

# SHARE OFFER 2026

INVEST IN COMMUNITY OWNED  
ENERGY PROJECTS IN SUSSEX



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## SUMMARY OF KEY FACTS OF THIS SHARE OFFER

Target interest rate, subject to risks as outlined in this document	5% per annum
Interest payment	Interest will accrue from the 1st of the month following the issuance of shares and will be paid out annually upon approval of the members at the AGM as long as funds are available.
Membership	Purchase of shares entitles the holder to membership of the co-operative. To satisfy the FCA, BHESCo is obliged to have a separate Investor membership. See different member categories in our <a href="#">Rules</a> .
Withdrawal*	Shares are withdrawable, subject to funds being available and at the discretion of the Members and Board of BHESCo. Shares are neither transferable nor redeemable.
Target raise	£350,000
Minimum investment per applicant	£500
Maximum shareholding per member	£100,000
Minimum sum to raise	There is no minimum fundraise. BHESCo have a pipeline of projects in development and investment will be allocated accordingly.
Maximum sum to raise	There is no maximum fundraise. BHESCo have a pipeline of projects in development and investment will be allocated accordingly.
Purpose	To fund the installation of low-carbon energy projects which will deliver financial and carbon emissions savings for properties in Sussex
Tax relief	Shares are not eligible for EIS tax relief. They will normally be exempt from inheritance tax providing they are held for two years. You should seek further advice from a financial advisor or accountant on tax matters as appropriate.
Eligibility	Anyone over the age of 16 may apply for shares. Co-operatives, community benefit societies, companies and other incorporated associations may also apply for shares.
How to apply	Invest online – <a href="#">New Investors</a> / <a href="#">Existing Investors</a>  Our preferred method for investing is online. It's paperless and efficient. If you have any problems, or if you need help, please call us 0800 999 6671.

\*Capital is at risk. Investors may not get back all or any of the money they have invested. Interest is not guaranteed. This offer is not covered by any deposit guarantee scheme or financial ombudsman.





# A MESSAGE FROM THE CEO

At BHESCo, we believe business can be a force for good. In a world where financial gain often takes precedence over people and nature, we are proving that another way is possible, one built on values, relationships, and shared prosperity. We are at the forefront of being the change that we want to see in the world, and we hope you will join us on that journey.

For over a decade, BHESCo has pioneered a local, service-driven approach to energy, one that places social and environmental wellbeing on equal footing with financial return. In eleven years of trading, we have never written off a single customer debt, a testament to the strength of our relationships and the trust we have gained with our customers.

Our journey has not been without challenges. We've navigated shifting political landscapes, global crises, and economic headwinds, yet through it all our mission has remained clear: to tackle fuel poverty by advising and visiting vulnerable people in their homes, to expand access to clean renewable energy, and to empower people to thrive in warm and healthy homes.

With sixty-five projects successfully completed and a growing reputation for integrity and innovation, BHESCo stands at the forefront of a movement redefining what success in business means. Our commitment is to ensure that every investment not only delivers an equitable financial return but also contributes to a fairer and more sustainable society.

Thank you for believing in this vision and for standing with us as we continue to prove that community energy is not just viable — it's vital.

We are grateful for your support and your confidence in us to deliver our goals, blazing the trail to demonstrate an alternative to extractive, capitalist business as usual.

Kayla Ente MBE  
**Founder and CEO**



# INVESTING WITH PURPOSE

Tackling climate change is the defining challenge of our time. Yet within this immense global crisis lies a tremendous opportunity - for communities, for society, and for investors who want to align their financial goals with their values.

When you choose to invest with BHESCo, you are doing more than seeking a financial return. You are joining **a community of changemakers** who believe that money should be used as a force for good. Our investors can take pride in knowing their support is creating lasting, measurable impacts - lowering carbon emissions, cutting energy costs, and empowering communities to take control of their energy future.

As a social enterprise built for people, not for profit, BHESCo is powered by community investment. Every pound we raise goes directly into clean energy projects that reduce reliance on fossil fuels and make sustainable technologies available to everyone. In return, our members earn up to 5% interest on their investment - while knowing their capital is tackling the climate crisis head-on.

With the support of our members, we have delivered more than sixty community-owned projects, from solar panels and battery storage to heat pumps, insulation, and energy-efficient lighting. Over their lifetime, these projects will prevent 8,600 tonnes of CO<sub>2</sub> from being released into the atmosphere. This is only possible because of the vision and trust of forward-thinking investors like you.

By removing upfront costs and sharing the benefits widely, we are proving that the transition to clean energy can be affordable, accessible, and **owned by the people it serves**. With your support, we can go further and faster - bringing the power of renewable energy to more homes, more businesses, and more communities.

Together, we can turn the challenge of climate change into an opportunity for hope, progress, and lasting impact.



# OUR IMPACT

Our projects deliver long-term financial and carbon savings while creating local jobs, supporting small businesses, and strengthening our community's economic resilience. They showcase that community-owned energy is a practical and replicable model for the future, which can have a big role in helping the UK reach its climate targets.

As a not-for-profit social enterprise, BHESCo relies on investor support to bring new renewable energy projects to life. With your investment, we can expand our impact and help more organisations benefit from clean, affordable power.

Growing interest in ethical and sustainable investing shows that more people want their money to reflect their values. By investing in BHESCo, you can see tangible, grassroots benefits, right in the heart of your community.

