

COMMUNITY SHARE OFFER

We are collectively raising funds to purchase and carry out Phase 1 of our renovation plans to the former Otley Methodist Church and transform it into 'The Otley COMMON', a place for the community, owned by the community.

OTLEY

COMMON



A COMMON Manifesto

This is a story about our towns, our streets, our buildings and our community. The spaces and places we all share, should share and need to share. They lead us to a deeper sense of place and connect us to each other.

COMMON places where we can meet, learn, teach, work and enjoy. Places that make us feel proud.

Places that speak to us, that we have helped create, we can have a stake in, that we build for the COMMON good.

To create a new history – reinvented, renovated and reimagined.

What our old COMMON buildings can be.

These buildings were never constructed to serve the few, they were created in eras of civic pride, constructed for the common person. This is our collective commission – to become custodians of the building, to give it a new purpose, a new lease of life and meaning for the future and value to our town and all of us that live here.

An open building that becomes a beacon, an inviting place for us all to use, to communicate, to comment.

A place that combines the wealth of a community, its people, its resources and its spirit. Created from a cooperative approach and a true sense of duty.

The building will be a place we all have in COMMON.



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OTLEY COMMON

is the unique development of a community-led, climate-positive, cultural hub in the centre of the vibrant town of Otley.

Your investment will provide capital funds for the development of this vital community asset.

The building will become a beacon for the local community and offer: youth provision, a space for clubs and institutions to run and thrive, a work space and incubator for local businesses and entrepreneurs, an events destination for a thriving arts and culture scene all supported by Food & Beverage facilities.

The aim of the investment is to create a cultural hub for people to **WORK, EVENTS, STAY, LEARN, EAT for **YOUR** community.**

INVEST NOW.

<https://ethex.org.uk/invest/otley-common>

A highly attractive financial return with demonstrable positive social impact.

Target Fundraise

£312,205

Maximum Fundraise

£509,979

Minimum Fundraise

£94,669

Minimum Investment

£200

Maximum Investment

£30,000

Offer Opening

17.02.25

Offer Period

3 Months

Interest Rate*

6.25% *2% above Bank of England base rate up to a maximum of 6.25%

Interest Payment

Annually from **Year 4**

Use of proceeds

Fund Phase 1 (see page 24 of this document) of our refurbishment of the buildings in order to make them suitable for all of the services we would like to offer. This will be completed in the first 12 months of our ownership.

OFFER SUMMARY



Community
Shares

STANDARD

Offer Summary

Interest Rate: 2% above Bank of England base rate up to a maximum of 6.25%*

Minimum raise: £94,669

Optimal raise: £312,205

Maximum raise: £509,979

Minimum individual investment: £200

Maximum individual investment: £30,000
(or 10% of total shares issued)

Interest will start to accrue during the financial year ending March 31st 2029 and every subsequent year. Interest payments will be made in November 2029 and every subsequent year.

Share withdrawal and capital repayment: 4% of shares will be available for withdrawal per year from the financial years starting 2029 at the discretion of the board. Withdrawal will be made available to all shareholders on April 1st and paid no later than the end of November. Our plan is for all shares to be fully paid back by 2054.

Opens: 17th February 2025

Closes: 17th May 2025

The board of directors may choose to extend the period of the share offer, if we have not reached any of our fundraising targets by this date. Further information about this can be found in the "Your Investment" section of this document on page 15.

What are community shares?

Community shares are a form of social investment. They offer communities a chance to own shares in a the organisation. Community shares are withdrawable shares that cannot be sold, traded or transferred between members, unlike shares in a typical company.

Members can be paid interest on their shares, and also withdraw their shareholding. This is subject to the approval of the board. All members are entitled to one vote regardless of how many shares they hold.

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 referenced on page 32
- 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: communityshares.org.uk

Risk statement

Community shares are a risk. You could lose some, or all, of the money you invest in this share offer, without recourse to the Financial Services Compensation Scheme or the Financial Ombudsman Service.

