



## Share offer in One Planet (Accrington) Limited 30968R

### Summary

One Planet (Accrington) Limited is a new co-operative based in Accrington, east Lancashire. One Planet will comprise a retail shop, training space and information point in central Accrington. The shop will sell produce including wholefoods, Fairtrade produce, environmentally friendly products, locally made products, gifts, cards & stationery, books & DVDs, gardening products (especially organic), health & beauty products and environmentally friendly household cleaning products.

We want to offer people in Accrington, Hyndburn and east Lancashire the opportunity to shop more ethically and the opportunity to buy everyday products that are less damaging to our planet. In addition we also want to offer training and information that will help people who want to change their lifestyles for the benefit of our only planet.

### Purpose of the investment

The purpose of this 'time bound' share issue is to raise the initial capital investment of £15,000 necessary to start the business and to cover working capital during the first two years of trading.

Our business plan (which you may see upon request by e-mail or by phone) indicates that One Planet will start to make a surplus during the third year of trading.

The first two years of trading will be spent building up and consolidating our customer base, profile and presence within Hyndburn and east Lancashire.

### For the 'Benefit of the Community'

The structure of our organisation is an Industrial & Provident Society for the Benefit of the Community. This is a tried and tested co-operative structure that has been around for over 150 years now.

In our rules, any surplus we make can only be distributed in four ways: by reinvesting into developing the business; by paying interest on members' share capital; by donating it to the PROSPECTS Foundation (Charity No. 1076541) to

continue their environmental work in Hyndburn; or by donating it for social or charitable causes. It is up to the Directors to determine how any profits will be distributed. The Directors of our Society are made up of our members which will include shareholders.

In addition we will support the community by providing two part-time posts, volunteering opportunities and training programmes for staff, members and volunteers.

We will also be act as an information hub and 'shop window' for PROSPECTS, Hyndburn's environmental charity, to promote their charitable work, practical events, projects, volunteering opportunities and training. We would also like to support local community groups by providing them with a meeting space whenever practically possible.

We will proactively sell Fairtrade, organic and local produce as well as ethical, sustainable, innovative and healthy products. We will become one of Hyndburn's Fairtrade outlets and also act as a wholesaler for local small shops, schools, churches and groups in order to help them keep their delivery charges down.

## **The offer and our targets**

This is a 'time bound' share offer in that it is only open from Monday 21<sup>st</sup> June until Saturday 31<sup>st</sup> July. Our target is to raise £15,000 through this share offer. As our structure is for the benefit of the community we would like as many individuals and local groups to become shareholders in One Planet. Therefore, we have deliberately priced our shares at £25 each. We feel that this is high enough to cut down on the administration and paperwork (i.e. Only 600 x £25 shares instead of 15,000 x £1 shares) but low enough that the vast majority of people in Hyndburn can purchase one.

If we do not achieve the £15,000 target by 31<sup>st</sup> July 2010 we will return all the money to the people who have applied by the end of August 2010. There is no intention, at this stage, to apply for any other funds outside of this share offer. There is a chance we may receive a 'No Limits' Business Start up grant of up to £1,500 but as of the share launch this is not guaranteed.

In the case that the share offer is oversubscribed we will apportion the shares so that we have as many members as possible. This may mean that you receive less shares than you originally applied for.

## A summary of what One Planet is all about

Below is a brief summary of the key points drawn from the Business Plan which is available upon request (see bottom of page 5).

- 'One Planet (Accrington) Ltd' is an Industrial and Provident Society for the Benefit of the Community incorporated by the Financial Services Authority on 14<sup>th</sup> May 2010. The society's registration number is 30968R.
- The One Planet concept is of providing products, advice, training and information for people to change their lifestyles to help minimise the impact on the environment and the planet.
- One Planet will incorporate a retail shop, information point and training space based in a retail shop in central Accrington.
- Our defining principles for running the enterprise and overarching the product range are Local, Ethical, Fairtrade, Sustainable, Natural Wellbeing & Innovative.
- We will sell Wholefoods, Fairtrade produce, Environmentally friendly products, Locally made products, Gifts, Cards & Stationery, Books & DVDs, Gardening products (especially organic), Health & Beauty products and environmentally friendly Household Cleaning products.
- We will seek to promote and champion locally made produce by stocking a range within the shop.
- One Planet will become a Fairtrade outlet and also a wholesale supplier to other shops to help support Hyndburn's Fairtrade status.
- We will provide a 'one stop' information point for people who want to find out about environmental projects, training and volunteering on offer in Hyndburn and wider afield.
- One Planet will provide a meeting place for like minded people to exchange information and learn about environmental issues.
- We will look to offer and host training classes to the public that link to our guiding principles.
- To raise the initial capital funding necessary, £15,000, a 'Community Share Offer' will be issued offering shares at £25 each to the general public.
- The share offer is 'time bound' meaning that it shares are only available from Monday 21<sup>st</sup> June until Saturday 31<sup>st</sup> July 2010.
- Shares will be 'withdrawable'; however there will be restrictions on redeeming them during the first year of trading to enable the Board of Directors to run the business more effectively.