65

**Energy projects developed**

£2m

**Funds raised**

465

**Community investors**

£348k

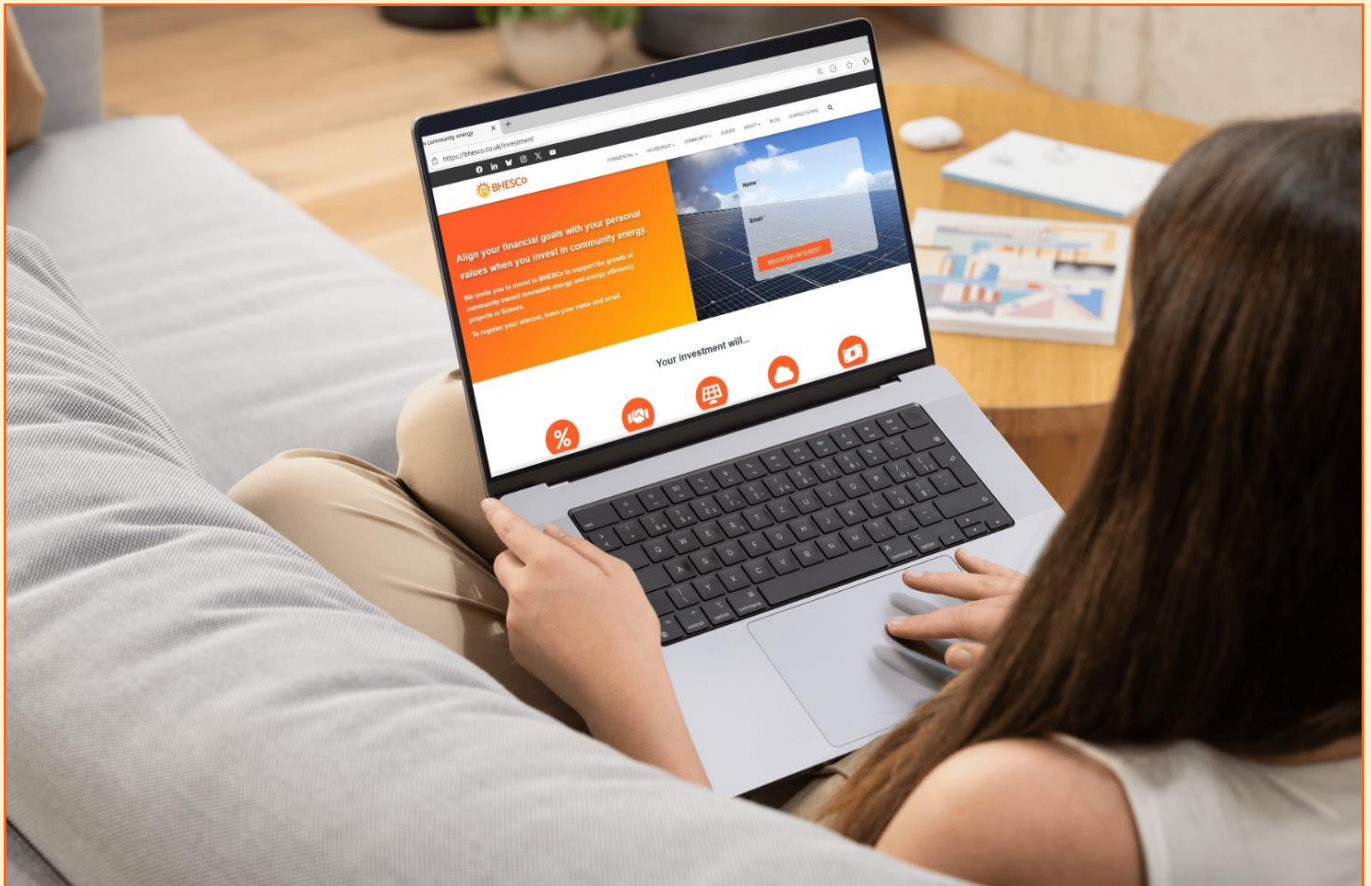
**Interest paid to investors**

8,685

**Lifetime CO<sub>2</sub> savings (tonnes) from all projects**

£3.8m

**Lifetime savings from all projects**



## A THRIVING SECTOR

The UK's community energy sector is in excellent health and poised for rapid expansion. Supporting its growth has been made a key priority of GB Energy, the government's new publicly owned clean power company, recognising the sector's vital role in achieving the national goal of **decarbonising the electricity grid by 2035**.

Across the country, more than 600 community energy organisations are working hard to deliver big wins in their local communities, with the sector now boasting a membership exceeding 212,900 and a combined annual turnover reaching £68.5 million. In 2024 alone, the sector attracted **£24 million of new investment** and generated 575 gigawatt hours of clean electricity - enough to power over 212,000 households and avoid 120,000 tonnes of carbon emissions.

With the UK ranked as the third most attractive global market for renewables, and projections that community energy could **grow by a factor of twelve to twenty by 2030**, there has never been a better time for visionary investors to get involved and help accelerate this remarkable movement.

