



# Join us to buy a farm

## and invest in the future of food and farming

**OFFER OPEN: Sat 3rd April 2021 - 3rd July 2021**

Whether you are new to community shares or a seasoned investor, this is a unique opportunity to invest in the future of food and farming; to help create practical solutions and offer a beacon of hope in this era of climate change and ecological crisis.

**MINIMUM INVESTMENT: £200**

**MAXIMUM INVESTMENT\*: £65,000**

**INTEREST: 0%, 1%, 2% or 3% - you decide**

**Interest due on the 31st March 2025**

**Community shares can not be  
withdrawn before 1st April 2026**

## #Joinustobuyafarm

[Ethex.org.uk/invest/kindling-farm](http://Ethex.org.uk/invest/kindling-farm)  
[kindling.org.uk](http://kindling.org.uk)

 **Kindling Farm**  
Sowing ideas / Growing livelihoods / Fuelling action



Community  
Shares  
**STANDARD**

\*This is the maximum for individuals, institutional investors may invest more. The maximum will be 10% of the total shares issued, and additional monies will be returned at the point of issue. Please read this Community Share Offer document carefully, including the Terms and Conditions section, before making a decision to invest.

We are writing this as we start to come out of this challenging time, with an end to covid in sight that cannot help but bring a sense of hope. For us this sense is also fuelled by the fact that, during these unprecedented times, we have received more support and interest than ever before. So, whilst the world is still a very uncertain place, we have been encouraged by our supporters that the time is right for Kindling Farm and that, perhaps more now than ever, people want something hopeful to invest in.



Kindling Farm is about growing food, but it is also about growing hope. It is about creating a food economy rooted in fairness and sustainability; one that values the farmers and producers of our food, respects and nurtures the land and wildlife, and puts the health and well-being of our communities at its heart.

Kindling Farm will be a place where, together, we can support the next generation of farmers, increase access to fresh organic veg for all, pioneer the most ecological farming methods and support others to create social change in their own communities.

After more than a decade of establishing successful food businesses, running sustainable farming projects and growing a ready market for sustainable food, we have been approached by a farmer who wants to help make the Kindling Farm a reality. With a 52-hectares (128 acres) farm close to Manchester, we believe this is an opportunity not to be missed.

To buy this farm we are launching this Community Share Offer - to establish a farm owned by you, its community. Kindling Farm is about coming together to find practical solutions to the ecological crisis we are in. It is about hope, it is about social change and it is about creating a farming blueprint for our future, right here in the Northwest of England.

*We hope you will join us.*  
*Helen*

Helen Woodcock, Co-founder  
of the Kindling Farm





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# Our vision for the farm

“Kindling Farm” shouts the driver, and as you get off the bus I am there, from the farming team, to meet you. We start the tour at the converted stables where a couple of growers are fork-lifting pallets of fruit and veg onto a lorry. This fresh organic produce will be on school plates locally, and across Greater Manchester, tomorrow lunchtime. Schools visit the farm throughout the year to learn about where and how their food is produced.

In the polytunnel we meet recent graduates from our FarmStart programme. They choose to work here because they can access affordable land, work alongside experienced growers, keep their costs lower by using Manchester Veg People’s shared marketing and distribution service, and benefit from Kindling’s volunteers.

We walk through the coppiced woodland, spotting birds in the native trees. But the trees don’t stop there; our vegetables and cereals are grown between rows of fruit trees - 6,000 trees in total! This is known as agroforestry and is an amazing farming system that improves yields, soil health and biodiversity. We now receive many visits, enquiries and much enthusiasm about this hugely ecological and productive way to farm.

I explain that the field of flowers in front of us is managed by a new local enterprise - supplying weddings, funerals and romantics across the Northwest! The field to the left supplies flax to companies producing textiles, oil and construction materials.

We talk about the highly efficient buildings and the district heating system, the production of our own energy and our zero waste plan. I explain how, working with the Manchester-based Fairfield Group, lorries taking food into the city return with waste veg. As well as producing compost to keep our soil healthy, the composting process generates heat for our polytunnels which extends our veg growing season.

The aroma of fresh baking wafting from the Social Enterprise Hub makes us hungry, and as we enter the café it is bustling with people. You hear a group in animated discussion about engaging communities in climate change solutions. “It sounds interesting in theory”

you comment, and one of them responds that it is far from theoretical. “I can’t wait to talk to people at home in Stoke about these ideas. It won’t be easy, but I’m building a great network of support here.”

I explain that this event at the Centre for Social Change has been organised by some of our Community Shareholders, without whom we wouldn’t have the farm. What’s even better, is how many get involved in so many different ways.

After lunch you help carry beer (brewed using our own barley) over from the micro-brewery to our camping barn. We are celebrating the conclusion of the ecological self-build training programme, run in partnership with a housing association. Building on a local brownfield site it has enabled young people to stay living in their local community and taught them green building skills.

I excuse myself as I need to go into a planning meeting for our AGM, we’re expecting several hundred Members to come this year. You look surprised and I smile. “That’s nothing” I say. “They’re hosting Question Time here next month, and that’s loads more work!”

## Sustainable Living:

Low Impact Buildings  
Agri-tourism  
Volunteering  
Social  
Prescribing

### Your financial risk

This document is important and requires your detailed consideration. Due care and attention has been taken in preparing this offer document. The process was overseen by the board of Kindling Farm Limited who can vouch that the information it contains is in accordance with the facts available and that there are no known omissions likely to affect the viability of the business. If you want any advice you should consult with an independent financial adviser authorised under the Financial Services and Markets Act 2000.

It should also be noted that members of community benefit societies do not have access to the Financial Ombudsman Service or the Financial Services Compensation Scheme.

The purchase of shares is at full risk and if the business fails it is possible that you will never recover the full value of your shareholding or even lose it completely.

Should Kindling Farm Limited experience financial difficulties: we may not be in a position to pay interest; we may have to suspend investors’ rights to withdraw shares; and investors may lose some or all the money paid for shares.



Community  
Shares  
STANDARD

### Community Shares Standard Mark

This offer has been awarded the Community Shares Standard Mark. The Community Shares Standard

Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice. These standards ensure that:

- The offer document and application form are easy to understand.
- You are provided with all the facts you need to make an informed decision.
- The facts are supported by the annual accounts and/or business plan for the society.
- Nothing in the documents is purposefully incorrect, confusing or misleading.
- 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: [www.communityshares.org.uk](http://www.communityshares.org.uk)



# The story so far

Since 2007, the Kindling Trust has established and supported farming projects and food enterprises aimed at creating a more sustainable food system for Greater Manchester and the Northwest. To have a more meaningful impact and to respond to increasing demand, this work needs to significantly scale up.

We are establishing a large-scale, pioneering agroforestry farm just outside Greater Manchester; significantly increasing availability of local, organic fruit and vegetables, improving health and well-being through increased access to fresh food, and offering a rich programme of training and community-building activities. It will eventually be home to a Centre for Social Change; promoting and supporting the transition to a low-carbon, more socially and ecologically just world, and to a Social Enterprise Hub with shared facilities and collaborative working opportunities.

Never has concern around the climate and ecological crisis been so strong. By establishing a farm owned by its members and by giving communities a voice, together we will demonstrate that there are achievable solutions.

In late 2019 we were approached by the owner of a farm located just outside of Greater Manchester, keen to sell to us and make our vision a reality. Since then we have evaluated the suitability of the site and location, and carried out due diligence checks. Today, we are confident that this is the farm for us.

The cost of purchasing and establishing the farm is based on independent reports by Savills UK, RMH Consulting & Mark Measures Associates (MMA) and Co-op Culture. Our financial assumptions have been reviewed by Resonance (a social impact investment company) and a valuation of the farm has been carried out by 3D Rural Surveyors.

We intend to fund the purchase of the farm and the investment in immediate infrastructure through:



- **This community share offer** with the target of attracting between £390,000 and £650,000 of investment from supporters between Saturday 3rd April 2021 and Saturday 3rd July 2021.
- **Grants from funders** with whom Kindling Farm's founders have built a good working relationship, with £220,000 of capital grants and donations secured and further funding in discussion.
- **Loan finance** - we are in discussion with leading ethical banks, who offer favourable rates to socially responsible initiatives.

The opportunity for supporters to invest via community shares is particularly important to us, enabling ownership and engagement by all our stakeholders. It allows anyone who supports our vision to apply to purchase shares and become a

member. Minimum investment is £200, maximum £65,000 (this represents 10% of the total investment target). The return is between 0-3% p.a. (chosen by the shareholder) which we intend to pay from 31st March 2025 (see our Terms & Conditions at the end of this document).

