

## How to Invest

The share offer is open between 1st September 2011 and 29th February 2012. The minimum investment is £50 and the maximum investment is £20,000 and any amount in between may be invested. A share application form\* is attached. This needs to be completed and sent with a cheque payable to The Community Farm Limited to the registered office at Herons Green Farm, Compton Martin, Bristol BS40 6NL by the closing date.

You are investing in The Community Farm Limited which was registered with the Financial Services Authority on 30th July 2010 (registered No. 31018 R). The governing document of the Farm, the Rules\*, contains details of members' rights and the management and constitution of the Farm.

## Nature of the Investment

This is a long term investment. It is unlike investment in a for profit enterprise where the investor seeks to share in profits through dividends and make capital gains from an increase in the value of shares held which are freely marketable. The value of shares in the Farm cannot increase beyond the nominal value of £1 and may be reduced if liabilities exceed assets.

Shares cannot be sold. The only way to recover the sum initially invested (or any reduced value) is to give 180 days' notice of withdrawal to the Farm. This cannot take effect until 3 years have elapsed from the date of issue of the shares. Withdrawal will be at the discretion of the directors who will judge if the Farm is trading profitably and has adequate cash reserves to fund withdrawal. The Farm business cannot be sold for the benefit of its member shareholders. The Farm will have the discretion to pay interest on shares (where a member's investment is £500 or greater) but it cannot be assumed such a discretion will be exercised. This investment should be considered as an opportunity to contribute financially to the community with the expectation of a social dividend rather than just a financial reward.

## Risk Factors for The Community Farm

The board has conducted an analysis which sets out the strengths and opportunities, weaknesses and threats. Through this a number of risk factors were identified. The main ones are:

- If economic factors (e.g. recession, inflation) affect income and employment for local people then sales of organic vegetables could fall
- Increased competition from similar enterprises that might seek to set up in the locality
- The impact of sustained adverse weather on the growing operation
- Inability to secure funds to support future developments
- Changes in personnel leading to loss of expertise

The Community Farm board will endeavour to minimise these risks wherever possible whilst recognising that some of them will be out of their control.

## Caution

Any trading activity is vulnerable to changing or unanticipated risk. The Community Farm share offer is exempt from the Financial Services and Markets Act 2000 or subsidiary regulations; this means 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 therefore the money you pay for your shares is not safeguarded by any depositor protection scheme or dispute resolution scheme. The whole of your investment will be at risk (although you will not incur a liability beyond your investment). Please consider it carefully in the context of the complete share offer document and related information and, if needed, seek independent advice.

## Further Information

\* Copies of the Business Plan, the Rules and the 2nd Investment Offer Application Form can be accessed via our website: [www.thecommunityfarm.co.uk](http://www.thecommunityfarm.co.uk)



the  
**community**  
farm 

## Buy a share in The Community Farm Join our growing community

You are invited to invest in a community enterprise that helps connect you with where your food comes from. The Community Farm provides an exciting opportunity to invest in a not-for-profit organisation, developing a way of farming that is...

- Good for the **soil**
- Good for **biodiversity**
- Good for the **workers**
- Good for its **members**
- Good for its **customers**
- Good for the **community**

What is really special about The Community Farm is its role as one of the first UK Community Supported Agriculture (CSA) projects to engage a city population. Up to now, most CSAs have tended to involve residents living within a few miles of a small farm. The Community Farm is trying to replicate this on a bigger scale by involving the communities local to the farm as well as those in the cities 10 to 15 miles away. So far the Farm is succeeding and attracting great interest. Others in the UK and further afield are keen to learn from us and to reproduce what we are doing. By investing in The Farm you will be part of creating a new approach to sustainable farming; one that can endure and be copied for the benefit of all.

The Farm is growing vegetables and fruit organically on 22 acres of land, set in the Chew Valley to the south of Bristol and west of Bath. It is a community supported agriculture enterprise owned by its members, with just over 400 members currently. The Farm has a tenancy agreement with Luke Hasell who owns the land. Luke is also a member of The Farm and serves on the Board. The Farm runs a vegetable box scheme and wholesale business.

In November 2010 we launched our first community share offer. This raised over £126,000 and enabled us to get established. We deliver organic vegetable boxes to over 300 customers a week and serve an increasing number of shops, schools and restaurants. We also hold regular volunteer days and events at the farm and plan to hold training and educational activities.

Having raised the initial funding necessary to become a going concern, we are now looking to raise capital for facilities and future development. These include agricultural buildings and simple facilities for staff and volunteers; a tractor and other field equipment; and, ideally, the means to begin to develop educational facilities on site.

As a social enterprise owned by its members, we aim to run a successful business that takes its social and environmental responsibilities seriously whilst remaining a viable going concern. We aim not to be grant dependent. Your investment will assist in developing the business and adding the infrastructure to help us deliver together the community and social benefits embedded in our project.

Investors in the Community Farm will be contributing to the sustainability and resilience of the local economy, and to the development of a self-sustaining, low-carbon food and farming system. Investment will help the farm embrace diversity and access for all and create a model for others to follow elsewhere.