# HOW YOUR INVESTMENT IS USED

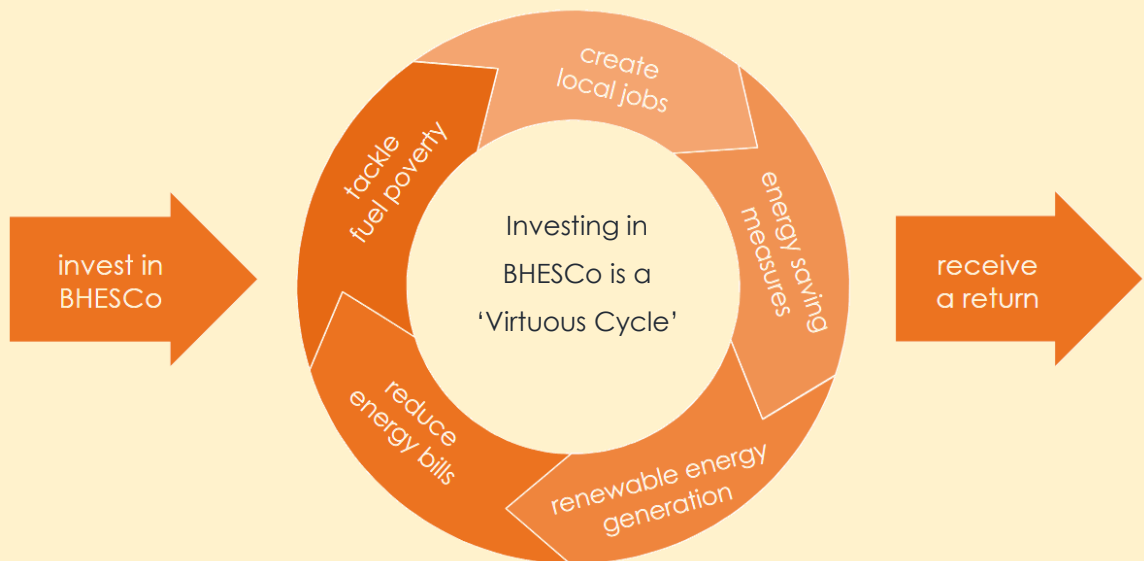
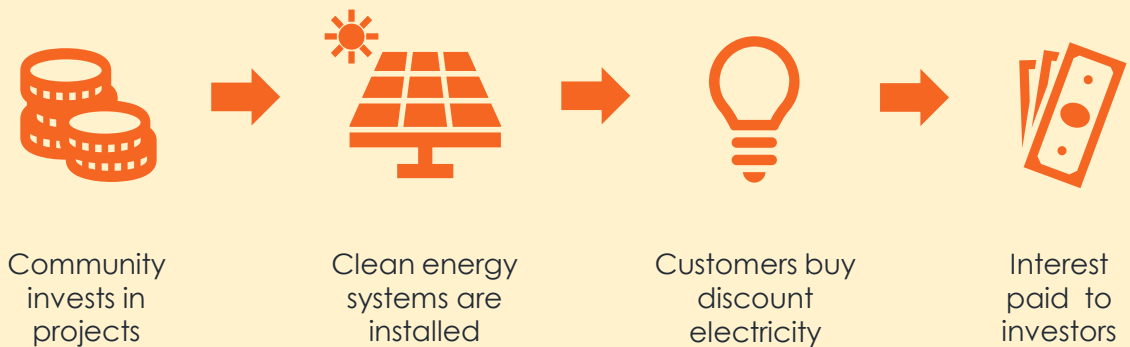
Most property owners in the UK want to make their buildings more sustainable but don't have money available to invest.

To overcome this hurdle, BHESCo finance new energy projects on behalf of our customers with funds raised from our **network of community investors**.

All funds raised go directly towards the installation of solar panels, solar batteries, heat pumps and insulation. BHESCo own the systems and sell the renewable electricity to our customers at a significantly discounted rate compared to what they would pay to an energy supplier.

Over time the upfront project costs are repaid to BHESCo, plus 5% interest which we pass on to you, our community of investors.

In this way we make renewable energy available to everyone, driving down energy costs and accelerating the UK's transition to low-carbon energy.



# OUR NEW PROJECTS

Funds raised through our share offer will go directly towards these innovative clean energy projects which will deliver significant cost and carbon savings over the next 25 years.

## PRESTON PARK COMMUNITY ENERGY

It has long been a dream of BHESCo's to develop a neighbourhood-scale solar power programme, and we are delighted to finally be realising this dream right here in Brighton. In early 2025, we partnered with local energy champions from the Preston Park neighbourhood and the solar panel installer OneZero to deliver a campaign encouraging residents to sign up for solar power and battery storage at no upfront cost.



The campaign received a tremendous response with dozens of households signing up for a free solar power survey. In the first phase of the programme we will install solar panels and solar batteries on fifteen homes, creating what we hope will become **Brighton's very first community microgrid**. With many more households already signed up to participate in the next round of surveys and installations, we have every confidence that this project will become a **template for communities across the country** who want to develop their own renewable energy neighbourhoods.

### TOTAL CO<sub>2</sub> SAVINGS

211.4 tonnes

### TOTAL FINANCIAL SAVINGS

£61,125

# OUR NEW PROJECTS (continued)

## DYKE GOLF CLUB (PHASE 2)

The project builds on the success of a solar panel and battery storage combination that BHESCo introduced to the maintenance shed at Dyke Golf Club in 2017 (pictured right). At the time, Club Secretary Martin Yeats said: *"The addition of solar panels has reduced our diesel cost significantly whilst providing a valuable resource of electricity. BHESCo provided a first-class service which we would definitely use again"*.



Staying true to his word, BHESCo were engaged to design and finance a solar power system for the main clubhouse at Dyke Golf Club, which includes changing rooms, a shop, bar and restaurant. Our Project Development Team recommended a 37kWp, **'in-roof' solar panel system**, which looks more aesthetically pleasing - an important factor as the building is located within the South Downs National Park. This system also addresses the problem the clubhouse had with wind-driven rain causing leaks during heavy downpours.

