

Decarbonising the Warehouse

A Friends of the Earth (Birmingham) Ltd Share Offer



Target: £46,660

(NB. This includes the 33% proportion that will be covered by Sharematch grant match)

Opening Date:

14th April 2025

Closing Date:

30th May 2025



**Friends of
the Earth**
Birmingham



**Community
Shares**

STANDARD



Decarbonising the Warehouse

A Friends of the Earth (Birmingham) Ltd Share Offer

1. Share Offer Summary

How much we need to raise

Minimum:	£16,750
Maximum:	£46,660

(NB. This includes the 33% proportion that will be covered by Sharematch grant match)

Timescale

Opening Date:	14th April 2025
Closing Date:	30th May 2025

Risk Warning

As a Registered Society, Friends of the Earth (Birmingham) Ltd is registered with, but not authorised by the Financial Conduct Authority and therefore any money you pay for shares is not safeguarded by any depositor protection or dispute resolution scheme. In particular, you have no right of complaint to the Financial Ombudsman Service, nor any access or financial entitlement to the Financial Services Compensation Scheme. Please note that if you invest in this share offer, you may lose some or all of your investment.

Standard Mark

We have been awarded the Community Shares Standard Mark for this Share Offer. The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice. For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit go to: communityshares.org.uk.



2. Introduction to The Warehouse and this share offer

Friends of the Earth (Birmingham) Ltd (BFoE) has operated from The Warehouse since the 1970s, providing work space and meeting rooms for a range of community groups and social enterprises that support our campaigning by demonstrating more sustainable ways of living and working, and enabling our vision of “positive environmental change” to become a reality. This includes a Cafe (BRIG Cafe, run by Birmingham Race Impact Group), bike shop Sprocket Cycles, independent radio station Brumradio and Voce Books bookshop - as well as offices, desk and meeting space and our own office.

We are excited to be undertaking our second share offer, building on the success of the first, to help reduce our carbon footprint.

We are aiming to raise at least £11.1k, which would be matched to provide £16.7k for investment. To incorporate the optimal suite of identified measures would require raising our maximum target of £31.1k, which would be boosted to £46.6k.

The minimum investment per individual is £50, which has been set low to encourage greater share ownership and membership within the community, although we anticipate the average investment being higher. The maximum individual investment (including any previous investment the member has made in BFoE) is £10K.

The Sharematch offer runs from 14th April until 30th May 2025 unless the maximum is reached earlier, in which case the offer will close. If the maximum (or minimum) target is not met, the Board may decide to extend the offer for up to a maximum of four further weeks. Following this, if the minimum is still not met, we will not draw down the pledges or use community shares to install these measures. If the amount raised is between the minimum and maximum, the Board will consult with prospective investors and decide which of the measures to implement using the investment received.

Whether from Birmingham or further afield, we welcome investment from anyone who supports our values.

How can I get involved?

As a Community Benefit Society, we have access to a range of potential funding sources - grants and donations, trading income and loans, but we are also able to raise share capital - that is equity - from our members. This means that we can make long term investments in the future of our organisation and offer members a reasonable return for their money, which is at risk should the society fail.

As set out in this document, in recent years we have secured donations from our supporters and invested some of our retained surpluses into improving the carbon performance of our building.

However, that progress is necessarily incremental as funds allow, and as a CBS with a focus on campaigning, we don't score highly for many grant-making bodies. The high costs of adopting new technology, and the way materials for decarbonisation are taxed within the UK, place them largely out of reach for small organisations such as ours. Sharematch's combination of share capital and matched grant money enables us to deliver decarbonisation measures more quickly.

Any remaining measures for which we don't raise sufficient capital through this share offer, we plan to deliver through a mix of generating surplus from trading activities and grant funding where available over the coming few years.

This is a transitional share offer, moving toward an open, 'rolling' shares strategy for BFoE, which is seen in cooperative circles as good practice in keeping investment and membership as open and democratic as possible.

3. Purpose of Investment

Society & Warehouse context

The Warehouse is a collection of buildings dating from the 1800s (solid brick walls, single glazed windows) that have been developed, including incremental energy efficiency improvements, in an ad hoc manner since the 1970s. Minimising the building's negative environmental impact, as a community centre for campaigners and social enterprises, has been a goal of BFoE since the freehold was purchased in the 1980s.

Improvements have included loft insulation and external, internal or cavity insulation to most walls. The heating system has been updated several times, most recently to a "modern" gas boiler with central heating. Some existing solar PV contributes electricity, whilst also providing a small income from the Feed In Tariff.