Loans will be repaid over 25 years, with repayments financed through trading activity. Financial forecasts, based on recent work with our sister organisations (Manchester Veg People and Veg Box People) and other customers, project a net profit of £85,000 by 2025/26 that we could use to grow our team, activities and invest in future developments. Our business goals are for Kindling Farm as a whole to be financially viable (and independent of grants) by 2025/26.

# Who we are

Twenty years ago a group of friends decided that a number of very practical solutions were needed to help build a fairer and more ecologically sustainable society. Those solutions included:

## Bridge 5 Mill

An urban centre for sustainable living in Manchester City Centre, providing a resource for communities, organisations and campaigners to increase awareness and create change.

## Fairfield Recycling

A social enterprise focused on managing food waste from Greater Manchester and composting and processing it into sustainable products, like compost for local growers.

## Kindling Farm

An ecological farm close to Manchester working to create a more sustainable food system.

The group decided to work systematically, alongside many other amazing people, to set up each in turn.

With the first two established, the group (grown in number over the years) realised that for Kindling Farm to be a success a number of other solutions had to be in place. It would need the local market for organic produce to grow; more people to be supported into sustainable farming; and more people to be aware of the need for a more sustainable food system. And so other parts of the jigsaw were added:

## Kindling Trust

A social enterprise focused on sustainable food and farming through projects such as the UK's first organic FarmStart training programme; Woodbank Community Food Hub; and Grow, Cook and Eat social prescribing programme.

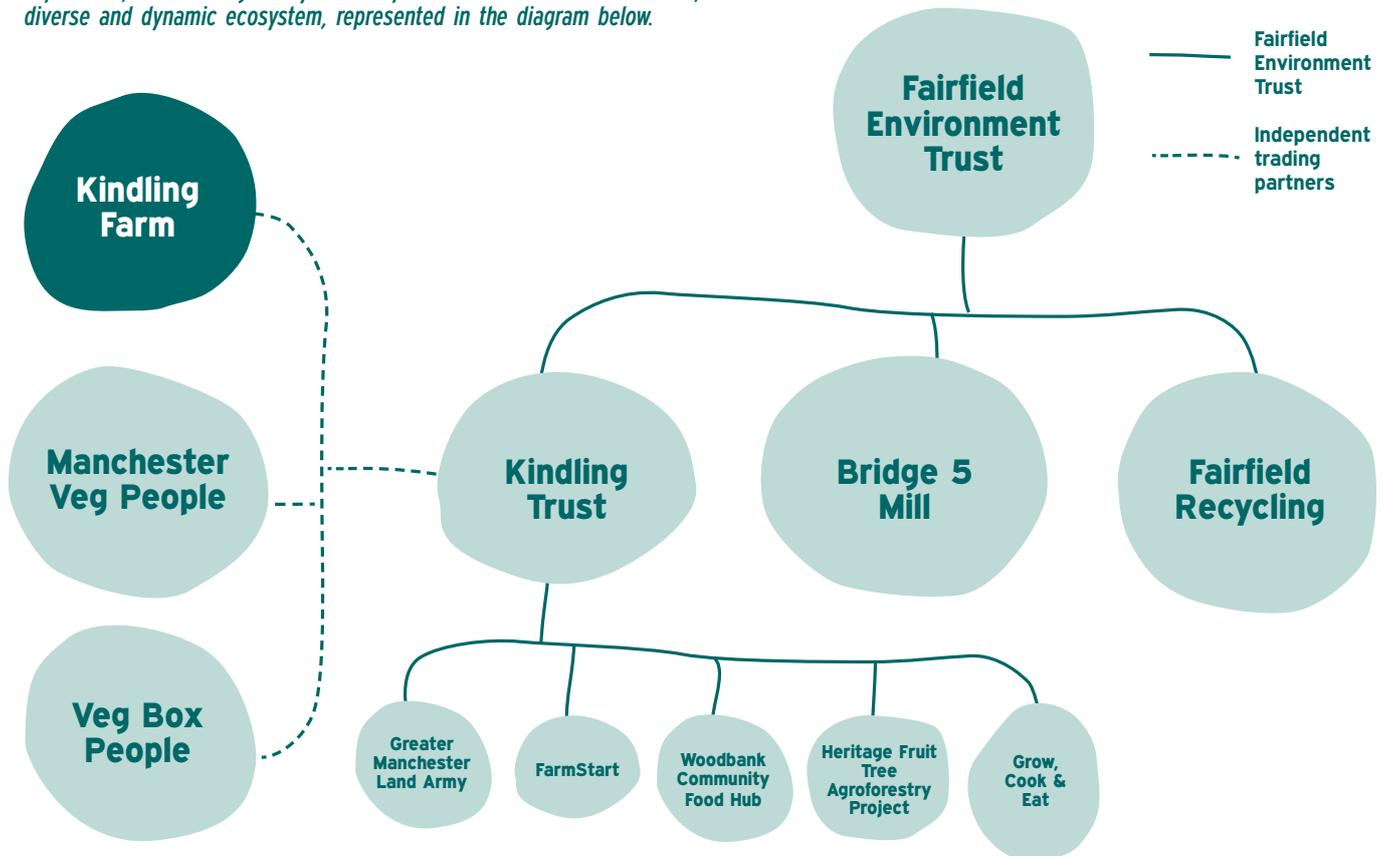
## Manchester Veg People & Veg Box People

Two co-operatives selling local organic produce.

## Fairfield Environment Trust

A charity overseeing and coordinating our shared strategy.

*Sharing the same vision and values and building on the strength of collective experience, the Kindling family of enterprises have become an effective, diverse and dynamic ecosystem, represented in the diagram below.*



Kindling Farm is a part of this ecosystem of organisations but, as a Community Benefit Society, it is also its own individual legal entity, owned by its members. This means that Kindling Farm has the best of both worlds. The benefit of 20 years' worth of knowledge and experience, but a level of independence that enables it to be owned by its members and community, bringing new skills, experience and energy. This is crucial not only to the success of Kindling Farm, but to our long term vision of engaging as many people as possible in creating a fairer and more sustainable food system and society. Because of this we have a unique track record in the Northwest of England for innovation.



## The success of Kindling Farm is backed up by:

- The markets we have built over the last 12 years for our organic veg, training courses and other services.
- Increasing demand for healthy, local, organic food as awareness grows about the climate and ecological crisis. Additionally in this last year the organic market has seen its highest growth rate since 2006, and its 10th consecutive year of growth.
- The desire from farmers to manage their land in wildlife friendly ways and increase soil health.
- The urgent need to support the next generation of growers and create viable farming livelihoods.
- The robust mix of funding and investment sources we have in place to establish Kindling Farm and a clearly-defined phased development plan.
- The Kindling Trust's active support, including through the secondment of two Development Workers (as provided for the establishment of both Manchester Veg People and Veg Box People co-operatives).
- Our experienced, committed and growing team, who form a strong foundation for our ambitious plans.
- The team's land management and farming experience.
- Our financial model for running Kindling Farm and our strong entrepreneurial ethos.
- Our proactive approach to managing risks, demonstrated in this last year with the Kindling family of enterprises continuing to operate throughout lockdown, facing the challenges with practical and safe solutions.
- An explosion of interest in our work. Able to offer support, safe outdoor volunteering opportunities and hope during the pandemic, we have connected with a large number of new supporters who are now deeply engaged with our work, very excited to see the farm happen and keen to offer us their time and skills.

## Our structure

We registered with the Financial Conduct Authority (FCA) as a Community Benefit Society in 2016. This legal form is particularly suited to running a business with a community purpose that is also democratically accountable to its community. It is a legal form that is also exempt from some of the restrictions around public offers of investment, which makes it particularly suitable for raising finance from the community. This is why it has been used extensively to create and finance community energy projects, assets such as community buildings, community farms, shops and pubs.

As a Community Benefit Society, we are restricted in that we can only use our assets for community benefit. We are allowed to pay limited interest on members' shares. We are not run for profit and have an asset lock in our Rules such that, if Kindling Farm is dissolved or wound up, any residual assets after paying creditors and returning members' shares must be transferred to another organisation with a similar asset lock rather than being distributed amongst the members.

## Trading history to date

Kindling Farm has submitted accounts for the last four years, where its activities have been limited to raising and spending grant finance on the development activity to get us to where we are now - launching our first community share offer. Full details are available in our business plan which is available at: [www.ethex.org.uk/invest/kindling-farm](http://www.ethex.org.uk/invest/kindling-farm)

# The Team

The Establishment Team has worked for several years setting up Kindling Farm, including the purchase, securing funding and will include recruiting the initial Farming Team. This team is made up of two full time Development Workers, seconded from the Kindling Trust, with additional support of the Kindling Trust's Communications Coordinator and Office Manager.