### TOTAL CO<sub>2</sub> SAVINGS

88 tonnes

### TOTAL FINANCIAL SAVINGS

£195,094

## Why do we cap our interest rate at 5%?

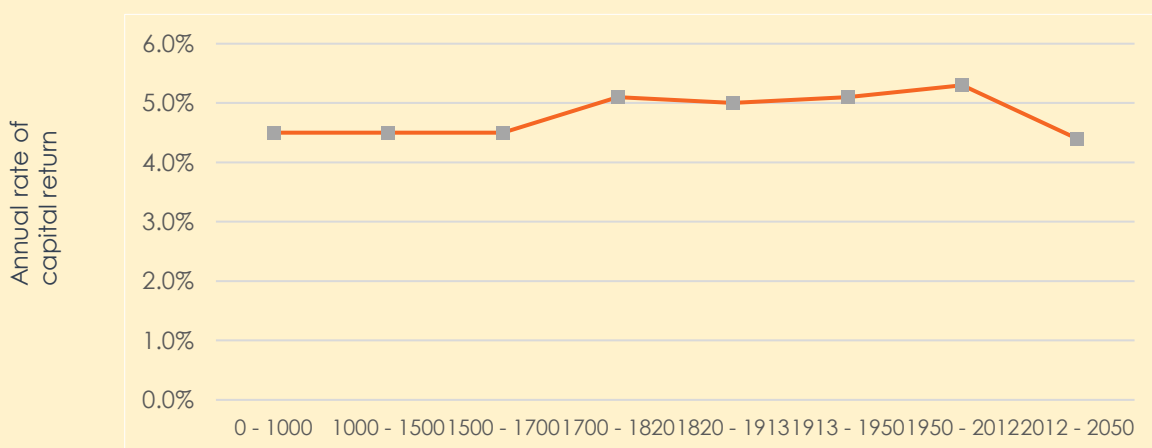
At BHESCo, we share economist Thomas Piketty's view that when the return on capital exceeds 5%, it increases social and environmental inequality. Higher returns tend to widen income gaps and damage the environment, factors that are often ignored in traditional economic models.

Historically, returns on capital in Western countries have averaged around 5% since the 16th century (see graph below). Piketty explains that when returns on capital (such as land, shares, or property) grow faster than the economy itself, wealth becomes concentrated among those who already own these assets. This creates an unfair advantage for the wealthy and limits opportunities for others.

Since the 1980s, we've witnessed rising income inequality alongside record global temperatures. This is largely because our economic system values short-term efficiency, such as burning fossil fuels, without accounting for long-term social and environmental costs.

At BHESCo, we are working to build a fairer and more sustainable economy, one that includes social and environmental values in financial decision-making. Renewable energy projects, by their nature, are **stable and long-term investments**, and a 5% rate of return reflects these principles. It ensures that we support future generations rather than prioritising excessive profit today.

For this reason, BHESCo has set the rate of return for our Share Offer at 5%.



Historical period, 0AD – 2020AD  
Source: Piketty, Thomas – [piketty.pse.ens.fr/capital21c](http://piketty.pse.ens.fr/capital21c)

## MANAGEMENT TEAM

The projects are being led by a Board of Directors which has a strong track record in community engagement, renewable energy and energy efficiency project development as well as legal, financial and operational management skills.



**Kayla Ente MBE**, BHESCo's founder and CEO, started her career with Deloitte & Touche, later moving to Ernst & Young in Amsterdam. She has worked for Greenpeace International and Ecofys, a pioneering renewable energy engineering consultancy. She started developing renewable energy projects in 2000 for Nuon, a Dutch energy supplier. She won the Nuon Sustainability prize for her idea to lease renewable energy systems using a Pay as You Save model. She is a qualified accountant and MBA, bringing a wealth of experience to the team. Kayla has been a director of Retrofit Works. She was awarded an MBE in 2021 for her services to community energy efficiency.

**Diane Smith**, Operations Director, has been a finance professional for more than 25 years. After running treasury operations for The Economist Newspaper in London, she moved to the Netherlands to set up Nike's European foreign exchange risk management programme and then to Belgium to lead operational support teams and IT project managers at BNY Mellon (a US investments company). She has been working in the renewable energy sector since 2014.



**Garry Felgate**, Non-Executive Director, Chairperson. Garry has a strong business and policy background in energy, environment and sustainability, built in corporate organisations (IBM, Landmark Graphics) and leading consultancies (KPMG, A. T. Kearney). He was formally CEO of the Energy Retail Association. Nowadays he supports start-ups operating in the clean energy sector, supports the Department for Energy Security and Net Zero on their Energy Entrepreneurs Fund programme, Innovate UK and several advisory groups. In 2025 Garry became the CEO of the MCS Foundation (Microgeneration Certification Scheme) which certifies the quality of renewable energy across UK homes



**Mark Kenber**, Non-Executive Director. Mark was previously CEO of Mongoose Energy – a company which provided asset management, project development and finance services to the community energy sector. Prior to joining Mongoose, Mark had been with international climate change NGO The Climate Group for nearly 12 years, latterly as CEO. During his time with the organisation he oversaw the launch of the Verified Carbon Standard, We Mean Business coalition and RE100 campaign and was an expert advisor to former UK Prime Minister Tony Blair on the joint policy initiative Breaking the Climate Deadlock. Mark is now Executive Director of The Voluntary Carbon Markets Integrity Initiative (VCMI)

**Rachel Espinosa**, Energy from Waste Director, is an expert in waste management operations, strategic planning & development. She has worked in the waste industry for more than 20 years as a waste services manager and consultant and is partner of Reconsult LLP. She is a Centre Councillor for the London and South Counties Centre of the Chartered Institution of Wastes Management.