## One Planet (Accrington) Limited - Share Offer

- Shareholders will automatically become members of the society. As a co-op, it will be run on a 'one member one vote' basis no matter what the value of each member's shareholding.
- We will employ two part-time retail staff for 18 hours each a week supported by volunteers who have already pledged their time.
- One Planet will enter into an agreement with The PROSPECTS Foundation, Hyndburn's environmental charity (Charity Number 1076541) to rent space in the new premises.
- Our primary market will be the population of Hyndburn; however, through the website and targeted marketing and publicity we will be aiming to attract people from across east Lancashire and beyond.
- Our website, currently under development, will be used to sell our product range online.
- We will investigate further the possibility of adding a vegetarian café element to the operation if it can be proven to work financially.
- The Board of Directors, between 5 and 12, will be drawn from the membership of the society.
- Through our structure, as an Industrial & Provident Society for the Benefit of the Community, any profits made by One Planet (Accrington) Limited will either:
  1. Be reinvested into developing the business;
  2. Be used to pay interest on the members' share capital;
  3. Be donated to the PROSPECTS Foundation; or,
  4. Be donated for social or charitable causes.The exact manner in which this will be done will be decided by the Directors.
- There is an 'Asset Lock' built into the Rules of the Society. This means that the assets of the co-operative are locked for community benefit. In practice, if One Planet (Accrington) Limited was ever dissolved; any assets would be donated to another non-profit body / bodies subject to at least the same restrictions, in relation to surpluses and assets, that we are under.

Copies of the business plan can be requested by e-mailing [mike.stapleford@prospectsfoundation.org.uk](mailto:mike.stapleford@prospectsfoundation.org.uk) or contacting Mike Stapleford, Company Secretary, on 01254-380675 during office hours.

## How to purchase your share(s)

In the first instance please take the time to read this document in full as when you purchase the shares you will have to sign that you have read and agree to the terms of this document. We realise the legal bits aren't the most exciting to read but you should be aware of the risks and restrictions associated with a share offer. If you're happy with the details the next steps are:

1. Complete the Share Issue Application Form - this will provide us with all the relevant details that we will need for your purchase and subsequent membership of One Planet (Accrington) Limited.
2. Decide how you want to pay for your share(s). You can either pay by:

**Cheque**      Made payable to 'One Planet (Accrington) Limited'

**Cash**      In person at the PROSPECTS office, 20 Cannon Street, Accrington, BB5 1NJ. Please contact Mike Stapleford in advance (01254-380675) to arrange a suitable time as we will need to accept it in person and issue a receipt.

**Bank Transfer**      **(Please check the details carefully before submitting online)**

Bank:                      Co-operative Bank

Account Name:          One Planet (Accrington) Limited

Sort Code:                08-92-99

Account Number:        65405297

Reference:                Please use your surname and postcode as a reference. It will make it easier for us to allocate your payment to your membership application.

3. Please send your completed application form and payment to: Mike Stapleford, Company Secretary, One Planet (Accrington) Ltd., 389 Whalley New Road, Blackburn, BB1 9SP.
4. If it's easier for you, please feel free to drop it off your application in person in an envelope marked for the attention of Mike Stapleford, The PROSPECTS Foundation, 20 Cannon Street, Accrington, BB5 1NJ during office hours Monday to Friday.
5. We will acknowledge receipt of your payment immediately or within 28 days, if paid by post or online. Your share certificate will be issued to you within 28 days of receipt of payment.

## Application form for shares in One Planet (Accrington) Limited 30968R

Please complete this application form in capital letters.

Full Name: \_\_\_\_\_

Organisation Name: \_\_\_\_\_

(Please complete if you are buying a share(s) on behalf of a group.)

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contact Tel. No.: \_\_\_\_\_

Contact E-mail: \_\_\_\_\_

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### Declaration (Please sign below to state that you: )

- Support the objects of One Planet (Accrington) Limited. (See below)
- Have read the share offer document and agree to the terms of this share offer.
- Understand that you could lose some or all of what you invest in One Planet (Accrington) Limited.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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### Payment

I wish to purchase \_\_\_\_\_ number of shares, at £25 each.