Kindling Farm will be run by the Farming Team and the Establishment Team on a co-operative basis with an experienced Farm Manager. These teams will be accountable to and supported by the Kindling Farm Board.

More details around the operation of the farm can be found in our business plan available here: » [www.ethex.org.uk/invest/kindling-farm](http://www.ethex.org.uk/invest/kindling-farm)

## The Board of Directors

Our Board is formed from and elected by the members. We currently have four Directors, two executive and two non-executive Directors. Any benefit to Directors from the activities of the Society will relate only to their investment in the Society on the same basis as any other member of the Society.



### Helen Woodcock

Also a full time Development Worker on the Farm Establishment Team. Helen has co-founded a number of projects over the last 20 years, including: Bridge 5 Mill – fundraising for and project managing the £4.5 million refurbishment of this 5 story mill; The Kindling Trust and Manchester Veg People. Helen has an MSc in Organic Farming, is an active member of the agroecological farming community and was a trainee grower herself for 5 years while helping establish Kindling's FarmStart project.



### Abi Baguley

Abi works for the John Lewis Partnership as a Democracy Coach and has 9 years experience of working in member engagement and democratic governance and through this has extensive HR experience. Abi was on a full-time secondment with The Kindling Trust for the 6 months in 2019 focusing on the development of the Kindling Farm's Community Share Campaign.



### Stuart Jones

Stuart has over 15 years' experience of working in organic food and farming, including 12 years as a veg buyer for Unicorn Grocery, 2 years on an organic mixed farm at Marton Villa Farm and 8 years in organic horticulture with Moss Brook Growers co-operative that Stuart co-founded. Stuart has an HNC in Organic Horticulture from the Welsh College of Horticulture.



### Chris Walsh

Also a full time Development Worker on the Farm Establishment Team. Co-founder of The Kindling Trust, Bridge 5 Mill and Fairfield Recycling, Chris is an accomplished social entrepreneur, instrumental in establishing initiatives across the region, including Manchester Veg People and Veg Box People. Chris has been a trustee of the Real Farming Trust, which oversees the work of the Loans for Enlightened Agriculture Programme and the Oxford Real Farming Conference and a member of the Better Food Traders' membership panel. Chris was also a trainee grower for 5 years while establishing FarmStart.

The board is supported by and accountable to 34 founding members of Kindling Farm. We are also lucky and honoured to have an Advisory Group, made up of individuals from the UK's leading sustainable food and farming organisations (see our business plan for details).



# Need for Kindling Farm

Our increasingly industrialised food system is broken. It plays a significant role in climate change and biodiversity decline, poor health and rural poverty. This is a huge and complex set of problems, but we believe they can and must be tackled together and at their root cause, by building a fairer food system that is ecologically just, economically viable, fair and socially inclusive. Kindling Farm will be a base from which to build this better food system, by addressing these key areas of need:

## Need for sustainable food

**We need to produce more fresh fruit and vegetables locally:** The UK is only 40% self-sufficient in fruit supply and less than 60% self-sufficient in vegetable and salads supply, and the latter is declining.

**We need more examples of how to make food production truly sustainable:** There is a wealth of evidence linking industrialised, chemical and fossil fuel dependent farming methods to the ecological crisis we are facing.

**We need more food producers:** We have an ageing farming population, unsurprising when farming is such a high risk, low paid career. Those who are interested in farming face huge obstacles in accessing land, training, high costs of housing in rural areas etc.

## Need for more sustainable ways of living

**The need for more education and support to take action:** The need to live more sustainably covers wide-ranging topics, from local to global. While there is an increasing public awareness of issues such as single use plastic and food waste, it is also evident that people feel overwhelmed

by the scale of the challenges and disempowered when tangible solutions are absent. These feelings are compounded by a decade of austerity, increasing problems of isolation and the uncertainties of Brexit and covid-19. The overwhelming majority of the feedback that we receive is that engagement in our projects increases not only knowledge but well-being, health, confidence, a sense of community and hope, and a resulting ability and desire to take action.

## Need to support the change makers and civil society

**The need for more support for those working for social change:** With the rise of populist topics across the globe, promoting individualism and materialism and denying climate change, working to tackle these critical problems can feel like swimming against an extremely strong tide. While we are constantly inspired by the passionate people around us, we know that there is an urgent need to support communities, organisations and individuals who are working hard to create change. Our research with both national and local groups found a real shortage of affordable venues and

courses reflecting the ecological and ethical values of a growing social movement, with accommodation and sufficient space.

## Kindling Farm will provide and support others to find practical solutions to these problems. We will:

- Significantly increase the volume of sustainable food produced locally.
- Invest in innovative farming techniques to extend both our growing season and the range of crops we grow.
- Provide an example of large-scale agroforestry farming in the Northwest of England.
- Encourage and support people into farming, through access to training, land, advice, and by showing that organic farming can be a viable and valued way to make a living.
- Provide activities and courses to raise awareness of the issues and engage a wider range of people in practical action for ecological and social change.
- Support those working for change through an affordable venue, practical expertise, fresh ideas and inspiration, contacts and cross pollination of ideas with other change makers, and solidarity.



## What we are going to do

Kindling Farm is dedicated to producing organic fruit, vegetables, grains and pulses within a low carbon and habitat rich agroforestry system. It will also be a place to research, learn and build the food and farming system we so desperately need, through:

- The establishment of Kindling Farm as an exemplar sustainable farm.
- FarmStart: building on Kindling Trust's programme, Kindling Farm will set up its own FarmStart programme, supporting new entrants to farming through access to land and additional training in agroforestry, field scale fruit, veg and cereal production etc.
- Practical courses such as eco building, tree grafting and conservation etc.
- Events: school trips, community activities, volunteer weekends etc.
- Advice, visits and workshops for other groups and farmers who want to set up similar projects or explore farming in a different way.

*Additionally Kindling Farm will, in future years, become home to a Social Enterprise Hub and Centre for Social Change. So in the long term, your investment will help to:*

**Generate over  
£600,000 of  
annual organic  
crop sales**

**Create 12 new jobs  
and support 5  
trainee growers  
each year**

**Supply 5,000  
people with organic  
food each year**

**Increase the number  
of volunteers we  
support from 150 to  
500 each year**

**Engage 6,000  
beneficiaries  
each year**

**Together with Veg  
Box People increase  
customers from 400  
to 1,000**

**Generate £360,000  
of income from  
events, training, etc.**

**Plant 6,000  
fruit trees**

**Convert over 100  
acres of land into  
productive  
organic agroforestry**



# Why we are ready to buy a farm

A lot of work has gone into reaching this exciting stage in our development. Before even looking for a site, we were advised and our proposal assessed by experts including Savills and accomplished organic growers Mark Measures and Roger Hitchins. Crucially we did extensive work with our future customers to ensure that our vision could work in practice as a viable business.

With an increasingly clear need for the Kindling Farm, we began searching for a farm to buy. Buying a farm on the open market is very difficult, especially when we do not have all the money immediately available to move quickly against other bidders (often not farmers) who have the ready cash.

In late 2019 we were approached by the owner of a farm located just outside of Greater Manchester, interested in selling us their farm to help make our vision a reality. Following thorough evaluation of the suitability of the site and location, involving a range of experts and due diligence tests, we are confident that this is an opportunity not to be missed.

Since being approached by our supportive farm owner, the pace of progress has really picked up. Our land agent, 3D Rural, conducted the valuation of the farm, leading on to more detailed due diligence surveys.

**Additionally we have benefited from expert advice on:**

- Soil type and suitability, from Elizabeth Stockdale, National Institute of Agricultural Botany;
- Suitability of the site for agroforestry, from Stella Cubison, author of Organic Fruit Production.
- Farm business planning, from Roger Hitchins, retired organic grower of over 30 years and consultant.
- Capital work, from Bill Butcher, Director of the Green Building Store.
- Community finance and governance, from Mark Simmonds of Co-op Culture.
- Financial modelling and planning, from Resonance Limited.
- Social finance & community shares, from Ethex who are providing our investment platform and are responsible for managing the shareholder registry once the offer has completed.

We have received funding for some of this advice through the Reach Fund and the Booster Fund, who also supported branding development and materials for our community shares campaign.

We have strong relationships with ethical banks, potential investors and funders, who are very supportive of Kindling Farm vision and plans. Most recently, in December 2020, our partner organisation Fairfield Environmental Trust secured funding to support the development of Kindling Farm. From the Postcode Local Trust, for community consultation and engagement in Kindling Farm and £215,000 from the Green Recovery Challenge Fund to engage communities in grafting and planting 12,000 heritage fruit trees - half of which are destined for Kindling Farm's agroforestry system.