**Paul Beckett**, Non Executive Director. Paul is co-owner and co-founder of the multi-disciplinary environmental consultancy Phlorum, which he set up with a colleague in 2003. Before then he cut his teeth in environmental consultancy at WSP and RPS. As a consultant, he has completed environmental impact assessment work on a very broad range of projects, from housing developments to energy production, warehousing, sewage treatment, various industrial processes and transportation infrastructure schemes



The management team believes that, in order to be financially sustainable and spread risk, the Co-operative must deliver a range of services with varying profit margins. The Co-operative's intention is to pursue development of 750kW of electricity generating capacity and 450kW of heat generating capacity in the next four years and promote its consultancy work.

The Co-operative intends to operate primarily on a local basis. Our ambition is to facilitate the installation of sufficient local generation capacity to establish a community owned smart local energy system in the greater Brighton & Hove area.



# Disclaimer

This Share Offer Document has been prepared by Brighton & Hove Energy Services Co-operative Ltd (BHESCo) and its Directors who are responsible for its contents.

Technical and other words or phrases used in this document with a particular meaning are defined and explained in the Glossary.

No advice on investments is given in this document or by BHESCo or its Directors in relation to it. If any person has any doubt about the suitability of the investment which is the subject of this Share Offer Document, they should consult with an appropriate authorised financial advisor.

# RISK FACTORS

In particular, you should appreciate that:

- shares in the Co-operative are not transferable except in the event of your death;
- a portion of BHESCo's income is from the Feed-in Tariff and the Renewable Heat Incentive, which are subsidies offered by the Government. The Co-operative's profitability is dependent on these subsidies continuing to be paid in accordance with current legal regulations and future governments honouring this obligation;
- descriptions of possible returns are illustrative only and necessarily based on informed assessments relating to variable, changeable and uncertain factors;
- BHESCo will benefit from inflation-linked income streams on agreement terms of up to 25 years. While every effort is made to match the heat load or electricity consumption and agreement term as accurately as possible - a financial model is carefully developed for each project - there are still underlying risks;

Investors should take appropriate advice and make their own risk assessment whilst bearing in mind the social and environmental aspects of this investment opportunity. Attention is drawn to the following risks:

## General Investment Risks

### Fluctuation in value

These shares are non-tradable and non-transferrable. The value of your shares cannot go up and may go down so that you may not get back the amount you invested. Payment of interest is dependent on the financial stability of the Co-operative. Investment in smaller unquoted businesses is likely to involve a higher degree of risk than investment in larger companies and those traded on a stock exchange.

### Long-term investment

BHESCo's business model relies on raising cash for capital investment on projects that deliver returns over a longer period of time, hence your investment should be considered to be held for 15 years. If your circumstances change, your shares may not be readily convertible into cash. Your shares can be redeemed by the Co-operative for the price paid for them in accordance with the Rules but may not be withdrawable at short notice or when you wish to do so.

### Unregulated investment

This share offer does not constitute a regulated investment for the purposes of the Financial Services Act 1986 and therefore you do not have the protection provided by that Act. This Share Offer does not need approval and has not been approved by an approved person under the Financial Services Act. This Share Offer is exempt from regulation under the Financial Services and Markets Act 2000 and regulations made under it, so there is no right to complain to an ombudsman. Co-operatives are exempt from the Prospectus Regulations 2005. 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.

## Renewable Energy Industry risks

### Feed-in Tariff and Renewable Heat Incentive

Changes in legislation, especially to the value or availability of the Feed-in tariff and the Renewable Heat Incentive may affect the Co-operative's income. In particular the FIT and the RHI may be subject to change at short notice. BHESCo has incorporated the most recent tariff in our finance models for our projects. The government stopped the FIT scheme for new projects on 1 April 2019 and both the Domestic and Non-Domestic Renewable Heat Incentives are also now closed for new applications.



#### MITIGATION

All agreements are based on the subsidies to be received, ensuring that the agreement term is sufficient for the Co-operative to meet its required rates of return to pay the interest to shareholders.

#### Future energy prices

Assumptions of future energy prices used in the Financial Projections may turn out to be incorrect.

#### MITIGATION

We make our estimates based on best estimates informed by historical price fluctuations and market conditions. We also consult industry experts for their opinions. Any shortfall in income arising from a lower than anticipated energy price may be reflected in changes to the agreement term or monthly payment. In cases where the monthly payment is fixed, sufficient margin has been built into the contract to cover this risk

#### Weather conditions

Atypical short-term weather conditions and equipment loss or damage could affect expected levels of energy generation and therefore income, although overall patterns outside anticipated parameters are unlikely.

#### Technology failure

Although solar panels and heat pumps are extremely reliable, electrical or other failure can interrupt the generation of electricity or heat and lead to unexpected costs and interruptions of generation.

#### MITIGATION

Manufacturer warranties and guarantees offer some protection. BHESCo monitors the performance of their systems remotely to identify shortfalls in energy production as soon as possible to take action to rectify any problems. BHESCo also runs an asset management programme, ensuring installed technology is regularly serviced.

### **Risks in relation to this Offer**

#### Interest rate

The target interest payment is not guaranteed and may not be achieved. BHESCo builds a 5% cost of funds into its agreements and a project IRR of 8% which combined will help secure the Co-operative's ability to make interest payments to shareholders.

#### Disrupted income stream

The Co-operative's income is dependent on the customers to whom it supplies electricity and heat to pay for energy in accordance with their agreement with the Co-operative.

#### Third-party risk

Equipment purchased by the Co-operative is supported by guarantees from companies believed by the Co-operative to be financially strong, however the risk remains that a third-party could fail to meet their obligations to BHESCo.



# FINANCIAL INFORMATION

## BHESCo's financial year

The Co-operative's financial year ends on the 31st March of each year. Its first year of trading was the year ended 31st March 2015.

