



Safeguarding the Future

Converting Canalside Community Food Limited to a Community Benefit Society to undertake a community share offer in order to buy our farm.

Canalside Community Food Ltd. (that's us) is an established community supported agriculture scheme producing fruit and vegetables on the 11 acres of organically certified land that we currently rent. The business produces around 160 shares ('boxes') per week for its members and is currently financially sustainable turning over in the region of £80,000 per year and regularly making a surplus. It employs three staff (2 FTE) and considers itself an ethical employer. It is also committed to the principles of CSA with the members sharing the risks and rewards in the farm business enshrining the principles of fair trade. It is closely linked with a sister organization the Willows, a horticulture therapy farm, with which it shares the site, and which it supports, providing opportunities for involvement in growing activities and land based activities.

Canalside Community Food has been given an opportunity to purchase the land which it currently rents at the going market rate. The land has been independently valued at £100,000 and we have estimated that an additional £10,000 would be needed to undertake the work necessary to complete the process. The business would therefore be looking at raising in the region of £110,000.

The steering committee of the business has undertaken a lengthy consultation both with current members, the Willows, and the wider local community in order to arrive at the best mechanism to raise the capital necessary to buy the land for the community and preserve it as a community asset going forwards at the same time as preserving the current vegetable and fruit production business which is highly valued by the members. In addition to the members and local stakeholders external facilitators and consultants have also been engaged to explore the issues and arrive at a plan for purchasing the land and preserving the ethical farm business.

The current plan is to convert Canalside Community Food Ltd. into a community benefit society (CBS) and to launch a community share offer in order to raise the capital necessary to buy the land. The CBS (to be called Canalside Community Land) will incorporate the current vegetable production business and the Willows care farm while maintaining the current characters of those businesses. The process has been detailed in a draft business plan and timeline (which are available on request) but essentially consists in:

- 1) registering as a CBS by converting the current company (early in 2018)**
- 2) preparing a business plan and share offer document (based on current drafts and by April 2018)**
- 3) seeking Social Investment Tax Relief (SITR) for investors**
- 4) seeking a standard mark review for the plan and offer**
- 5) preparing, launching and executing a community share offer (by June 2018)**
- 6) buying the land (by December 2018)**

As part of the process members were asked to pledge the amount of shares that they would likely buy if a community share offer was launched as above. As it stands about half the members have



Canalside Community Food
a community supported agriculture scheme



made a pledge that they would invest to a total of £60,000. A number have not pledged a specific amount and are waiting until they see the terms on which the community share offer will be launched. This gives us ground for optimism that around two thirds of the share offer could be raised internally from current members. This would also therefore necessitate raising a third of the value from external investors but we are confident that this could be achieved, with preference given to local investors.

In order to achieve this Canalside Community Food (and Canalside Community Land once the CBS is established) has engaged a **business cooperative** in order to guide the steering group through the process and help us with the **practical tasks** necessary to convert the current business to a CBS and then to launch a standard mark community share offer to raise the capital to buy the land.

We are also inviting members to come forward and help steering us through the process. We will meet once or twice or month and may need specialist help such as evaluating contracts, social media skills and/or financial expertise. **If you are interested in this please get in touch with Gareth by email (finance@canalsidecommunityfood.org.uk) or phone 07717 283953.**