The first community BFoE share offer "[Creating Positive Environmental Change](#)" in 2017 raised £250,000, creating a much better building for its users including moving our Cafe to an open, vibrant ground floor space and installing a lift and toilets to make most of the building accessible.

That work helped our resident community to weather the period of COVID 19 and recovery whilst maintaining our core environmental campaigning activity. We emerged from this period with our role strengthened as THE centre for activism in Birmingham and are hugely proud of the variety of intersectional activist groups and others who call the Warehouse their home.

Over the past year, we have been working on a long-term asset decarbonisation plan for The Warehouse. This has involved commissioning specialist surveys of the premises, seeking expert advice, and consulting our members on their priorities and appetite to invest. A crowdfunding campaign for donations in 2023 enabled us to upgrade our meeting room windows, creating greater solar gain as well as less heat loss and we are grateful to members and supporters who donated.

The [Cooperatives UK Energy Sharematch scheme](#) which matches community investment with 33% grant funding, gives us the opportunity to build on past successful changes and deliver our plans.

Proposed Works

The measures we propose will reduce our current reliance on gas for space and water heating. In order to target the most effective decarbonisation strategy, an independent energy assessment (IEA) was commissioned via Groundwork UK. Whilst it confirmed that previous works had rendered the Warehouse much more energy efficient than many buildings of a similar age, a number of items were identified that fell into the scope of the Sharematch scheme. That assessment found that typically 75% of our energy consumption is used in space and water heating, and that savings should be targeted where possible in the order of the “energy hierarchy”: Energy Saving > Building Changes > Space / Water Heating > Renewable Energy.

Our priorities for this scheme are also affected by our maintenance priorities (e.g. if an item is already due for renewal or renovation), the availability of expert advice within the timescale, and by what we think can be funded most easily from other sources such as grants.

The following measures from the study have been grouped into balanced packages of energy hierarchy measures and those with good financial returns and carbon saving.

Minimum Investment

If we only raise a small amount of the total needed, we want to follow the ‘fabric first’ approach to energy efficiency, where we reduce the amount of energy that the building uses before focusing on generation, but also invest in a battery to maximise our renewable energy element of our usage and the financial savings from this and to prepare for more solar later.

a. Wall insulation (£10,200)

Most wall areas have already been insulated by a mix of internal, external and cavity wall insulation. This item would insulate almost all remaining wall areas (of heated space), improving energy efficiency, therefore reducing our heat demand.

“Whilst the net return on investment is small, this is a useful and demonstrated cost-effective long-term measure to reduce costs (£210 pa) and carbon emissions (522kg pa).”

It will also improve thermal comfort and reduce the risk of having problems such as damp and mould. A breathable solution has been specified by our architect adviser to remain in keeping with how this Victorian building functions.

b. Battery (15kWh, £6,548)

The addition of a battery enables generated electricity to be stored and utilised in the evenings and to take advantage of peak renewables generation in the grid. It will also be ready for more solar generation when available. The battery also has a higher return on investment (RoI) at 2.3% than the insulation which helps us to balance environmental and economic factors.

Maximum Investment

Assuming we are successful in raising more funds we will prioritise the following additional elements of the scheme for greater carbon emissions reduction, in this order of priority:

c. Solar PV (£12,218)

Additional solar PV (17.6kW, £12,218) Adding more Solar PV enables us to draw down less power from the grid, however it is generated. This option has not been available to us previously due to significant roof repairs being needed first. Due to the success of the first share offer and prudent operations, we now have enough reserves to carry out the long overdue roof upgrade and this is now imminent, enabling a new solar project to be physically and financially (via this share scheme) possible. It also makes financial sense to install solar at the same time as the re-roof.

“The solar could save us up to £3,353 pa on our electricity bill, resulting in a significant net return on investment (26.4% pa).”

There is currently potential for a Government grant to cover some of the solar. If BFoE obtains such a grant we will focus spend on the next priority on our list.

The re-roof will also reduce heat loss from the building but this is not a calculation we have available for this document.

d. Switching to a low temperature heating system in readiness for an Air Source Heat Pump (ASHP) (£10,190)

Replacing one or both of the current two gas boilers at the end of their life with an ASHP would help us move away from fossil fuels for our heating. An ASHP takes energy from the air, boosted by electricity input to provide heat, and runs on lower temperatures than a conventional gas-boiler powered heating system. We expect to have to replace one or both gas boilers in the next 5 years purely in terms of their lifespan. Clearly it would be entirely wrong to lock in fossil fuel dependency for a further 15 years by installing a new gas boiler at that point. It is therefore essential to start planning for an ASHP in the short to medium term.