## Income, including Feed-in-Tariff and Renewable Heat Incentive

BHESCo's income comes from the sale of electricity and/or heat and the Feed-in tariff, Export and/or the Renewable Heat Incentive (that is a payment made by the energy industry for the generation of renewable energy). Both the Feed-in tariff and the Renewable Heat Incentive have now closed to new applications. Existing rates increase on 1st April in each year by the rate of inflation in the previous calendar year.

## Sale of renewable energy

The solar power generated by our systems that is consumed by our customers may be sold to them at a discount on their bills, with a proportion of the price fixed for a term of 25 years, regardless of market fluctuations.

The price reflects the cost and anticipated generation of the system and is set at a rate that, in a typical year, will enable interest to accrue to shareholders at a rate of 5%.

By investing in both technologies, BHESCo has a steady flow of income throughout the year.

## Consultancy

BHESCo also generates income through its consultancy service, providing expertise on renewable technologies and thermal efficiency of buildings.

## Expenditure items

Expenses represent the cost of operations, including administrative costs, insurance, meter operator costs, replacement of parts, equipment and maintenance costs.

Depreciation will be taken over the agreement period or over asset's useful life, whichever is shorter. The cost to fund replacement equipment, like inverters or heat pump units, is included in the project finance model.

Customers may also opt into a maintenance agreement with BHESCo where we continue to maintain the equipment after the agreement is paid off to ensure that they still receive value for money well into the asset's useful life.

*"I did my research before investing in BHESCo and it was clear that it's a well run, effective and very worthwhile organisation. I was so impressed that I'm now also a long-term volunteer."*



**Annette, Shareholder  
& Volunteer**

# FINANCIAL PROJECTION

The table below assumes BHESCo raises £350,000 and completes the installation of the projects by 31 March 2026. The projects have signed agreements and will go forward as planned.

## Profit and Loss Statement

	<b>Actual 2023/24</b>	<b>Actual 2024/25</b>	<b>Forecast 2025/26</b>
Energy Systems Agreements	£0	£0	£222,101
Energy Reports	£84,175	£170,260	£122,362
Referral Fees	£1,012	£379	£720
FIT & RHI and Export tariff	£45,435	£48,967	£46,716
Consulting Income	£264,482	£221,558	£358,000
Smart Local Energy Systems (SLES)	£0	£0	£71,351
Grant Income	£53,731	£61,781	£10,500
Interest income	£31,486	£38,046	£36,338
Project Management Fees	£3,500	£426	£25,570
<b>Total Income</b>	<b>£483,821</b>	<b>£541,417</b>	<b>£893,659</b>
Gain on sale of assets	£16,039	£8,611	
<b>Direct Costs</b>			
Cost of Sales	£14,268	£12,608	£104,650
Labour costs	£164,022	£160,540	£248,963
Direct Materials	£42,137	£49,771	£16,554
Fuel costs	£11,981	£13,313	£32,339
<b>Total Direct Costs</b>	<b>£232,408</b>	<b>£236,232</b>	<b>£402,506</b>
<b>Gross Margin</b>	<b>£251,413</b>	<b>£305,185</b>	<b>£491,153</b>
<b>Overheads</b>			
Staff costs	£157,543	£181,630	£136,271
Marketing costs	£1,451	£1,503	£13,405
Interest costs	£71,348	£103,997	£124,874
Overheads	£58,125	£85,864	£101,334
SLES costs		£0	£37,497
Provision for bad debts	£0	£0	£0
<b>Total overheads</b>	<b>£288,467</b>	<b>£372,994</b>	<b>£413,381</b>
<b>Total Cost</b>	<b>£520,875</b>	<b>£609,226</b>	<b>£815,887</b>
<b>EBITDA</b>	<b>£50,334</b>	<b>£44,799</b>	<b>£202,646</b>
Depreciation	(£35,694)	(£29,304)	(£57,860)
<b>Profit (loss) before tax</b>	<b>(£56,708)</b>	<b>(£88,502)</b>	<b>£19,911</b>
Tax expense	£0	£0	£0
<b>Profit (loss) after tax</b>	<b>(£56,708)</b>	<b>(£88,502)</b>	<b>£19,911</b>

NB. Our model is capital intensive which means our members' funds are invested directly into the acquisition of energy generation or savings assets which are depreciated over a term determined by our accountant. In most cases, this term is shorter than the useful life which creates a non-cash net loss. BHESCo has been generating an Operating Profit for the past two financial years.

The Co-operative minimises its operating costs to the lowest reasonably practicable level. Board members who are not employees give their time to the Co-operative voluntarily. Others work on a consultancy basis for the Co-operative at a reasonable rate. BHESCo has a volunteer programme and seeks to recruit staff members from its volunteer pool.

## Interest on shares

Investors in BHESCo are projected to receive a fair return on their investment established at a rate that is directly associated with the finance rate of its projects.

BHESCo plans to pay 5% annual interest in arrears on the par value of each investor's holding, conditional on BHESCo's financial performance.

Shareholder interest is calculated gross. No tax will be deducted at source.

Please consult your accountant on tax matters concerning your investment.

## Benefit to the customer and lease term

BHESCo bears the upfront costs of its projects, leaving no initial outlay for its customers. This is the fundamental principle of our approach to encourage communities to transition from fossil fuels to renewable energy.

The model means that the customer achieves a financial benefit immediately, from the inception of our agreement. The agreement term is set by calculating the expected project return which is dependent upon a number of variables, including fuel price projections and borrowing rates.

Monthly payments are made to BHESCo for the energy consumed from the solar panels.