Total amount to pay £\_\_\_\_\_

I will be paying the above amount by:

Cheque

Cash

Bank Transfer

The objects of One Planet (Accrington) Limited are: To carry on any business for the benefit of the community and, in particular, but not exclusively by, managing and operating a business trading in Fairtrade, Organic and Local produce.

## The important legal bit

Please take the time to read the following details that are relevant to this share offer. If you have any queries please contact the Company Secretary, Mike Stapleford, on 01254-380675 during office hours or by e-mail at [mike.stapleford@prospectsfoundation.org.uk](mailto:mike.stapleford@prospectsfoundation.org.uk)

Please Note – Any investment in One Planet (Accrington) Limited is a risk. If the Society fails, some or all of your investment may be lost.

### Our Proposal

- This proposal is made by One Planet (Accrington) Limited, an Industrial and Provident Society registered with the Financial Services Authority in England. Registration number 30968R.
- The co-operative has been incorporated with the aim of renting premises in Accrington and operating them as a retail business.
- The primary aim of One Planet (Accrington) Limited is to carry on any business for the benefit of the community and in particular, but not exclusively by, managing and operating a business trading in Fairtrade, Organic and Local produce.
- In addition One Planet will also act as an information hub and shop window for PROSPECTS, Hyndburn's environmental charity, to promote their charitable work, practical events, projects, volunteering opportunities and training.
- One Planet (Accrington) Limited envisages starting to trade in August September 2010 and projects sales of £41,567 by the end of year one and making a small surplus by the end of year three.

### Shares

- The purpose of the share offer is to raise £15,000 for start up costs and ongoing working capital during the first three years of trading. The target date for reaching this shareholding is 31st July 2010.
- This is a 'time bound' share offer. We have a target to raise £15,000 from the share issue by 5.00pm on Saturday 31<sup>st</sup> July 2010.
- All monies received during the share offer will be banked and held in our bank account until the deadline. If we have not raised £15,000 by 31<sup>st</sup> July 2010 all monies will be returned by the end of August 2010. The board will then decide whether to continue with setting up the enterprise or not.
- If the share offer is oversubscribed, the board will apportion the shares in order that we have as large a membership as possible. This may mean you will receive less shares than you originally applied for.
- Shares are ordinary 'withdrawable' shares and are not transferable except on death or bankruptcy of the shareholder. You cannot sell/transfer your shares to another person. Shares will only be redeemed at face value by the co-operative in accordance with its Rules.
- The minimum shareholding for membership is one £25 share. The directors have set the minimum investment at a level which is designed to encourage people to become members and is felt to be affordable. It is not possible for the co-operative to issue shares to a value of more than £20,000 per member.

- A member may subscribe for tranches of shares less than the minimum shareholding, provided that any member who does not achieve the minimum stakeholding within 12 months after his/her first payment shall cease to be a member and shall have returned to them the value of the shares paid for to date. The relevant shares shall be cancelled.
- The Directors will recommend what interest should be paid on share capital and this will be voted on at the Annual General Meeting. Interest is paid gross and is taxable. It is your responsibility to declare any such earnings to Her Majesty's Revenue & Customs applicable.
- Interest will be credited to your share account and be subject to the same period of withdrawal as all share capital. If you have reached the maximum permissible shareholding, you will be paid the excess balance.
- The Company Secretary will issue Share certificates and also keep an up to date record of the members' share accounts.

### **Withdrawing your shares**

- There will be no right to withdraw shares during the first year of trading of the co-operative in order to avoid the risk of weakening the capital base during this crucial period of trading.
- After the first year of trading, three months notice shall be required of any withdrawal.
- Any requests for withdrawal of share capital must be made in writing to the Company Secretary of the Society at the registered address.
- The board of directors may, at their discretion, wholly or partially suspend the right to withdraw shares. This suspension may be indefinitely or for a fixed period and will apply to any notices of withdrawal that the Society has received, and are unpaid, at the time of the suspension.
- The board of directors has the right to write down the value of the shares if the liabilities of the cooperative exceed its assets. Members applying to withdraw their shares in this period would receive only the written down value of their shares.

### **Membership**

- The purchase of shares will entitle the individual to become a full member of the cooperative. Each member has one vote regardless of the size or value of their shareholding. Shares must be paid for in full on allotment.
- Members are entitled to one vote only on each question to be decided, regardless of how many shares he/she holds.
- The board may, at its discretion, admit to membership any person, corporate body or the nominee of any incorporated organisation who supports the objects of the society.
- The board may, at their absolute discretion, refuse any application for membership.