BFoE has commissioned and received a specialist Heat Loss Report, but it is going to take some months longer to ensure we have full advice on the best technical solutions for our needs. Without this, we are not able to specify the cost or energy savings and so do not consider it possible to include this in this share offer.

Switching to ASHP works best in conjunction with measures to reduce heat loss, and increasing radiator sizes and numbers to better operate at lower temperatures. Therefore, while we work towards our final strategy, we plan to amend our radiators to the specification in the Heat Loss Report. Doing this will not only enable us to be ready for a Heat Pump later, but also to test the system in advance of investing in an ASHP.

It will also reduce our gas use in comparison to the current high temperature system. The net return of the radiator change is difficult to calculate, partly due to uncertainties around future gas/electricity costs, and fairly minimal at estimated annual savings of £50 pa, but the point of this measure is really to be fully prepared for ASHP in due course.

e. Secondary glazing, double glazing and window draught-proofing (£7,505)

We have five original sash windows in urgent need of restoration. Draught Proofing and double glazing will enable us to improve efficiency at the same time as these repairs. There is also one remaining single-glazed casement window that needs replacing with a double-glazed unit.

Following the 'fabric first' approach again, this measure will reduce the demand for heat and will be implemented alongside the window repairs (which will be separately funded from our reserves).

Given that window maintenance is needed imminently we do not think it would be accurate to calculate net return on investment. However, the study estimated that there would be modest savings of £50pa and 115kg carbon emissions. Given the impact of draughts on building users, it is believed that this will have a higher impact on community thermal comfort than the numbers indicate. This element of the project is scalable to the funds received, as not all the windows have to be renovated at once.

Summary

Implementing the defined minimum options has the potential to reduce our bills and carbon footprint by £740 and 900kg pa, respectively; whilst implementing the target maximum options increases the projected savings to £3,660 and 2,100kg carbon pa. We want BFoE to lead by example in this key decade by moving towards an efficient and sustainable building that is powered by renewable energy, where we campaign for a sustainable and equitable Birmingham.

4. Capital position

BFoE is in financial good health and fully solvent. It has share capital of £220,800, reserves of £243,000 (including revaluation reserves) and total net assets of £464,000. It has no loans or long term liabilities.

BFoE's last audited accounts are from the end of Jan 2024, covering the period Jan23-Jan24. For a more recent (unaudited) financial position, see Appendix for Financial Activities and a draft Balance Sheet.

5. Impact of planned measures

This share offer presents a programme of work that balances social, environmental and financial returns. It is based upon offering members an interest rate of 2-3% on their share capital. However, delivering a financial return is not the primary objective.

This project as a whole will deliver the following environmental returns:

- **Reduce our carbon footprint by between 900kg and 2100kg per year.**
- **Reduce our energy bills by between £740 and £3660 per year**
- **Enabling BFoE to switch from gas and achieve net zero energy within 4-5 years**
- **Improved thermal comfort and attractiveness of the affected building spaces supporting the development and growth of community organisations**
- **Offering an alternative model for further regeneration projects in Birmingham and elsewhere by demonstrating a successful example of community-led decarbonisation investment**
- **Demonstrating practical retrofitting in action which could be replicated in similar older buildings**
- **Providing data which can test the return on investment and carbon saving to support future such works elsewhere.**

There are two principles of energy saving/decarbonisation measures which are often in conflict. These are a) the “fabric first” approach, meaning that you should reduce your energy use first (say, by insulating) before, say, generating from renewables; and b) that measures should have a good “return on investment (RoI)”, which means that they pay for themselves financially over time. Fabric first measures such as insulation and better windows often have poor RoI, but are clearly the right thing to do in principle as well as improving the space. The proposed wall insulation has a net RoI of – 1.5, and the window improvements collectively –3.2. These are balanced by the net ROI of the battery (2.3), the solar (26.4) . It’s not realistic to calculate the RoI of the increased radiator capacity, but clearly it has a significant decarbonisation impact in enabling ASHP within a few years – as described above.

So we have carefully chosen our combination of measures, particularly in the maximum scheme, to balance these slightly conflicting principles giving our community a better building and our investors a sound proposition.

See Appendix 1 for financial information concerning these.

6. BFoE Shares Track record

Share capital and membership ---

The membership of the society has fluctuated over the years since we began trading on 4th January 1978. This reflects new people joining and becoming active members whilst others becoming less active and or leaving. With the new Community Shareholders in 2017 (some of whom were existing members), the number of members was boosted. A small net decline in membership since then has been due to some community investors withdrawing their funds, along with some net decline in supporter subscriptions (required to remain a £1 member unless the member is an active volunteer), as reflected across the sector. Membership is at 114 as of Jan 2025. This includes 87 community share members, 55 £1 members and with 28 members having both types of membership.

