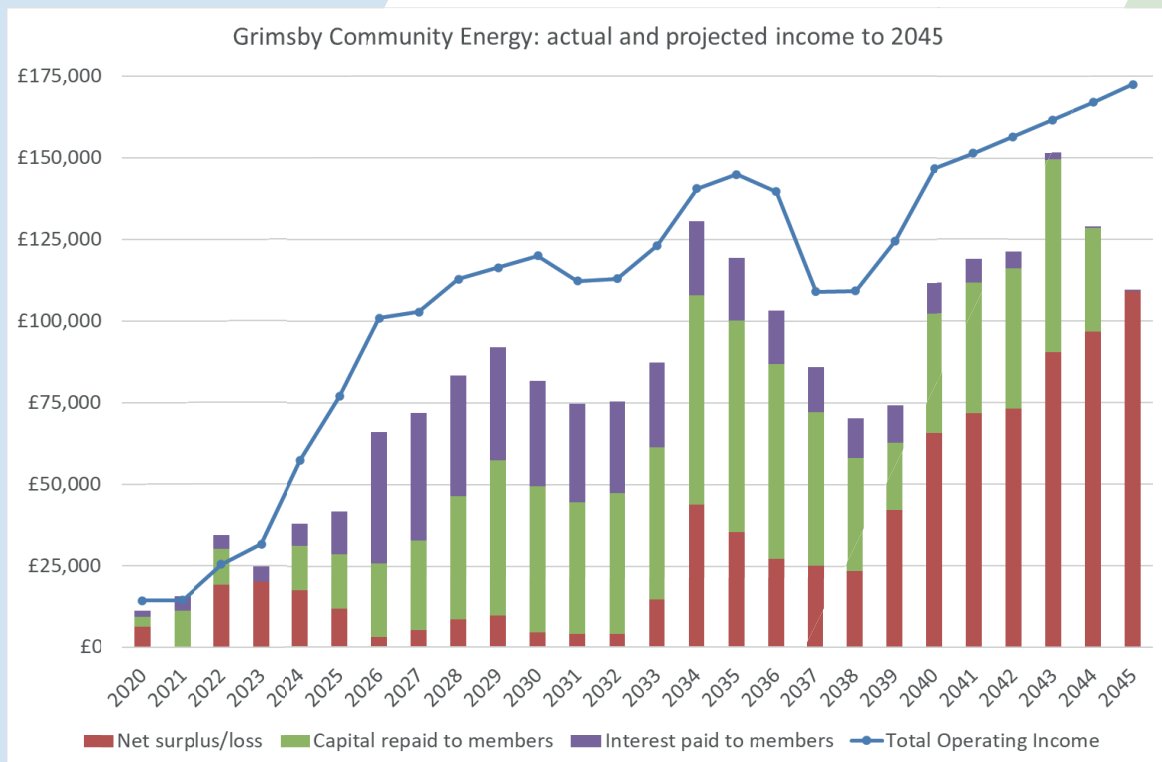
Since 2016 the Society has been able to service 100% of shareholder requests for withdrawal of share capital. Members who invested in the 2023 offer will not be able to withdraw their share capital until January 2025, and will be paid interest from Spring 2026. Investors in our open offer will not usually be able to withdraw their share capital for two years after their investment. We have paid interest at 4% on 2017 shares. In 2023 we also paid interest at 2.25% on 2020 shares. These were the target amounts promised in each Offer. Our Board has now agreed to move all our shareholders to a single rate of interest, which we have set at 5%, subject to annual Board approval.