**INTRODUCING
OTLEY
COMMON**

Thank you for considering investing in this landmark project. You will be enabling the creation of a new and inclusive enterprising community space for the people of Otley, surrounding area and visitors to the town. Those who live in Otley understand the word community and how key it is for a town to prosper. Our aim is to provide a much-needed place for all sections of our community to meet, collaborate, work, and play.

Our commitment to community development is core to our approach. We believe that by listening to the community and fostering a spirit of togetherness, we can transform this historic church into a place of hope, support, and growth for all residents. We are dedicated to creating a brighter future for the community, and this building will be the cornerstone of our efforts. The town has lost most essential facilities enjoyed by similar-sized towns: it does not have a civic hall, a large theatre, a dance hall, a cinema or a museum, which are all essential to a thriving community.

Otley's cultural vibrancy is key to attracting inward investment and tourism. It needs a venue big enough to host large events and festivals. It needs a social and culture facility for all ages but for young people in particular, who are currently under-served in the locality.

This glorious building has been at the heart of the town for generations, providing valuable space for members and community groups. Together, we will create a live music venue; a theatre with rehearsal spaces; affordable meeting rooms for individuals and community groups; a social enterprise space for start-ups and established small businesses, social and cultural facilities for children and teenagers and all other age groups and backgrounds. We want existing users to continue enjoying the building and new users to join to create a building that is alive with activity. It will be a space for local community groups and individuals to gather to work on projects that will lead to a thriving future for Otley.

Investing in this project is a once-in-a-generation opportunity to save a landmark building. You will contribute towards creating an archetype that other towns with large old buildings can follow. It will demonstrate how the re-imagining of a building can create a purpose at the heart of a community. The team behind the vision are from Otley and understand the local area and its surroundings and the importance of working in common with people and for the community. We hope you can support us in the delivery of our vision.

CORE THEMES

There are five core themes embedded within our areas of focus and our desired impacts. These feature repeatedly within our activities, outputs, outcomes, and the impact we plan to create. These themes are applicable to all age groups albeit there will be specific targeted activities to appeal to varying age demographics as well as those specifically designed to bring the community together so that all can learn and develop from shared experiences.

Arts, Culture, Sport & Heritage

Local people have access to high quality, affordable, and inclusive opportunities in the arts, cultural services, heritage and sports.

Employment, training, and education

Local people have access to training opportunities, are able to develop new skills and create life-long learning opportunities.

Health and Wellbeing

Local people have opportunities to engage in meaningful and fulfilling activities, creating a sense of purpose, emotional resilience, confidence and aspirations for the future.

Citizenship and community

Local people have a positive perception of their community and area, feeling satisfied and proud of where they live.

Sustainability and regeneration

Creating local economic growth, spending and investment, whilst also reducing carbon footprint, promoting energy efficiency.

THE BUILDING

Otley Methodist Church is a Grade II listed building located in a prominent location close to the heart of the town. The present church was built in 1875 by Edward Taylor, an eminent Victorian Architect, who designed a number of Methodist chapels and private residences across Yorkshire. It was funded by the Otley congregation and local community. The Wesley Hall was built next door in 1905 to serve as a Sunday School, with further additions being added in the early part of the 20th Century.

We will retain the grandeur of the chapel, making it available for speakers, concerts, and weddings.

The Wesley Hall will become a community café and common space, with rentable studios in the former Sunday School rooms. It will also be available for exhibitions and events.

"Room 2" will retain its purpose as a multi-use community space, available to rent.

The "Parlour" is the current entrance hall but will be repurposed as a co-working space for local businesses and community groups.

"Room 3" will become a dedicated youth space. This will help enable over 100 years of Scouting to continue in the building, and also open opportunities for other youth groups.

OUR VISION

The aim of Otley COMMON is simple:
"To create a space where the Otley Community can come together to thrive and make good things happen"

We want Otley Common to be an accessible, multi-purpose space that is widely used by the local community and have a positive impact on Otley and the wider area.

Over the past 12 months, our core team and trustees have worked together to produce a new thirty-year financial model for Otley Common, setting out our aims and objectives as an organisation.

The realisation of this project will be a Common space for all ages, providing a broad range of essential services and projects, that, together, create a vibrant common and shared space to support the local population to thrive.