Before 2017, the share capital value tracked the membership numbers at £1 a share. The £250k share capital raised in 2017 meant a step change increase in capital as well as numbers of active members. Share capital has now reduced to £220,800 due to a combination of withdrawals as described below and conversions of a small number of shares to donations.

In the future BFoE plans to move towards an ‘open’ share model in which members can invest and withdraw at any time, as this helps keep share investment democratic and has better flexibility for all involved.

Share interest ---

The Society is obliged to re-invest profits for the benefit of the community, but can also pay interest to its member investors based on the amount invested and the rate required to attract the capital that the society needs.

When the previous share offer was proposed in 2017, “the aspiration to offer interest” “starting at a maximum of 1% and steadily increasing to a maximum of 3%” was made. It was judged prudent not to pay interest on share capital during 2020-23 due to COVID recovery and “cost of living” crisis, but funds were made available for share capital withdrawal by those who needed it (see below). Our first interest payments in 2024 were at 1%, with 2% budgeted for the next year.

Interest payments will be budgeted for for future years, but shares should primarily be considered as an opportunity to contribute to the community with the expectation of a primarily social rather than financial return. Interest levels are subject to Board recommendation each year based on business health and prudent reserves policy, and put to an indicative member vote at the AGM. Members may opt at their discretion not to receive interest on their shares.

Interest payments at 2- 3% have been included in the financial assessment of the measures discussed in this document, matching the aspiration of the first share offer. Interest payments on existing shares have also been accounted for in the financial projections: see Section 6 above.

Share withdrawals

In 2017, the stated Withdrawal Policy was to “consider all withdrawal requests in the order in which they are submitted, but [the Board] are obliged to consider the financial security of the Society first.” Since 2022, the following share value has been withdrawn: £1,000 (0.4%), £4,524 (1.8%) and £7,047 (2.9%). In 2024/25, £18,670 was withdrawn as it was the first year we actively promoted the opportunity to members to withdraw and Coops UK, having our largest shareholding, made their first withdrawal.

We have budgeted for future share withdrawals at 10% per year, and projections of our income/expenditure levels for the next five years suggest that this should be affordable alongside interest payments on remaining shares. Clearly this is subject to variation depending on the financial health of the organisation, external factors and any other pressing priorities.

Operating performance (C.4)

Over the last three operating years, turnover has been £155,900 (2023), £170,600 (2024) and £153,500 (2025), giving net profits of £18,000 (2023), £49,400 (2024) and £45,500 (2025). This has increased total net assets to their current position of £463,600.

The rise in the total assets has been driven by the increase in the net profits over the time period. The recovery after Covid of both the turnover and profit (becoming positive in the 2022-23 operating period) has helped the capital position increase by 22% over the last three years.

The capital position will fall, as to be expected, in the years when investment occurs; particularly in the first year. This is largely driven by the enabling roof repairs, which, whilst funded separately, will impact the overall finances. However, this is largely recovered by the fourth year, whilst paying interest and supporting share withdrawals (see table 4 in Appendix 1 for further details).

BFoE's office and retail spaces have been at 100% occupancy for the last three years, with meeting room hire also increasing steadily, while expenditure has remained prudent and well managed. Even during the 18 months without a cafe operator, we generated sufficient income from using the space as a venue for activist and cultural events to generate a surplus. These factors, alongside various cultural/media developments improving the neighbourhood around us, give us confidence that our business model will remain in a strong position to service this additional share investment and to invest in ASHP within the projected timescale.

7. Background and Further Information

Society details

Friends of the Earth (Birmingham) Limited is a Registered Community Benefit Society under the Co-operative and Community Benefit Societies Act 2014. Registration no. 22063R Registered address: 54-57 Allison Street, Birmingham B5 5TH.

We own and operate The Warehouse as a not-for-profit business whilst still having campaigning

and the improvement of the local environment, in line with the mission statement, as its primary aim and reason for existence. Campaign objectives are determined and regularly reviewed by the organisation's campaigns group.

Further society information can be found via the [FCA Mutual Register](#).

Voting rights of shares

Community Shares allow members one vote each regardless of how many shares they own. Benefits of this democratic structure include:

The right to attend an AGM and other members meetings and have your say on the running of the organisation, including approving any changes to the rules of the society;

The right to elect the Board of Directors, per the rules of the society, at the AGM;

The right to stand for election to the Board.