	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-23
Membership				
Number of members at beginning of year	53	77	76	74
Number of members joining	26	0	0	26
Number of members leaving	-2	-4	0	0
Number of members at the end of the year	77	73	76	100
Share Capital				
Opening balance	£110,533	£172,033	£160,840	£149,832
New share capital added during year	£64,517	£ -	£ -	£155,418
Share capital withdrawn during year	-£3,017	-£11,193	-£11,008	£0
Closing balance	£172,033	£160,840	£149,832	£305,250
Society Funds				
Fixed assets	£154,647	£146,216	£138,986	£399,536
Net current assets	£30,228	£27,283	£42,703	-£42,480
Long term liabilities (debt)			£0	£0
Share capital	£172,033	£160,840	£149,832	£305,250
Retained profits or losses	£12,842	£12,659	£31,857	£51,806
Solar capacity (kWp)	97.50	196.30	196.30	533.82
Use of society funds				
Net profit	£8,070	£4,208	£23,189	£24,709
Interest rate on (eligible) share capital	4%	4%	4%	4%, 2.25%
Total share interest paid/credited to members	£1,793	4,391	3,991	£4,760
Community benefit spend	£0	£0	£0	£1,300

Further information: Our rules, annual accounts and reports from our registration in 2016 to 2023 can be found on the Mutuels FCA public register <https://mutuals.fca.org.uk/Search/Society/9077> and on our website.

Our Future

Grimsby Community Energy has already financed and installed solar panels on ten community buildings, which generate income from the sales of power. The early installations benefit from the Feed in Tariff too. We can predict our income from these installations with some accuracy despite the global fluctuation in energy prices because solar generation is well understood, and our prices are index-linked. Rises in inflation due to external factors has increased our income in the last few years, while future investments in new installations will increase our overall income by 250% as shown in the graph below.



Key assumptions in this model: Exported electricity prices modest (even though we have experienced much higher. Price rises to customers between 2 and 3% per year as per their contracts, and in some cases “fixed” for several years to match a low external market price. A dip in income around 2037 reflects the end of life of the 2016 installs. Inflation 2.5% for running costs average over 25 years. 5% interest to all Members every year, bank balance maintained over £20k at all times. Amount of capital repaid each year is maximised subject to still making a surplus.

Our Impact

**536kW of
Solar PV installed**

**Reduced CO₂
by 184t**

**157MWh Electricity
generated so far**

Our wider impact: In addition to the benefits to our members, we have generated significant savings for the community organisations that host our solar PV installations, with a total saving on their energy costs of c.£65,400. This saving means more money is available to deliver their services to local people, so the whole community benefits.

We have also generated savings in CO₂ emissions of 184t, moving our community closer to net zero and impacting positively on climate change. Finally, our members have agreed to the launch of our Community Benefit Fund, which provides small grants to local organisations to support their decarbonisation efforts