## Assumptions

The financial projections set out below are based on the following principal assumptions:

- We have taken a conservative approach to our projections which means that we have a better chance of meeting our performance targets and provides more assurance of cash flows.
- Costs incurred in the installation will be in accordance with the quotes received.
- Electricity and heat generation, including panel degradation, are in accordance with the estimates provided by the manufacturer for a typical year and follows the anticipated seasonal variation.
- Inflation is modelled at 3.5% per annum; the FIT, RHI, expenses and export electricity prices increase by this inflation rate.

• Project models are created using applicable subsidies (if any) available on the date the assets are operational. If there is any doubt about the ability to obtain a subsidy it is removed in its entirety.

• Inverters are expected to require replacing once in 10 years, and the maintenance is set at a level that is sufficient over the life of the contractual agreement with the customer.

• Energy prices will increase by an average of 5% each year. This takes into consideration historical energy price movements, temporary price declines and projections from industry experts.

• The Co-operative generates net losses from the depreciation taken on the assets held. The operations become profitable in 10 years. Most of our cost is attributed to debt service including repayment of capital and interest payments. There are small administrative fees and an equipment replacement fund.



BHESCo solar power at Saltdean Primary School

## Taxation payable by the Co-operative

BHESCo's directors do not anticipate having any liability for tax for many years as it should receive enhanced capital allowances on its capital expenditure on renewable energy and energy efficiency equipment and because interest paid to members is tax deductible. BHESCo is registered for VAT.

## Borrowing

In accordance with its Rules, BHESCo may borrow funds for business purposes such as (i) a bridging loan enabling

an installation to be made pending receipt of funds under this or future investment opportunities; (ii) completing an installation at a customer site; (iii) repairs and replacements above budgeted amounts; (iv) funding a new product or service where the activity leads to improving BHESCo's financial performance and (v) enabling share capital to be withdrawn.

BHESCo was awarded an interest-free loan of £30,000 from Social Enterprise Assist (financed by the Charities Aid Foundation – CAF) in order to finance its energy assessment and installation service. This loan was repaid in full in August 2022.

Our aim is to borrow funds for the same or lower interest rate than is paid to our members. In the event of borrowing, members and investors' funds may become secondary in the hierarchy of creditors and so BHESCo's assets may be placed in the service of creditors.



Solar panels installed at Brunswick Primary School through BHESCo's 2019 Share Offer

# FURTHER INFORMATION ABOUT THE CO-OPERATIVE

## The Co-operative

Brighton & Hove Energy Services Co-operative Limited is a Co-operative incorporated by the Financial Conduct Authority under the Industrial and Provident Societies Act 1965 on 10th June 2013 with number 32097R. Its registered office is at Freedom Works, Barts House, Black Lion Street, Brighton, BN1 1JE.

## Accounts

The Co-operative's financial year-end is 31st March. Its accounts are prepared and filed with the FCA by BHESCo's accountants, Calder & Co Chartered Accountants, London.

## Adoption of co-operative principles

Brighton & Hove Energy Services Co-operative is an ethical social enterprise. As a Co-operative it will, whilst trading as a commercial organisation with a view to profit, strive to promote Co-operative values and principles: self-responsibility, democracy, accountability and equality, honesty and openness, social responsibility, autonomy and independence, member economic participation, opportunities for education, concern for community and the environment, and co-operation among co-operatives and like minded organisations.

## Board Practices

Directors serve in accordance with the Rules.

There are service contracts for the Executive Directors. All directors have offered to serve for a minimum of four years. At each Annual General Meeting the non-executive board may be re-elected. Co-operatives are democratic organisations and the Board is appointed by the Co-operative's members on the basis that each member has one vote, regardless of the number of shares held.

## Disclosure Statement

None of the officers of BHESCo have received any convictions for any fraudulent offence or otherwise or been involved in any bankruptcies, receiverships or insolvent liquidations or received any public reprimand or sanction by a statutory or regulatory authority or designated professional body or been disqualified from any function by any court.

## Management

BHESCo currently has 6 full-time and 2 part-time employees. Administration, finance and day to day operations are managed by Diane Smith, Operations Director and Kayla Ente, as Chief Executive and Company Secretary under the supervision of the Board. The Board will bear ultimate responsibility to the members, acting on reports and advice from BHESCo's executive team.

## Preferred Contractor

BHESCo's policy is to require a minimum of three quotes for each project.

BHESCo works with local installers and procures products manufactured in the UK or in Europe as much as possible. There may be occasions where the price/performance relationship of the equipment is such that a decision would be made to purchase product with a higher carbon footprint. However, wherever possible, the interest of the environment and local economy is balanced with the interests of our customers.

## Major Shareholders

BHESCo does not have "major shareholders" as each member has one vote regardless of the size of their shareholding. This ensures that no individual, organisation or group of individuals or organisations will have control of the Co-operative.

## Offer Shares, Working Capital, Reasons for Offer and Use of Proceeds

The shares will not be traded on a stock exchange. They have been created under the Co-operative and Community Benefit Societies Act 2014.

Successful applicants for shares will receive share certificates and their details and holdings will be recorded in a register. An investment in shares does **not** carry with it entitlement to membership of Brighton & Hove Energy Services Co-operative.



## The Rules

BHESCo is a Co-operative owned by its members. Members elect directors and each member has one vote in a members' meeting regardless of the number of shares held. Members are protected by limited liability and are only obliged to contribute the initial cost of their shares.

As a Registered Society, the Co-operative is governed by rules that are approved by and registered with the Financial Conduct Authority. A copy of the Rules is set out on the Co-operative's web site at [www.bhesco.co.uk](http://www.bhesco.co.uk). Attention is drawn to the following Rules in particular:

Rule 6 provides that the Co-operative may borrow or raise funds for any purpose and on behalf of its Members.