This progress puts us in an incredibly strong position to hit the ground running following the success of this community shares campaign.

# The farm we'd like to buy

The farm we have set our hearts on is a traditional family farm, with a modest farmhouse, barns and stables set around a courtyard that lends itself well to becoming the hub of the Kindling Farm. It has 52 hectares (128 acres) of productive land, with a flat aspect that is ideal for vegetable and arable production as well as the opportunity to plant significant numbers of fruit trees.

At this stage of the purchase process, at the request of the farmer, we are unable to reveal the exact name and location of the farm, however, we hope that this section will provide sufficient information to give context to our plans. If during the campaign we can reveal more, we promise we will let you know.

## Location

The farm is located between Manchester and Liverpool to the west of Salford. It is within easy access of Greater Manchester and has good rail and motorway links to the rest of the UK. It is approximately a 30 minute drive from Manchester City Centre with good public transport links. The farm is close to a large village with amenities including shops, cafés, banks, primary schools, hotels and a secondary school.

## Soil

There is a patchwork of soils across the farm. A site visit with soil and agroforestry experts reassured us that, while the soil is not of grade one standard (they estimate that it ranges from grade 2 to 4), there is good potential for vegetable, cereals and fruit production. It also gives us the opportunity to show how to improve soil health on a range of different soils, important as the majority of the UK is not grade 1 soil.

## Infrastructure & machinery

The buildings will need refurbishment work, but there is great potential for traditionally sensitive development using ecological building techniques. The farm comes with a range of old and new farm machinery and additionally we were fortunate to inherit farming equipment from Moss Brook Growers.

**We know we are asking a lot of you, to consider investing in a farm we are unable to reveal at this stage.**

**We hope that the information we can provide; the expert advice we have had about this farm, coupled with our track record, the markets we have developed over the last decade will give you confidence in our ability to make Kindling Farm a success.**

It is important to say here that while we are extremely confident in both the suitability of this farm and in our relationship with the current owner, what this last year has taught us is that anything can happen.

So, we want to be clear about two things. That in the event of the purchase of this particular farm not going ahead, we will continue looking for a farm to make Kindling Farm a reality. If this situation were to occur you would be given the option to have your money returned, or to have your shares issued and become a member of Kindling Farm while we look for another farm.



See our business plan for more details:  
» [www.ethex.org.uk/invest/kindling-farm](http://www.ethex.org.uk/invest/kindling-farm)

# Making it happen

In our financial modelling the purchase cost of the farm is £1,300,000 based on the valuation (depending on further surveys) and of this we hope to raise between £390,000 and £650,000 through this community share offer. The minimum target of £390,000 is the amount we need to raise to access a long term loan from the bank.

## Buying the farm

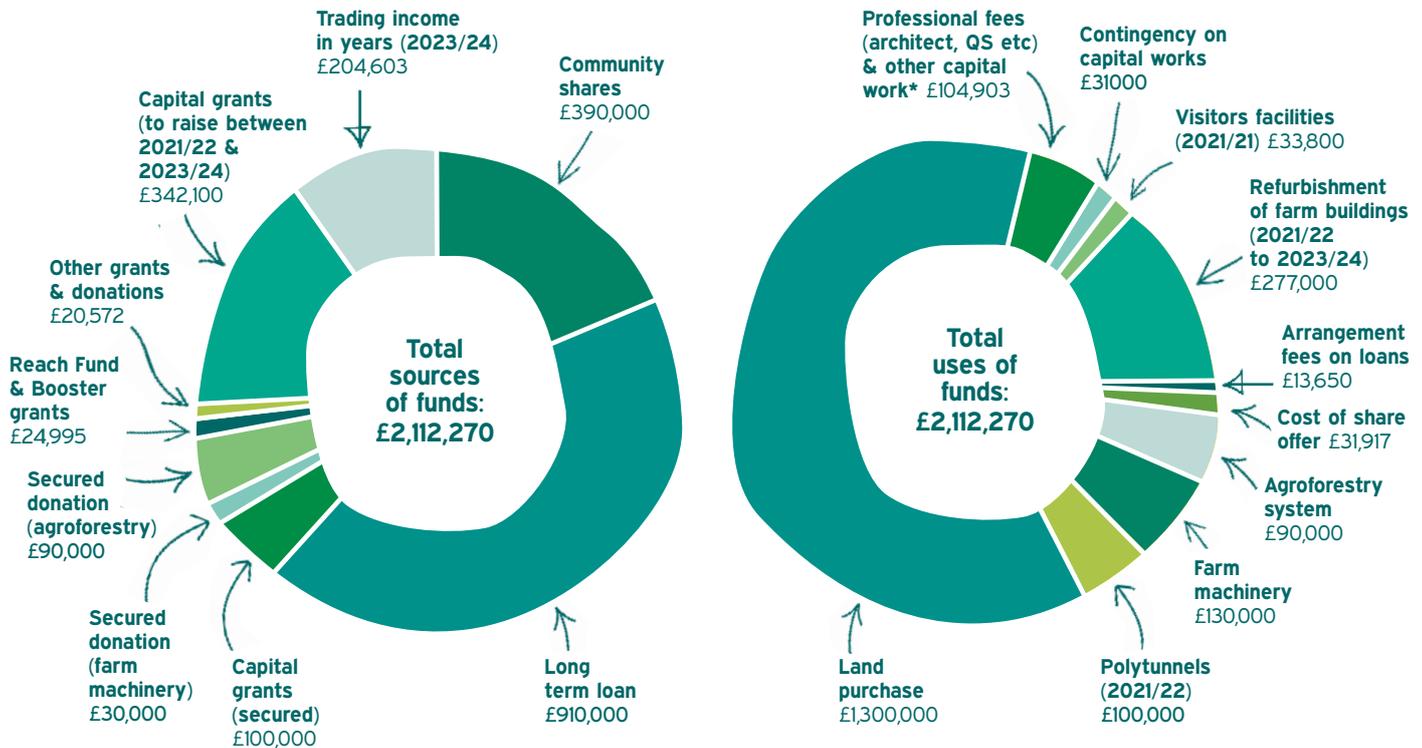
With community shares contributing between 30% and 50% of the purchase price, the remaining finance for the farm purchase will be in the form of a twenty-five-year loan. We are in discussions with Triodos Bank and Charity Bank, who both offer favourable rates to socially responsible initiatives. We have based our financial modeling on initial discussions of 2.7% Above Base Rate.

## Refurbishing the farm

Once we have purchased the farm it will require up to a further £760,000 to:

- refurbish existing farm buildings (for farm use and facilities for the team, volunteers and visitors).
- increase undercover growing space to extend the growing season.
- improve farm infrastructure.
- purchase farm machinery.
- plant our agroforestry system, with immediate biodiversity benefits.

The capital spend and sources of finance are presented in the pie charts below



While all the capital work would ideally take place at the start, the farm will be operational with the minimum amount of community shares raised, the long term loan and the already-secured grant funding. We will be able to complete the additional refurbishment work in stages, over a number of years (as funding is secured). We intend to finance the refurbishment and infrastructure using grant finance raised between 2021/22 and 2023/24 and trading income generated in 2022/23 and 2023/24. We have already secured £220,000 in the form of a grant of £100,000 and donated machinery and equipment to the value of £30,000 and trees for our agroforestry system to the value of £90,000. We will therefore be looking to raise a further £342,000 over the next 3 years to complete the capital work and infrastructure improvements.

We are confident we can raise this, based on our track record. However, if any of the grant funding which is currently unsecured fails to materialise, we will merely delay the later parts of the farm project, with the farming being unaffected in the short term.

\* fees based on 12% of capital work and other includes planning application, building regulations, external works, drainage etc.

A further breakdown of the capital expenditure is available in our business plan  
[www.ethex.org.uk/invest/kindling-farm](http://www.ethex.org.uk/invest/kindling-farm)

## The development costs

The secondment of the Kindling Trust's two full time Development Workers, with additional communications and office support is secured for this first year (2021/22). We are in the process of securing revenue grant funding of £450,000 (over 4 years) to cover the early overheads during the period while we are building up our income generation from sales. This includes advanced talks with a number of funders and, while this is not a guarantee, based on experience of running the Kindling family of enterprises over the last 12 years, we are confident that we will secure the revenue grant funding within the given timescale.