The assets of the society, in line with local BFoE rules and Community Benefit Societies Act 2003, are restricted – known as the Asset Lock. The Asset Lock mandates that any residual assets after share capital (and any share interest due) has been repaid, must be used for the benefit of the community and not distributed to members.

Governance and Management

The Board of Directors brings a wealth of relevant experience and expertise to the organisation. They are collectively responsible for establishing a strategy for the organisation and overseeing performance. All members of the Board are democratically elected by members of the Society. One third of the Directors are elected or re-elected each year at the AGM by and from the membership. Current board members are:

[Bryan Nott \(chair\)](#)

[Gwenny Scott \(Secretary\)](#)

[Hilary Peacock](#)

[Lesley Bradnam](#)

[Neal Fenwick](#)

[Nick Whittingham \(Treasurer\)](#)

[Nicola Forsyth](#)

[Paul Hanna](#)

[Richard Bickle](#)

[Saiqa Aslam](#)

[Shaz Rahman](#)

Staff

The Society currently has five employees, one full-time and four part-time, to implement the aims and strategies of the Society, including both campaigns and the operation of the Warehouse:

- **Karen Leach**, Chief Executive Officer
- **Libby Harris**, Campaigns Support Worker
- **Jane Charlesworth**, Admin & Facilities Officer
- **Christine Grant**, Cleaner & Front of House
- **Carolyn Morton** - Compost Coordinator, Compost Culture project.

Further information on the board and staff can be found at:

<https://birminghamfoe.org.uk/about-us/whos-who/>

Application for membership

Under BFoE Rules, membership is open to any person or corporate body or the nominee of any unincorporated organisation who supports the objects of the Society which are as follows:

“To carry on any business for the benefit of the community:

To promote the conservation, restoration and rational use of the environment;

To affect the conservation, restoration and rational use of the environment, and to support any person, body or organisation in that regard;

To disseminate information amongst the public concerning such conservation, restoration and rational use of the environment.” (Extract from Rule 2).

The decision on whether or not to accept an application for membership is entirely at the discretion of the elected Board of Directors. We will accept applications for membership by or as gifts for children under the age of 16. However, please note that the child will not be able to make withdrawals until they reach the age of 16.

The Society has the option of charging members an annual subscription in addition to a minimum shareholding. As with our last share offer, the Board has decided that members investing in this share offer will not be required to pay a subscription during the 5 years of this business plan, although members are welcome to become regular subscribers if they wish.

Applying for shares

We have set up a crowdfunding page exclusively with Crowdfunder, which is the UK's leading online platform specialising in community shares and is a requirement of the scheme.

The minimum investment per individual is £50, maximum £10K. Crowdfunder will collect the funds after the offer closing date of 30th May 2025. All funds will be treated as pledges until the minimum target has been met, at which point funds will be transferred to our business account. For every £1 invested via Crowdfunder there is a transaction fee of 6.5p which we absorb.

If the Sharematch scheme minimum is not met, pledges will not be drawn down. If our own minimum target is not met, but pledges are above the Sharematch scheme minimum of £10K, the Board will consult with prospective investors and decide which of the measures to implement using the investment received.

Share applications can be made at: <https://crowdfunder.co.uk/p/decarbonise-the-warehouse>

In order to use the service, you need a valid email address to create your Crowdfunder account, and a UK debit or credit card. Once you've decided how much you want to invest, enter your card details into their secure service. Our crowdfunding page can be accessed directly on <https://crowdfunder.co.uk/p/decarbonise-the-warehouse> or through our own website at <https://birminghamfoe.org.uk/share-offer-2025>. If you can't use the Crowdfunder page or don't have an email address but would still like to make a contribution to this share offer, please contact us on 0121 632 6909 and we will provide you with a paper application form.

Any questions regarding this share offer can be directed to the Board by email: shareoffer@birminghamfoe.org.uk.

Shares as gifts

Shares in Birmingham Friends of the Earth would be a unique gift! Just be sure to tick the relevant box when completing the online application as some additional information will be needed and the recipient must meet our membership criteria.

Supporting evidence

The weblinks below can provide additional information on the following documents:

- [Appendix 1: Financial information](#)
- [Frequently Asked Questions and Risk Assessment](#)
- [Independent Energy Assessment](#)
- [BFoE Community Shares Policy & Procedures](#)
- [Annual accounts for the last three years](#)
- [Society rules](#)
- Previous [share offer document](#) and related [business plan](#) (2017).



Any questions regarding this share offer can be directed to the Board by email: shareoffer@birminghamfoe.org.uk

Friends of the Earth (Birmingham) Ltd Share Offer 2025
Registered under the Co-operative & Community Benefit Societies Act 2014 No. 22063R