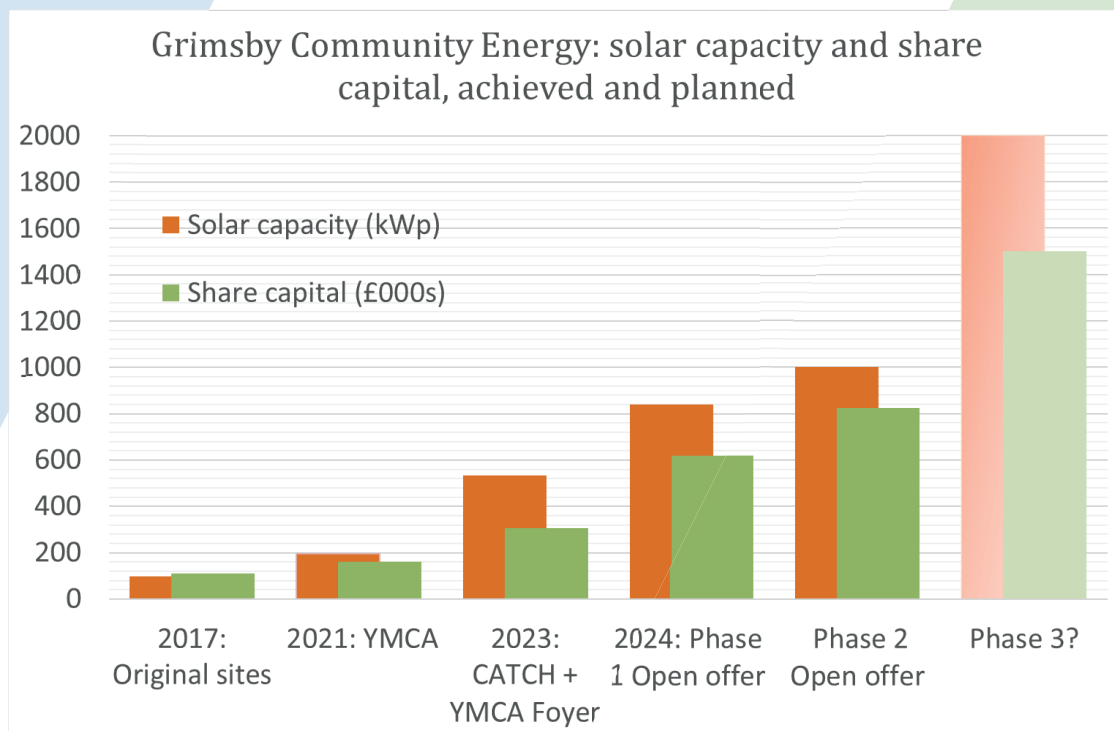
This Share Offer

We will achieve our mission of one megawatt of community owned, local energy generation.

Grimsby Community Energy has launched this open share offer to raise capital to install more solar PV on rooftops in Grimsby. We have set investment targets to help us plan our growth and we have phased our approach to ensure we can deliver on our goals.

Phase one of our strategy will see us raise an additional £315,200 to install solar PV at three sites in 2024; phase two will see us add in further new sites from 2025 onwards. We will continue to identify and deliver new installations as we make progress towards our total share capital target of £824,400 by 2026.

The graph below outlines our solar capacity and share capital achievements and planned targets to 2026 and beyond, demonstrating the planned growth in both measures and our ambition to deliver a second megawatt of solar PV by 2030.



To summarise, Phase 1 projects are well developed and likely to go ahead. Phase 2 projects will come from a longer list of partners we are currently talking to. Phase 3 represents our ambition beyond 2027 to 2030.

We have funding secured to March 2025 to support project development. We will seek further resources to support project development later on.

Phase 1

Phase one of our strategy will see us raise an additional £315,200 to install solar PV at several sites in 2024, all of which are already confirmed or in discussion.

One of our confirmed sites with contracts in place is at CATCH, the national technical skills centre located in Grimsby. CATCH is a champion for clean industrial growth, with an industry-leading apprenticeship programme and a diverse membership, making them a perfect partner to champion community-owned solar PV. We are pleased to be supporting them again, having already installed community owned solar PV on two of their buildings. Early on we saw the potential for further solar PV at CATCH, and the grid connection in place is sufficient to handle additional solar generation. CATCH has a further two buildings suitable for solar PV, the Welding & Pipefitting Building and the Scaffolding Building, and we are keen to support them.

The installations at CATCH will be for 163.24kWp at a cost of £125,912.

We are currently in discussion to install solar PV at landmark local building, St James House, Grimsby. St James House, previously derelict, is now owned by E-Factor, a not-for-profit organisation, and is currently undergoing redevelopment. The building will be transformed as The Hive, a new business hub, retail and creative space. We're delighted to be working with

E-Factor as they bring life back to this neglected part of our town, with community owned solar PV as an integral part of the redevelopment.

We anticipate that the installation at St James House will be for 35kWp at a cost of £30,000, subject to further site surveys.

St Andrews Hospice have also entered discussions for solar PV on their main site, after having been a customer since 2016 with their shop on Freeman St.

We have two more sites in discussion for phase one of our strategy and will contact members directly, publish more information on our website, on social media and in the local press as these contracts are agreed.

By the end of phase one in 2024 we will be on track to have solar PV of 842kWp and increase our share capital to £620,437.



Phase 2

Phase two of our strategy is all about delivering sustainable growth.

We are driven and realistic in our ambition to deliver a total of one megawatt of solar PV by the end of 2026, based on our financial modelling. We are confident that this is achievable because we have a growing list of potential sites and partners keen to work with us. We have only included half of the capacity and value of sites we are in discussion with in the chart on page 13 (solar capacity).

These organisations, like the ones we currently work with, are community-based and recognise the benefits of community owned solar PV for their organisations and for the wider community. As our share capital grows we will continue to contract new sites and we will announce each new opportunity directly to our members, and to the wider community via our website, social media, press and live events.