*We have modelled two different scenarios depending on exactly how much is raised through this community share offer.*

Please see our detailed financial projections in our business plan  
» [www.ethex.org.uk/invest/kindling-farm](http://www.ethex.org.uk/invest/kindling-farm)

### Scenario 1

We raise the minimum target of £390,000 and we can:

- Begin farming in 2022/23.
- Start initial refurbishment funded using secured grant finance.

***“Only by reaching our minimum target for this community share offer can we establish the Kindling Farm. This investment will allow us to secure a loan, purchase the farm and get farming straight away”***

Abi Baguley, Kindling Farm Director

### Scenario 2

We raise the maximum target of £650,000 and we can:

- Begin farming in 2022/23.
- Start initial refurbishment funded using secured grant finance.
- Borrow less from the bank.
- Pay less out in loans repayments, making us more financially resilient.

***“It would be fantastic if we reach our maximum target, not only would it be a huge endorsement for the kind of food and farming future we all desire, but it would mean we would borrow less from a bank which puts us in a stronger financial position in the long term”***

Abi Baguley, Kindling Farm Director

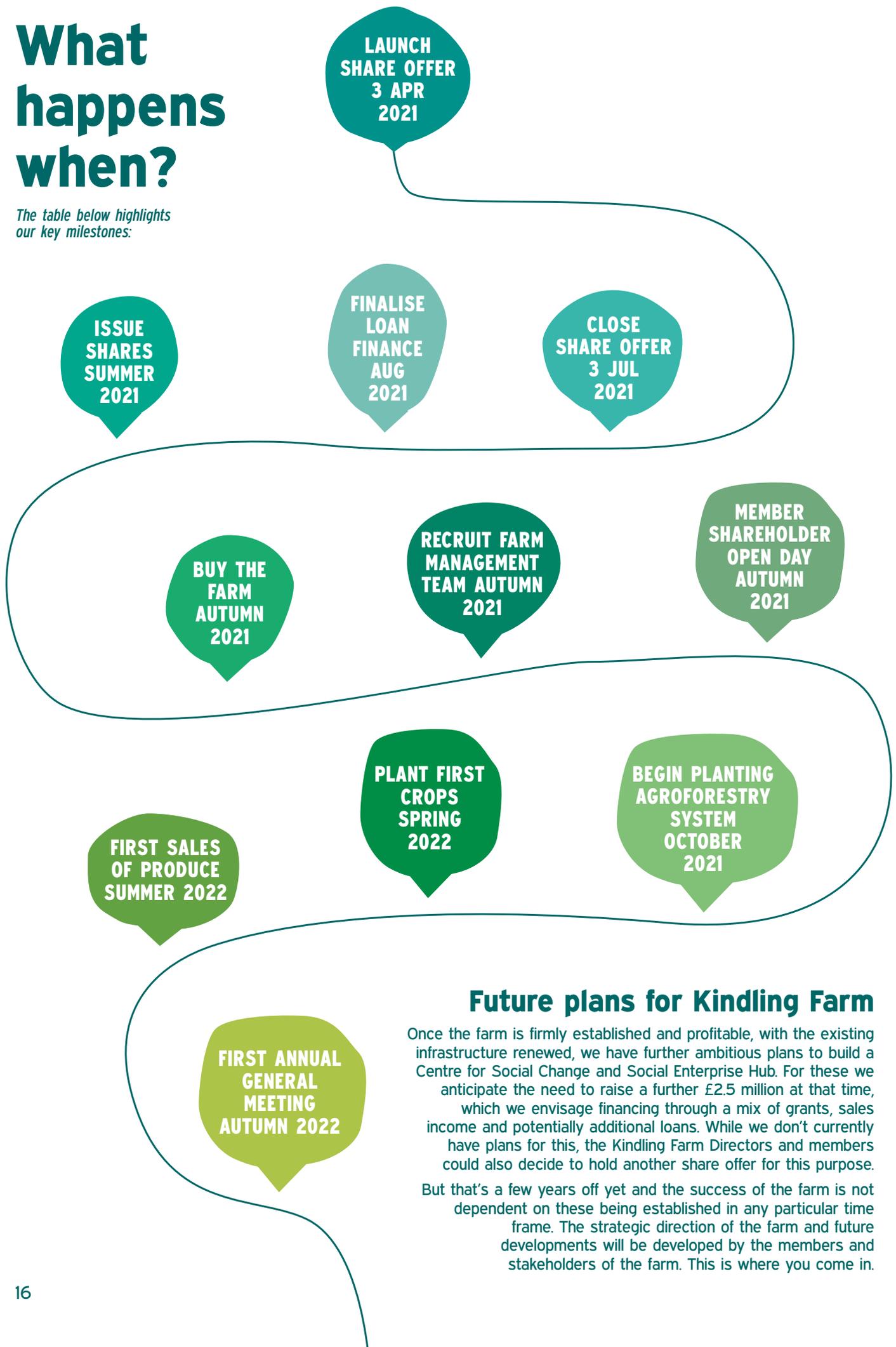


The farming model is unaffected by the amount we raise through community shares, although the different capital spends and finance will affect the financial projections (see later in this document).

This means that we will be able to start producing veg for customers who are eagerly awaiting our lovely local produce; start offering volunteering opportunities and practical courses; and start generating an income to finance our loans and investments, almost as soon as we are handed the keys.

# What happens when?

The table below highlights our key milestones:



## Future plans for Kindling Farm

Once the farm is firmly established and profitable, with the existing infrastructure renewed, we have further ambitious plans to build a Centre for Social Change and Social Enterprise Hub. For these we anticipate the need to raise a further £2.5 million at that time, which we envisage financing through a mix of grants, sales income and potentially additional loans. While we don't currently have plans for this, the Kindling Farm Directors and members could also decide to hold another share offer for this purpose.

But that's a few years off yet and the success of the farm is not dependent on these being established in any particular time frame. The strategic direction of the farm and future developments will be developed by the members and stakeholders of the farm. This is where you come in.

# The share offer

**Community shares are an easy and direct way of supporting a community business. It is a way of using your money to help make something happen that is important to you. For Kindling Farm it is both an ethical way of raising finance and, importantly, a way of involving lots of people in creating a more sustainable food system.**

Community shares have grown in popularity in recent years as people increasingly want to invest their money in initiatives and enterprises that make a positive difference. The number of new community share offers has more than doubled since 2012. Many of these shareholders were first-time investors, buying community shares as much for the social return as the financial one.

Pioneering farms are increasingly raising funds through community shares. The hugely inspiring Fordhall Farm became the UK's first community owned farm in 2006 with 8,000 community shareholders. More recently, Stockwood Farm raised £400,000 from 150 community shareholders to purchase its 60 hectare farm and rural business park. Others include The Community Farm in Bristol and Sutton Community Farm, to name but a few. Less than 10 years ago, community shares were almost unheard of. Yet since 2012, £155 million has been raised by 104,203 people supporting more than 440 vital businesses – an impressive 92% of which are still trading.

Source: Community Shares Research Project.

## Community Shareholders

The Kindling Farm community is both geographical (people living locally to Kindling Farm) and our community of interest – people and groups all over the country (and world), who believe a fairer and more sustainable food system is needed and possible. Share ownership in Kindling Farm is open to all from our communities who support our objectives and share our vision and values.

We see Kindling Farm as an opportunity to widen our community and engage a much more diverse range of people in changing the food system. By purchasing a farm, producing food on a much larger scale and offering a wider range of facilities and activities, Kindling Farm will increase and widen our 'community of benefit' significantly.

When you purchase community shares you become a member and

part-owner of Kindling Farm. As a member you have one vote, regardless of how much you invest. So no matter how large or small a shareholding is, that shareholder has an equal voice to other community shareholders.

Because we want this share offer to be as inclusive as possible we want to encourage all forms of membership. This includes buying shares as a gift, or for a child or young person, or pooling resources as a group – be that a family, a group of friends or a group you are part of (see 'How to invest' for more information). Incorporated organisations can also invest, however, organisations and informal groups must name an individual on the share application form, who will attend meetings and vote on their behalf.

What membership means in practice is that, while the day to day running of the Farm will be managed by the Kindling Farm team, you as members will be able to get involved at a more strategic level. Through Annual General Meetings (AGMs), you can review progress, make important decisions, elect – and stand for election to – the Board of Directors and hold that Board (who are responsible for monitoring progress of Kindling Farm) accountable.

**In our Rules (our governing document), our investors are classed as "supporter" members. We will also have two other classes of member:**

- 1 Employee members – any employee of Kindling Farm.
- 2 Tenant members – any tenants of Kindling Farm.