**Launch Date** 1st September 2011

**Amount sought** £100,000

**Maximum investment** £20,000

**Closure Date** 29th February 2012

**Minimum investment** £50

\*any amount in between may be invested

The Community Farm is a Community Benefit Society incorporated under the Industrial and Provident Societies Act 1965. Registered with the Financial Services Authority. Registered No. 31018 R



Chefs Day at The Community Farm July 2011



## What does The Community Farm do?

The Community Farm ("the Farm") is a new and exciting Community Supported Agriculture scheme for the Bristol, Bath and Chew Valley areas. The farm:

- Grows quality organic vegetables and fruit on 22 acres of land. (There is the option to expand to 50 acres by taking on land adjacent to the existing site and opportunities have been identified to grow beyond that locally if the demand is there)
- Runs a vegetable box scheme
- Sells to wholesale customers

The Farm has now been running successfully since April 2011. There is a committed team of staff and volunteers. The Board, all of whom are members of the Farm and serve in a voluntary capacity, have ambitious plans for the Farm, which will be implemented as and when funds allow and in consultation with investors and members. The next steps include:

- Establishing an education programme, beginning with courses in horticulture and cookery
- Establishing livestock enterprises at the Farm
- Embarking upon further developments as agreed by the Farm's membership. These may, for example, include developing a centre for learning

Income and expenditure forecasts for the business of the Farm are in the Business Plan.

## Who is behind The Community Farm?

The current members of the Board, all acting in a voluntary capacity are:

**Phil Haughton** founder of The Better Food Company with 25 years' experience of retailing, wholesaling, growing and delivering organic food with a commitment to sustainability and community throughout.

**Luke Hasell** an experienced project manager who inherited a farming enterprise in 2003 and now manages 500 acres and The Story Group Ltd., which specialises in providing organic food direct to the public.

**Angela Raffle** a Public Health doctor in the National Health Service and the University of Bristol, a founder member of Sustainable Redland and a director of Transition Bristol.

**Ben Raskin** an experienced organic grower and currently Horticultural Advisor for the Soil Association where he is responsible for technical advice, support and representation for organic growers as well as running the Organic Apprenticeship Scheme.

**Melanie Taylor** previously General Manager of the Better Food Company with 20 years' experience working in the food industry, as a chef, a catering manager and in food retail.

**Geraldine Hill-Male** a teacher and senior manager in a local secondary school responsible for staffing, management, fund raising, governance and policy development who has been actively involved with organic food and its principles for many years.

**David Hunter** a solicitor, working as a consultant for charity and social enterprise specialists Bates, Wells & Braithwaite. David is currently studying for an MSc in Sustainability and Responsibility at Ashridge Business School and project managing the Bristol and Bath Local Currency Scheme. He is a trustee of Self Help Community Housing Association and of the Ethical Property Foundation.

**Carrie Robinson** a qualified accountant and a financial manager with commercial & analytical experience at British Aerospace and Orange.

**Members** Through our initial investment offer we have over 400 members, both locally and from further afield. Many have visited and volunteered on The Farm, and they range in age from small children to grandparents.

**Staff** The Community Farm staff members are a committed group of individuals with a wide range of skills. We have staff working in the box and wholesale team, the growing team and those responsible for future strategic plans for the farm.

## Why is The Community Farm seeking Investment?

Our first share offer raised £126,000. This enabled the Community Farm to acquire the growing operation, including necessary assets, equipment as a 'going concern', and to become legally established. Facilities at The Farm remain very basic and we now need to rectify this and start developing the educational aims of the enterprise. The 2nd investment aims to raise:

- |                |   |
|----------------|---|
| <b>£40,000</b> | For an agricultural machinery store providing storage space and basic facilities for staff and volunteers on site (subject to planning permission). |
| <b>£30,000</b> | For new equipment including replacing our elderly tractor.  |
| <b>£30,000</b> | To enable us to secure more sustainable means of bringing visitors to the site and to embark on plans for an educational facility.                  |



## What are the Benefits of Investing in The Community Farm?

By investing in this project:

- You will become a co-owner of the community benefit society that is The Community Farm
- You will be entitled to one vote at general meetings of the members of the Farm (regardless of the amount you invest)
- You will enjoy free access to the Harvest Festival and Open Days at the farm
- You will have opportunities to take part in Community Farmer Days
- You will receive newsletters with seasonal information
- You can be confident your money is invested in a project supporting social and environmental objectives. These will be reported on in the Annual Report
- You may be entitled to interest on your investment, at the discretion of the Board, if you invest £500 or more.

## What if you are already a member of The Community Farm?

If you have already invested in The Community Farm, and want to support it further through this share offer, you are welcome to subscribe for more shares, so long as your aggregate investment in The Community Farm does not exceed £20,000.

Please note, this will not entitle you to any more votes at General Meetings of the Farm, or additional rights to those you already enjoy (unless the additional investment takes your total to £500 or more, which will make you eligible for any interest payments authorised by the Board in future).

## How is this different from Annual Membership?

Responding to this offer will mean you are a member of The Community Farm until such time (if ever) as you elect to withdraw your share capital (i.e. ask for your investment back).

The annual membership of the Community Farm is a means of securing a 10% discount on vegetable boxes from the Farm, and the fee is currently £30 for a year. Shareholder members can pay annual membership to secure their discount. They remain entitled to one member vote. Non-shareholders can pay annual membership and this entitles them to the same rights as an investor for the duration of the year, including 10% discount on their veg box.

(Until 31 March 2012 only, the original investors in The Community Farm who became members under the first share offer are entitled to the 10% discount automatically).

## Targets and Contingencies

Following the closure of this share offer on 29th February 2012, the Farm will identify the amount raised and proceed as follows:

- If more than £100,000 has been raised, the Farm shall proceed with installing agricultural buildings subject to appropriate planning permission and commencement of the development of the educational facilities as detailed.
- If less than £100,000 has been raised, the Farm shall apply the funds in the best interests of the ongoing sustainability of the business.