Our members are vital to the success of our phase two plans, not just through their subscription to our open share offer but as our advocates and champions, sharing our success with others and encouraging wider community involvement. We look forward to engaging with more local people as our success grows, including through site visits, open days and social events.

By the end of phase two in 2026 we will be on track to install a total solar PV capacity of 1MW and increase our share capital to £824,400.

What next? Successfully delivering one MW of solar PV by 2026 is an important stage in achieving our ambition to have installed a second MW of solar PV by 2030 as represented by Phase 3 on the chart (p 13).

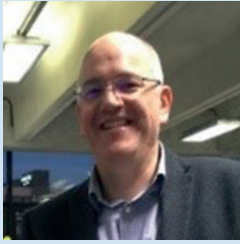
We look forward to succeeding together.



Who Runs Grimsby Community Energy?

Our Board

Our Board is elected by our members. Grimsby Community Energy is governed by an experienced and highly skilled Board of directors. The Board is supported by a growing staff team, with further expertise drawn in when needed.



Dan Clayton



Adam Lewis



Dr Vicky Dunn



Ray Horobin



Ollie Wilson



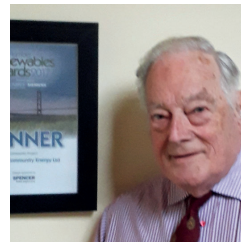
Peter Hughes



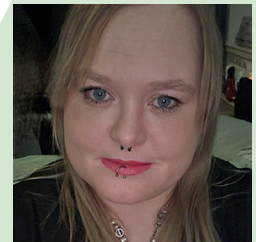
Melanie Onn



Dr Geeta Lakshmi



Richard Bellamy



Stacy Hackford

Our Staff

Dr Vicky Dunn, a founder Member of GCE from 2016 is the managing director and has overseen our success to date. Vicky is the society's secretary and works closely with the Board to guide the organisation. Vicky is also a Chartered Environmentalist with IEMA.



Steve Rusling, our Communications and Development Officer is responsible for developing and implementing strategic communication plans, managing media relations, and overseeing the organisation's branding and messaging.



Our Students

We have hosted 15 young people for work placements since January 2022, when we moved into our first office. We continue to offer training, development and work experience placements with more to come in 2024 and beyond.

Our Volunteers

We are always thankful of all the volunteers that have supported us on our journey so far. If you or anyone you know would like to volunteer with us, please get in touch via email at info@grimsbycommunityenergy.coop.



FAQs

How can I invest?

We are running this share offer through the Crowdfunder website. When you click to invest, you will make a payment which Crowdfunder will administer and then pay us what's been raised that month, each month, www.crowdfunder.co.uk/p/grimsby-community-energy

You can also apply online by completing the application form on our website www.grimsbycommunityenergy.coop/

You can apply by post by completing the application form in this share offer and returning it to us at Grimsby Community Energy, The Hub, Freeman St Market, Nelson Street, Grimsby, North East Lincs, DN32 7DS.

If you do not have an application form and cannot apply online you can email us on info@grimsbycommunityenergy.coop or call us on: 07932 086 539.

Who can invest?

Individuals over the age of 16, businesses, charities and other organisations may invest in this offer.

What is the minimum and maximum investment?

The minimum investment is £100 and the maximum is £80,000 (including any existing shares). You can pay the minimum investment in 4 instalments – please tick the box on the form and we will be in touch.

Can I buy shares for children?

Yes. You can purchase shares on behalf of a child, upon turning 16 they will then need to get in touch with us at info@grimsbycommunityenergy.coop to transfer the shares into their name.



Can organisations and businesses subscribe for Community Shares?

Yes. If you would like to know more visit our dedicated page on our website www.grimsbycommunityenergy.coop/business-angels

Can shares increase in value?

Shares cannot rise in value, so there will never be a capital gain.

What if the society isn't financially successful enough to survive?

If we did become insolvent, members may not get all their money back, depending on the value we (or the appointed insolvency practitioners) obtain for the assets of the society. Our creditors would be paid first, and any remaining funds used to pay back shareholders, on a pro-rata basis.