Employee and Tenant members will have a £1 non interest bearing share and will have the same rights and responsibilities as investor (supporter) members. The Board of Directors shall endeavour to ensure that its composition reflects the number of members in each category, to maintain a representative balance. However no single class of membership shall have more than 50% of the seats on the Board of Directors.



**MINIMUM INVESTMENT: £200**

**MAXIMUM INVESTMENT\*: £65,000**

**INTEREST: 0%, 1%, 2% or 3% - you decide**

**Interest due on the 31st March 2025**

**Community shares can not be withdrawn before 1st April 2026**



## Match investment from Booster Fund

We have secured the support of the Community Shares Booster Programme, which is funded by Power to Change and run by the Community Shares Unit. Under this programme up to £100,000 is available to match applications for shares from the public. This means that for every pound invested by individuals, another pound will be invested in matched shares up to maximum Booster investment of £100,000.

The match shares will be held by Co-operatives UK, a partner in the Community Shares Unit, and will be subject to the same terms and conditions as other Kindling Farm Limited members, except for its right to withdraw share capital, which will be restricted to a pro-rata amount.

## Benefits of being a Community Shareholder

Benefits of being a Community Shareholder are wide ranging, from members-only events to knowing your investment is having an important ecological and social impact. All members will benefit from:

- Members-only offers (including discounts on courses and events).
- Member news.
- Members-only events and a warm welcome to visit at other times.
- A say at our Annual General Meeting and eligibility to stand as a Director.
- Involvement in shaping the future of this pioneering initiative.

## Share offer contingencies

If we don't achieve our minimum share target by the end of the offer period, the Directors reserve the right to

extend the offer period by a short time. If at the end of this extension we still haven't achieved the minimum raise, we will return all monies and not proceed with the purchase at this time. The more money raised through community shares, the less we will need to borrow from an ethical bank. This will mean lower loan payments, or a shorter repayment period, and will strengthen our financial foundations for years to come.

In the highly unlikely situation where we raise the finance but, for whatever reason, are unable to purchase the farm, you will be given two options:

- 1 All of your money is returned and you do not become a member of Kindling Farm.
- 2 Your shares are issued and you become a member of Kindling Farm while we look for another farm.

In this event, if you were to choose option two, interest will not be paid on shareholdings before we establish a trading farm.

\* This is the maximum for individuals, institutional investors may invest more. The maximum will be 10% of the total shares issued, and additional monies will be returned at the point of issue.



## How much can I invest?

For an individual investor the minimum investment is £200 and the maximum is £65,000 (or 10% of the total shares issued). An investment of this type carries risks and you may lose the value of your investment, so please do not invest more than you can afford to lose

## Return on your investment

We are looking to attract investor members who support the purpose of Kindling Farm rather than those seeking financial returns. As such, the level of return is designed to be the minimum sufficient to attract and retain the investment.

Our financial modelling indicates that we will be able to pay up to 3% interest on members' shares from the financial year 2024/25. This return is not guaranteed, but dependent on the success of the Society.

Shareholders can elect to receive their annual interest payment, of 0%,

Your Investment:	Annual return with 1%	Annual return with 2%	Annual return with 3%
£200	£2 p.a.	£4 p.a.	£6 p.a.
£1,000	£10 p.a.	£20 p.a.	£30 p.a.
£10,000	£100 p.a.	£200 p.a.	£300 p.a.

1%, 2% or 3%, accrued with their investment. This can be changed annually by contacting us.

However, the Board retains the right to adjust this figure or suspend interest payments if the business performance does not justify paying interest. Therefore you should not invest in the expectation of a certain financial return.

## Withdrawal of shares

Our financial modelling also allows for the gradual withdrawal of shares over time, after an initial suspension of withdrawal until the year 2024/2025, to allow for the Society to achieve financial stability. This model allows

10% of shares per annum to be withdrawn or reinvested from the year 2025/26. Again, withdrawal is not guaranteed as it is funded from the profits of the Society or by the issue of new shares.

Shares cannot be transferred and can only be sold back to the Society. The only exception to this is on the death of a member who has nominated an assignee.

More detail is given in the Terms and Conditions at the end of this share offer document.

# The business case

Kindling Farm has a strong business case, with proven markets and relationships that the Kindling family of enterprises have built up over the last 12 years.

While in the longer term we will offer a wider range of activities, in the early years, our primary trade will be to grow and sell organic fruit, vegetables, cereals and pulses. We estimate that this will be 94% of our turnover for the first 3 years, decreasing to 86% in 2026/27. The other 6 -14% of our turnover will come from a range of courses, activities, visits and consultancy.

Kindling Farm will be an excellent base to learn about practical solutions to the challenges we face, to share skills, and to engage more people from a wider range of backgrounds in creating a more sustainable food system. So while this element represents a small percentage of our income in the early

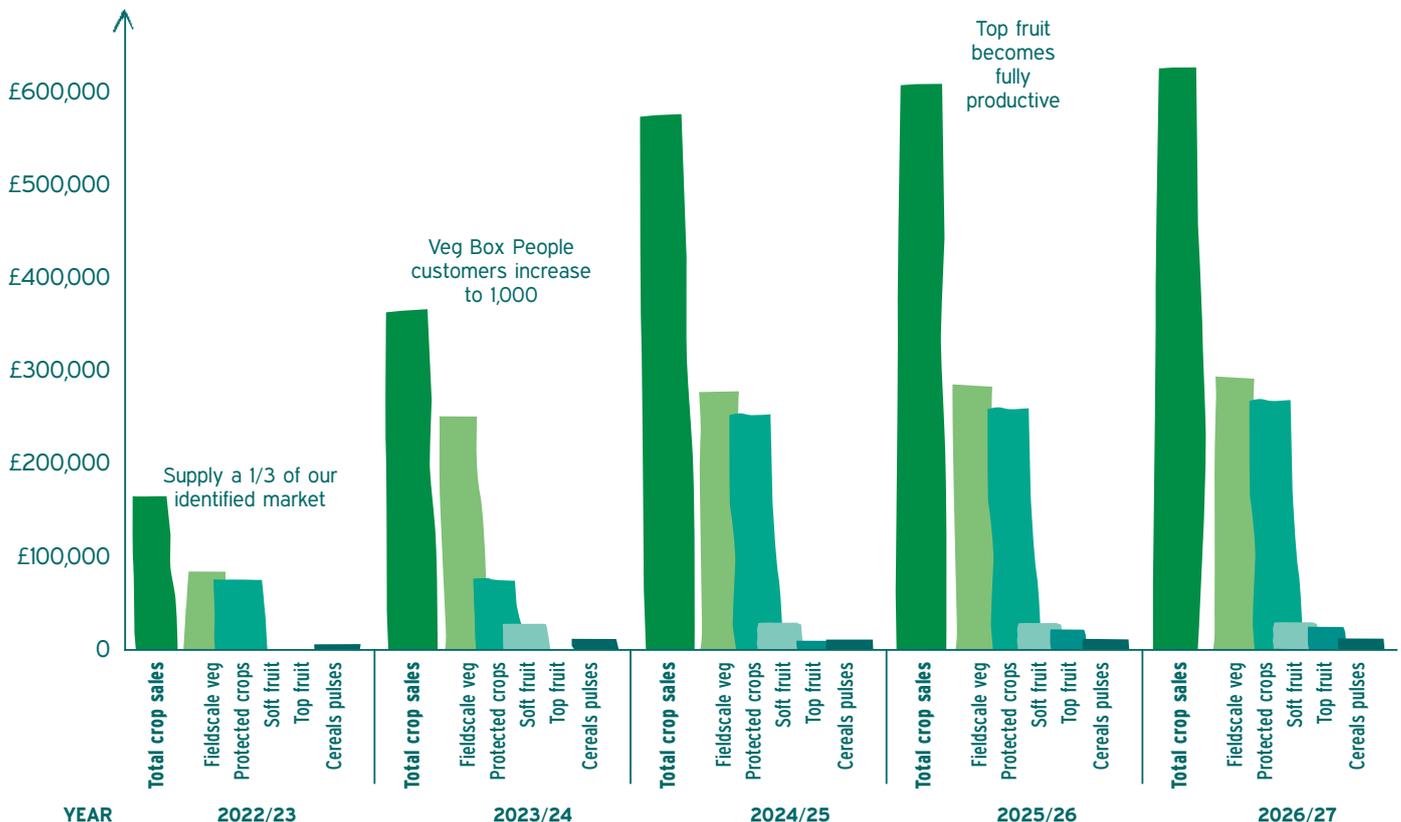
years, it will increase over the years as the farm is established. By 2026/27 it is estimated to become 14% of our turnover, representing an important way to diversify our income.