Rule 7 states that the Co-operative shall have the power to borrow money from its Members and others in order to further its objects providing that the amount outstanding at any one time shall not exceed £10,000,000.

Rule 62(b) deals with the restricted voting rights that Non-User Investor members have. If you have an investor relationship with BHESCo and do not make use of our services, you are a Non-User Investor member.

Rule 68 provides that an amendment to the Rules must be made by Extraordinary Resolution.

Rule 69 provides that an extraordinary resolution must be passed by not less than 75% of the votes cast at the general meeting.

Rule 71 provides that there shall be a minimum of three directors. Rule 73 provides that directors must be members (aged 18 or over). Rule 74 provides that they are appointed by the members.

Rule 76 provides that at the first annual general meeting, all the directors must stand down. At every annual general meeting after that, one third of the directors shall retire. A retiring director shall be eligible for re-election.

Rule 108 provides that interest is payable to investors in proportion to their investment; it is not paid equally to members.



# GLOSSARY

**Board** the Board of Directors of Brighton & Hove Energy Services Co-operative

**Closing Date** the date on which the share offer will end. This may be brought forward or extended at the discretion of the Directors, based upon the level of investment achieved. The Closing Date of this offer is 31 March 2026.

**Co-operative, the Co-op, BHESCo, Brighton & Hove Energy Services Co-operative Ltd.** Registered office: Freedom Works, Barts House, Black Lion Street, Brighton, BN1 1JE. Registered Industrial and Provident Society number 32097R

**Directors** the executive and non-executive directors of BHESCo

**FCA** the Financial Conduct Authority. BHESCo is registered with the FCA.

**Financial Projections** the financial projections comprising the projected income and expenditure and returns to members of BHESCo relating to the project.

**FIT or Feed-in tariff** the government regulated inflation-linked price payable to producers of qualifying renewable electricity for 20 years

**Offer Period** the period during which the Offer will remain open (including any extension)

**RHI or Renewable Heat Incentive** the government-regulated inflation-linked price payable to commercial producers of qualifying renewable heat for 20 years

**Rules** the Rules of Brighton & Hove Energy Services Co-operative Ltd, quoted in this Offer Document, a copy of which is available at <https://bhesco.co.uk>

**Share Offer** the offer of shares issued by Brighton & Hove Energy Services Co-operative Ltd contained in this Offer Document

**Share Offer Document** this document inviting persons to purchase interest-bearing, unsecured shares.

**Withdrawable Share(s)** a non-transferable shareholding, that allows a member to withdraw their investment directly from the co-op when they wish to leave, subject to the Rules and available funds.



*"When the opportunity arose to invest in BHESCo I leapt at the chance. I love what BHESCo is doing and hope they will be a big success"*

**Richard, Shareholder**

# TERMS AND CONDITIONS OF THE OFFER

## Eligibility

This Share Offer is open to individuals over 16 years of age and to organisations that support the objects of the Co-operative.

## Application procedure

Read the Share Offer Document to ensure you understand the risks involved in making this investment. If necessary, seek independent financial advice before applying. Read the [Rules](#) of Brighton & Hove Energy Services Co-operative Ltd. If you purchase shares issued by the Co-operative, you are deemed to have agreed to be bound by its Rules.

Applications can be made by following [this link](#) or by requesting a paper application to be sent to you. Cheques should be made payable to 'Brighton & Hove Energy Services Co-op Ltd'.

## Over-subscription

The number of shares you apply for will not necessarily be the number of shares you will receive. If the Share Offer is over-subscribed the Board will determine whether the Share Offer will be extended and how to allot shares. Your application may be scaled down, or even rejected in its entirety.

## Governing law

The Terms and Conditions of the share Offer are subject to English law.

## Money laundering

Under Money Laundering Regulations, you may be required by BHESCo and/or its registrar, Ethex, to produce satisfactory evidence of your identity and it is a condition of this Share Offer that you do so as requested.

## Payment

To save costs and paper, we would prefer investors to apply and pay for shares online.

If you wish to apply by post, please send the application form to BHESCo, Freedom Works, Barts House, Black Lion Street, Brighton, BN1 1JE.

You will receive acknowledgement of your application and be provided with payment instructions for your investment.

## Use of email and BACS

As an investor you will receive various communications from us. We kindly request that you agree to be contacted by email to minimise the cost and environmental impact. Please tell us your email address and advise us at [info@bhesco.co.uk](mailto:info@bhesco.co.uk) if you change it. Interest will be paid to you by electronic transfer so please inform us if the details of your bank account change.

## Withdrawing the money you invest

Approval of all withdrawal applications will be at the discretion of the Board. The total amount to be repaid will be subject to BHESCo's financial position.

The Board will set aside sufficient funds at that time to meet the level of obligation being approved.

This is an indication only of how the Board envisage that investments might be made liquid, which is fully dependent on business performance, future developments and ultimately, there being sufficient funds in the bank account. The return of investments is not a binding commitment or arrangement by the Co-operative.

Interest will be paid in respect of the share-holding at 31st March prior to the redemption of the shares.



Imagine a world where all heat and power comes from clean, local, community-owned energy sources.

With your help, we can make this a reality.

We look forward to welcoming you as an investor and hope you will inspire others to follow your forward-thinking example.

[New Investor  
Application](#)

[Existing Investor  
application](#)



Brighton & Hove Energy Services Co-operative Ltd  
Freedom Works | Barts House | Black Lion Street  
Brighton | East Sussex | BN1 1JE  
[www.bhesco.co.uk](http://www.bhesco.co.uk)  
[info@bhesco.co.uk](mailto:info@bhesco.co.uk)  
Telephone: 01273 284470