### **Finances**

- One Planet (Accrington) Limited will not pay any interest on your investment in the first three years of trading. The business plan indicates that One Planet will make a loss during years one and two and a small surplus in year three.
- If One Planet generates a surplus, the board of directors may, at their discretion, decide to pay interest on members' share capital. The



percentage rate of interest will be determined by the board in the best interests of the Society.

- Through our structure, as an Industrial & Provident Society for the Benefit of the Community, any profits made by One Planet (Accrington) Limited will either:
  - Be reinvested into developing the business;
  - Be used to pay interest on the member's share capital;
  - Be donated to the PROSPECTS Foundation (Charity No. 1076541); or
  - Be donated for social or charitable causes.

The exact manner in which this will be done will be decided by the Directors.

- The four Founder members have already pledged a minimum of £2,500 towards the co-operative.
- Within the Rules of the Society there is an 'Asset Lock' whereby, upon dissolution or winding up, any assets shall not be distributed amongst the members, but shall instead be transferred to some other non-profit body or bodies subject to at least the same degree of restrictions as is placed on this Society.

### Risk

- Money invested in shares is fully at risk. If the Society fails, shareholders may lose some or all of the money invested. Before investing you should be clear about the key risks (as identified below by the directors).
- In the event of the co-operative ceasing to trade, members will be paid up to a maximum of the face value of each £25 share owned once all the creditors have been paid in full.
- In the event that the cooperative cannot pay its creditors in full members may lose some or all the value of their shares.
- This proposal is not regulated by the Public Offer of Securities Regulations 1995 because the shares in the co-operative are not 'securities' for the purpose of those regulations.
- If you are in any doubt about your investment you should consult an Independent Financial Advisor authorised under the Financial Services and Markets Act 2000.
- If the business fails you have no right of complaint to the Financial Ombudsman or the Financial Services Compensation Scheme.

The main risk factors identified by the Board are:

Risk Factor	Mitigation
We do not raise the £15,000 capital required to set up the shop.	We will ensure that the offer receives the widest possible profile both locally and regionally. We will also use existing networks within the community to reach as many people as possible. We believe that the share price of £25 is within the reach of the vast majority of the community.
	We feel we have a strong marketing plan (in business plan) with achievable targets in

One Planet (Accrington) Limited - Share Offer

Forecast sales figures are not met or are slower to achieve than expected.	terms of sales. Our pricing policy and wide range of products will mean we have something to offer to all our customers. We will also look to our members to support their shop by shopping there.
A new Tesco supermarket is due to open in Accrington in late 2010 and may well take trade from town centre shops.	We will ensure that our marketing keeps us in the public profile. We will also be offering products in the low, medium and premium price brackets across all our ranges.
The risk of tying too much cash up in stock could lead to cashflow difficulties.	We will constantly (weekly) review our stockholding and sales to ensure we can react quickly if this appears to be the case.
Customer spending patterns and fashions may change.	We will consult with our customers and members to ensure that we offer a range of products that keeps up with the current shopping trends. If we need to change ranges we will do but only within the boundaries that our guiding principles allow.

A full copy of the business plan and rules of the Society are available on request by contacting [mike.stapleford@prospectsfoundation.org.uk](mailto:mike.stapleford@prospectsfoundation.org.uk) or phoning the Company Secretary, Mike Stapleford, during office hours on 01254-380675.

### Our Founding Members are:

Simon Dawson;  
Kerry Gormley;  
Gordon Baldam; and  
Mike Stapleford (Company Secretary)

### Our Supporters and Advisors

During our journey to this point we have been fortunate to meet so many people that have given their time, support, advice and information willingly. We feel this is the spirit of what co-ops offer; co-operation, openness and support for each other. One Planet will offer the same generosity and support if we are approached by another group of Pioneers!

In no particular order or ranking below is a list of people who've helped us.

Alternative Technology Centre	New Era Enterprises (E. Lancs)
Altham Oak & Carpentry	No Limits
Big Lottery's Fairshare Trust	On the Eighth Day (Manchester)
Co-operatives UK	People in Common Housing Co-op
Co-operative Enterprise Hub	Simon Gibbins
Dave Hollings (CMS Ltd.)	Single Step Grocers (Lancaster)
Green Valley Grocer (Slaithwaite)	SUMA
Huckleberry Films	The PROSPECTS Foundation
Hyndburn Enterprise Trust	Unicorn Grocery (Chorlton)
Jim Brown (Baker Brown Associates)	
Jo Bird (Int. Co-operative Solutions)	Finally, our One Planet Volunteers