As we are a society with a Statutory Asset Lock, if we do have to close then once we have repaid all our members any surplus funds would be distributed to a similar asset-locked organisation in the local area committed to providing community benefit. Research from Coops UK has shown that an incredible 92% of all businesses who have used community shares are still trading, and the survival rate is more than double other start-up businesses.

What happens if I didn't get all my investment back?

Although we are registered as a society with The Financial Conduct Authority (FCA), the sale of withdrawable shares in the society is not regulated by the FCA. Like many investments, these community shares are at risk and you could lose some or all of the money you invest. Unlike deposits with high street banks, community shares are not covered by the Financial Services Compensation Scheme, nor is there any right of complaint to the Financial Ombudsman Service.

Can my investment be gift aided?

No, because we aren't a charity.

Can I sell my shares?

No. This investment is in withdrawable share capital which cannot be transferred, sold or given to anyone else, except on your death or bankruptcy. If you have invested £5,000 or less, you can tell us in advance who you wish to transfer your investment upon your death, and this will happen outside of the probate process. If you do not nominate anyone or your investment is greater than £5,000 then the shares can only be transferred in accordance with the provisions of your will.

Will I get a Share Certificate?

Everyone who invests will receive a community share certificate.

What will you do with my personal details and data?

Your personal details as submitted on the application form will be held by the society and used in accordance with the provisions of the rules and of the 2014 Co-operative and Community Benefit Societies Act. The society will not share, sell or provide your details to any other individual or organisation and will ensure compliance with the GDPR regulation in accordance with its responsibility as a data controller.

Our privacy policy can be found on our website at www.grimsbycommunityenergy.coop/privacy-policy/

Where can I find more information or ask a question

A copy of this share offer, application form and contact details can be found on our website www.grimsbycommunityenergy.coop/

Our annual accounts, rules and governing document can be found on the Mutuels FCA Register

www.mutuals.fca.org.uk/Search/Society/9077

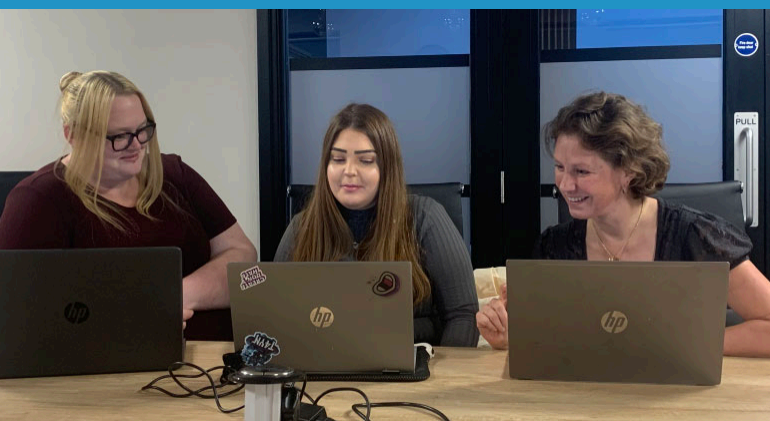
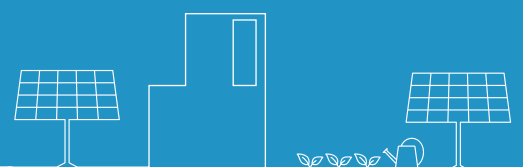


Figure 1. Students developing new share offer.



Figure 2. Students engaged in training at Manchester event.





How to get in touch

Our office The Hub, Freeman Street Market, Nelson Street, Grimsby DN32 7DS
Call us 07932 086539 **Email us** info@grimsbycommunityenergy.coop

grimsbycommunityenergy.coop

Grimsby Community Energy Ltd (GCE) is a Community Benefit Society, registered with the Financial Conduct Authority (No 7536) under the Co-operative and Community Benefit Societies Act 2014.
Registered office: The Hub, Freeman St. Market, Nelson St. Grimsby. DN32 7DS. Registered for VAT No. 248 9689 93.



Funded by
UK Government