Our sales plan for our primary trade is based on crop planning with our sister organisations: Veg Box People and Manchester Veg People and with Unicorn Grocery with whom we have a strong relationship. We also have new market opportunities with outlets local to the farm and potential markets identified for our cereals, pulses and other crops including Manchester based bakeries, microbreweries, and businesses such as Hodmedods who specialise in UK grown pulses.

The gaps identified in the market for local organic produce include a real mix of field scale vegetables, soft fruit, top fruit, undercover crops, and crops where we can extend the growing season.

Our sales targets gradually increase over the years, starting in 2022/23 supplying 30% of the demand identified and increasing to 100% in 2025/26. This is for a number of reasons: it takes time to establish a farming business and to get to know the soil and build up fertility, two years to become organically certified, and five years for the fruit trees in the agroforestry system to become fully productive.

The graph below shows our predicted increase in produce sales over 5 years and the breakdown of the total sales into the crop headings.



## Financial projections

Kindling Farm is expected to generate net surplus (without revenue grants) from the financial year 2025/26.

Our financial projections are summarised below for our minimum share raise scenario. More detailed financial projections for both scenarios are available in our business plan, which is available here: [www.ethex.org.uk/invest/kindling-farm](http://www.ethex.org.uk/invest/kindling-farm)

*Profit and loss projections (based on the minimum community shares investment target of £390,000)*

		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Revenue</b>	£	2,000	10,000	195,436	408,045	653,668	692,636
<b>Revenue growth</b>	%				108.8%	60.2%	6.0%
<b>EBITDA</b>	£	2,000	0	(82,154)	25,619	105,335	146,549
<b>EBITDA margin</b>	%			(42%)	6%	16%	21%
<b>Financial expenses</b>	£	(24,117)	(34,190)	(25,154)	(24,431)	(23,687)	(22,923)
<b>Depreciation</b>	£	0	0	(10,261)	(10,402)	(20,288)	(19,330)
<b>Taxation</b>	£	0	0	0	0	(11,088)	(19,246)
<b>Revenue grants</b>	£	10,000	40,000	155,000	225,000	30,000	0
<b>Net surplus / (deficit)</b>	£	(12,117)	5,810	37,431	215,786	77,271	82,050
<b>Net margin</b>	%		58%	19%	53%	12%	12%

## Income

The revenue income in the early years is made up of donations and from 2022/23 onwards is mainly a mix of produce sales and fees from courses and activities. The total income from crop sales is predicted as:

2022/23	2023/24	2024/25	2025/26	2025/26
£163,000	£360,000	£574,000	£605,000	£623,000

The total income from courses and activities is predicted as:

2022/23	2023/24	2024/25	2025/26	2025/26
£10,000	£24,290	£52,680	£52,680	£100,000

The farming enterprise will generate revenues from the financial year 2022/23 (first year of operation) with around £163,000 revenue. The farm is expected to generate approximately £360,000 of income in the following year which is projected to increase to £605,000 in the financial year 2025/26 and grow thereafter on a steady basis at 3% each year. These core farming revenues will be augmented by subsidies (£6,000 - £9,000 a year, based on the old subsidy system while we await clarity

on the post brexit system).

The gross margin on farming is expected to initially be 53% increasing to 58% from the financial year 2025/26.

Additional income will be generated through our other activities including: the Farmstart programme; the education, engagement and agri-tourism activities; and consultancy. This is predicted to start at a minimal level and to increase to approximately £100,000 by the financial year 2026/27. This will increase

significantly if funding is secured to develop the Centre for Social Change facilities in this time.

During the initial operating period (October 2021 to March 2023) the operating costs and expenditure will be covered by grants, individual donations and staffing resources provided by the Kindling Trust. Significant revenue grants are expected to be received in the first two years of operation (2022/23 and 2023/24) to support Kindling Farm as it achieves a sustainable operational status.

## Expenditure

Financial expenses in the year 2021/22 of around £34,000 comprises of arrangement fees, interest on loans (for the final 6 months of the year), as well as the costs of the share offer, with regular interest payments on loans and shares thereafter.

Interest payments in our financial model are based on a loan of upto 70% of the farm purchase price, at a rate of 2.7% Above Base Rate. We have been offered a second loan option of 3.5% Above Base Rate. If we took this second loan option there would be a difference in the net profit of around £7,000 (less) a year. While this is not a negligible sum, by the year 2025/26 it would translate into a 1% lower net margin and after the first year of operation the impact on cashflow would be minimal. It doesn't affect the timescale for community shares interest or withdrawals.

Operating costs of around £200,000 from the financial year 2022/23 increase to £280,000 from the financial year 2024/25 as the farm increases the scale of operations, and increases thereafter at approximately 3% each year.



*Balance Sheet projections (based on the minimum community shares investment target of £390,000)*

		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Fixed Assets</b>	£	120,000	1,604,570	1,749,309	2,046,040	2,025,752	2,016,422
<b>Cash</b>	£	2,912	11,252	18,443	12,759	84,836	106,706
<b>Other current assets</b>	£	0	0	25,000	64,532	101,673	107,683
<b>Debt</b>	£	0	(910,000)	(884,499)	(858,275)	(831,308)	(803,575)
<b>Other liabilities</b>	£	0	0	(10,000)	(51,017)	(80,942)	(76,086)
<b>Net Assets</b>	£	122,912	705,822	898,252	1,214,039	1,300,011	1,351,150
<b>Members' capital</b>	£	34	390,034	390,034	390,034	398,735	367,824
<b>P&amp;L account</b>	£	2,878	8,688	46,118	261,905	339,176	421,226
<b>Capital grants</b>	£	0	187,100	342,100	442,100	442,100	442,100
<b>Donated farm machinery &amp; trees</b>	£	120,000	120,000	120,000	120,000	120,000	120,000
<b>Shareholder Funds</b>	£	122,912	705,822	898,252	1,214,039	1,300,011	1,351,150

The farm business is unchanged by the amount of shares raised. The main difference between the scenarios is simply that the more we raise in community shares the less we need to borrow.

Other implications of raising the maximum £650,000 in community share capital, apart from greater community ownership, are:

- A positive effect on cash flow throughout the forecast period – adding around £100,000 to cash by the end of the financial year 2030/31.
- Less debt means lower capital repayment and interest payments: which would reduce from £51,000 a year, to £36,000 a year.
- Paying less out on loans will mean faster community shares withdrawal is possible from year 2025/26.

Detailed financial projections for both scenarios are available in our full business plan, which can be downloaded here:  
 » [www.ethex.org.uk/invest/kindling-farm](http://www.ethex.org.uk/invest/kindling-farm)

# Managing risk

We have taken considerable care and expert advice to try and ensure the success of Kindling Farm, however success cannot be guaranteed and your investment is at risk.

*Purchasing and Establishing the Farm Risk Register*

## The Farmer decides not to sell to us.

### Potential Impact:

Establishing Kindling Farm delayed, as alternative farm sought.

Medium Risk

High Impact

### Contingencies & Controls:

- Ongoing and honest dialogue with the farmer & a shared vision.
- Good communication & engagement with members, lenders & investors.

Strong Control Strength

## Farm purchase price is beyond our budget.

### Potential Impact:

Establishment delayed to seek alternative or raise additional funds.

Low Risk

Medium Impact

### Contingencies & Controls:

- Estimate based on valuation.
- Financial advice sought at every stage of the process.

Strong Control Strength

## 2nd stage surveys suggest farm not suitable or increased capital costs.

### Potential Impact:

- Establishment delayed to seek alternative.
- Additional cost impacts on overall business plan.

Low Risk

Medium Impact

### Contingencies & Controls:

- Initial feedback positive from soil & agroforestry experts & land surveyors.
- Carry out professional site investigations prior to purchase.

Strong Control Strength

## Minimum share target not reached.

### Potential Impact:

Establishing Kindling Farm delayed to extend share offer campaign deadline.

Medium Risk

High Impact

### Contingencies & Controls:

- Strong campaign strategy & team.
- Community Share Standard Mark.
- Work in partnership with Ethex and others to secure individual investors.

Strong Control Strength

## Delays cause funder to withdraw.

### Potential Impact:

Insufficient levels of investment to meet business plan targets.

Medium Risk

Medium Impact

### Contingencies & Controls:

- Responsive Funding Strategy.

Strong Control Strength

## Funder support not forthcoming.

### Potential Impact:

Significant impact on the viability of the Farm.

Medium Risk

High Impact

### Contingencies & Controls:

- External support with financial modelling & high quality business plan to give confidence to funders.
- Strong Funding Strategy building on the Kindling Trust's relationship & track record with funders.

Strong Control Strength

## Impacts of Brexit or Covid -19.

### Potential Impact:

Investors become more cautious.

High Risk

High Impact

### Contingencies & Controls:

- Investment advisors suggest that more people are looking to invest in positive, ethical opportunities.

Medium Control Strength

# How to invest

To apply, please read all our information including our Terms and Conditions below, and our governing document, available on our website at: [kindling.org.uk/FarmRules](http://kindling.org.uk/FarmRules). Please do not invest with us without considering the full information available.

**Once you are ready to invest, visit our dedicated Ethex investment page [www.ethex.org.uk/invest/kindling-farm](http://www.ethex.org.uk/invest/kindling-farm)**

## Investing on behalf of children

Investors in this share offer may hold shares on behalf of somebody who is under 16 years of age. If you wish to invest on behalf of a child then you can do this at the end of your online order process. Due to the minimum age restriction on the Ethex platform requiring people to be 18 or over to make an investment you should use the online nomination form if you are buying shares on behalf of someone aged 16-17. Once the shares have been allocated by Kindling Farm anyone aged 16 or 17 will become members and the shares transferred to their ownership by the Society. Ethex will also be responsible for managing the shareholder registry once the offer has completed.

**If you require any further assistance please email: [farm@kindling.org.uk](mailto:farm@kindling.org.uk) or call Helen on 0161 818 8384.**



## Terms & Conditions

In these terms and conditions, "the Society" refers to Kindling Farm Limited.

The words 'community shares' do not have any legal meaning and the rights of investors buying community shares in Kindling Farm are those set out in this part of the offer document and by the Rules of the Society. The community shares on offer are withdrawable shares issued by the Board of Directors as permitted by the Rules of the Society.

Withdrawable shares can, subject to certain conditions, be sold back to Kindling Farm. These shares are not transferable, which means they cannot be sold to a third party. Applications are open to any individual or organisation but some activity in the society is restricted to Members over 16 years, including withdrawal of shares.

### 1. Type of Shares Issued

- 1.1. The value of each share issued is £1.
- 1.2. The shares are not transferable, except in case of death or bankruptcy.
- 1.3. Any individual, group, incorporated body or firm owning the minimum number of shares required for Membership is a Member of the Society. Each Member has one vote at General Meetings of the Society.

### 2. Maximum and Minimum Investments

2.1. The minimum investment is £200 and the maximum for individuals is 10% of the amount of shares issued at the end of this share offer.

### 3. Interest Payments

The Society aims to pay interest up to 3% per annum, on the financial year ending the 31st March 2025, on the shares subject to the following conditions:

- 3.1. Any payment of interest is dependent on the financial performance of Kindling Farm and is at the discretion of The Board of Directors having regard to the long term interests of Kindling Farm, the need to maintain prudent reserves, the Society's primary commitment to community benefit, and the interests of the Society.
- 3.2. The Board of Directors reserves the right to vary the interest paid on members' shares. However the level of return is designed to be the minimum sufficient to attract the investment in the first place, and thereafter retain it.
- 3.3. After the close of the Society's financial year (31st March), The Board of Directors will allocate a fund for the payment of share interest. The funds allocated for interest payments will, as stated above, be dependent on the financial performance in the previous year.
- 3.4. The Society does not expect to be able to pay interest until the financial year ending 31st March 2025.
- 3.5. Interest will be credited to Members' share accounts, and be subject to the same period of withdrawal as all share capital.
- 3.6. Members can elect to receive 0, 1, 2, or 3% interest on their shares. They have the option to change their preferred interest rate for the preceding year on or before April 1st.
- 3.7. It is the responsibility of the shareholder to inform Kindling Farm of any changes in

address or bank details.

### 4. Withdrawal of Shares

The shares from this share offer may be withdrawn with effect from 1st April 2025, subject to the following conditions:

- 4.1. After the close of the Society's financial year (31st March), The Board of Directors will allocate a fund for withdrawal of shares over the following year. This will be done after the allocation of funds for interest payments. The funds allocated for withdrawal will be from income in the previous year, and will be dependent on performance in that year.
  - 4.2. Shares may be withdrawn by Members upon giving three months' notice to the Society (though the Board retains sole discretion to return money paid for them). Withdrawals shall be paid in the order in which applications are received by the Society until the maximum total withdrawal allocated for the year has been reached, at which point no further withdrawal payments shall be made. The level is set by The Board of Directors, who reserve the right to refuse withdrawals in order to ensure the effective management of finances.
  - 4.3. All withdrawals must be funded from either trading surpluses, the issue of new shares, or reductions in the capital requirements of the Society, and are at the discretion of The Board of Directors having regard to the long term interests of Kindling Farm, the need to maintain prudent reserves, and the Society's primary commitment to community benefit.
  - 4.4. In exceptional circumstances, The Board of Directors may, at its discretion, waive the notice required for a withdrawal.
  - 4.5. Interest will not be payable on any shares withdrawn before the end of the financial year.
  - 4.6. If insufficient capital is withdrawn, The Board of Directors reserve the right to return capital at their discretion.
  - 4.7. The Board may, at their sole discretion, suspend the right to withdraw either wholly or partially, and either indefinitely or for a fixed period. The suspension shall extend and apply to all notices of withdrawal which have been received and remain unpaid at the time the Board suspends the right to withdraw. Where the suspension is for a fixed period, such period may be extended from time to time by the Board.
- ### 5. Reduction in Share Value
- If the Society's Auditors (or any independent qualified accountants appointed for this purpose by the Board) certify at any time that the aggregate of the Society's liabilities plus the amount of its issued share capital exceeds its assets, then (unless in the meantime the excess has been removed) the Board may determine that the amount of this excess, or part of it, shall be apportioned among the Members in proportion to (but not beyond) the amount of the nominal value of the shares paid up and held by each Member. This apportionment shall be based on the value of the shares paid up and held by each Member at the close of business on the date of such determination. The value of shares held by each Member shall be reduced accordingly for the purposes of withdrawal of

shares, provided that the value of shares held by any Member shall not be reduced below the minimum shareholding as specified in these Rules.

### 6. Dissolution

If on the winding up or dissolution of the Society any of its assets remain to be disposed of after its liabilities are satisfied, these assets shall not be distributed among the members, but shall be transferred instead to some other non-profit body or bodies subject to at least the same degree of restriction on the distribution of profits and assets as is imposed on this Society by virtue of the Rules, as may be decided by the members at the time of or prior to the dissolution.

The Rules of Kindling Farm lay out the rights of Members and the Society in full. Our Rules can be downloaded from: [kindling.org.uk/FarmRules](http://kindling.org.uk/FarmRules)

### 7. Regulation of this share offer

This 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. The Co-operative is registered with, but not authorised by the Financial Conduct Authority and therefore the money you pay for your shares is not safeguarded by any depositor protection scheme or dispute resolution scheme.

### 8. Taxation of your interest

Interest payable on shares is voted on at the Annual General Meeting, following a recommendation by the Board of Directors. Interest is paid gross and is taxable. It is your responsibility to declare these earnings to HMRC.

### 9. Allocation of shares

The Board reserves the right not to issue shares, or to allocate fewer shares than applied for. They do not have to give any reason for this decision. The Board will return your money to you within 28 days of their decision if they decide not to issue shares to you. If they decide to issue fewer shares than you applied for, they will return the balance to you within 28 days of that decision.

### 10. Data protection

By applying for shares in Kindling Farm, you agree that the data provided by you will be stored on an electronic database. This data will be used for Kindling Farm Limited's purposes only. As the platform providers for our share offer, both Ethex and Sharein will have access to this data, but will not use it for any purposes other than this share offer. The data will not be disclosed to any third party other than required by any statutory duty. All data will be stored in compliance with current data protection legislation. Your rights over this data can be found in our privacy notice here: [kindling.org.uk/FarmRules](http://kindling.org.uk/FarmRules)

### 11. Money laundering

It is a condition of the offer that to ensure compliance with the Money Laundering Regulations 2003, Kindling Farm may, at its absolute discretion, require verification of the identity of any person seeking to invest.



Bridge 5 Mill, 22a Beswick Street,  
Beswick, Manchester, M4 7JX

 [YouTube.com/thekindlingtrust](https://www.youtube.com/thekindlingtrust)

 [facebook.com/kindlingtrust](https://www.facebook.com/kindlingtrust)

 [@kindlingtrust](https://twitter.com/kindlingtrust)

 [www.kindling.org.uk](http://www.kindling.org.uk)

 [farm@kindling.org.uk](mailto:farm@kindling.org.uk)

 Kindling-Trust

 0161 818 8384