The different spaces will accommodate:

- Community and social groups, from uniformed groups to exercise and art classes
- Local small businesses, artists, and start-up enterprises
- Co-working space encouraging people to work together
- Large events including music, speakers and weddings
- Theatre and performing arts
- Life-long learning opportunities
- A vibrant community cafe and meeting space
- A showcase for de-carbonation and sustainability, (both the Common and the cottage)
- A Community Action Hub
- A one stop shop for advice on energy saving and sustainability

The impact of Otley COMMON on will be:

1. Improved wellbeing of Otley residents, specifically targeting loneliness, isolation and low self-esteem
2. Increased sense of local pride among Otley residents
3. Supporting a vibrant and well-networked community
4. Supporting the local economy to thrive
5. Tackling climate change and helping people live sustainably

THEORY OF CHANGE

Our theory of change describes the impact that the Common will have on the local community in Otley through analysing our planned activities and the types of outputs and outcomes they will generate. This theory of change has been created by drawing on a range of relevant material, including the Otley Common's financial forecasts, evidence of community need, and community feedback about what local people want to see in the area.

We have also used this theory of change to inform other aspects of our business model: for example, our overall aims for the Common match closely with the impact we plan to create from our activities.

ACTIVITIES The types of deliverable, products and services that you offer.	OUTPUTS The specific number and format of your deliverables	OUTCOMES Results that you can observe and measure	IMPACT The value added by this work; the difference you make.
OFFICE SPACE HIRE	<ul style="list-style-type: none"> 8+ local organisations provided with the space to start, expand or consolidate their businesses. 	<ul style="list-style-type: none"> Creation of an innovation environment for small and start-up businesses in Otley. Increased local economic growth & investment. Increased partnership working between organisations. 	<ul style="list-style-type: none"> Creating a vibrant community. Enabling the local economy to thrive. Reduce commuting for business people living in Otley.
CO WORKING SPACE & MEETING ROOM HIRE	<ul style="list-style-type: none"> 8+ local organisations provided with desk space to co-work with others. Ad-hoc meeting room use for client and customer visits. 	<ul style="list-style-type: none"> Improved collaboration between local business people. Reduced loneliness and social isolation among local workers. 	<ul style="list-style-type: none"> Making Otley an attractive place to live and work, and improve image of local businesses to clients.
CATERING PROVISION AND DAYTIME CAFE	<ul style="list-style-type: none"> 50+ events catered for each year. 15+ people trained and employed as catering staff. Daytime café serving 50+ daily visitors. 	<ul style="list-style-type: none"> Creation of meaningful employment for local people. Creation of fulfilling training opportunities for local people. More opportunities for people to meet, socialise and connect. 	<ul style="list-style-type: none"> Improving the wellbeing of Otley residents. Make Otley a more attractive destination to visit.
EVENTS SPACE HIRE	<ul style="list-style-type: none"> Calendar of regular, affordable social events and activities related to arts, heritage and sports. Calendar of larger events e.g. concerts, talks, weddings. 500+ activities and events per year. Volunteering programme for arts, heritage and sports. 	<ul style="list-style-type: none"> Improved physical and mental wellbeing. Improved confidence and self-esteem. Increased number of visitors to Otley. Otley residents more engaged in accessible and inclusive events. More opportunities for local people to try something new and learn skills. Local people find meaning and fulfilment in engaging with arts, culture and heritage. 	<ul style="list-style-type: none"> Increasing the sense of local pride among Otley residents. Providing the only large indoor space for celebrations and festivals.
ECO SHOW HOME	<ul style="list-style-type: none"> Exemplar eco home, showcasing sustainable technology and best practice for retrofit of an old house. Holiday rental property available at least 5 days a week. Accommodation for performers and event attendees. 	<ul style="list-style-type: none"> Increased number of visitors to Otley. Increased availability of short term holiday rental. More local people able to access retrofit advice. 	<ul style="list-style-type: none"> Tackling climate change. Putting Otley on the map as a centre of sustainability. Helping the local economy to thrive.

**TO CREATE
A NEW
HISTORY**

**REINVENTED,
RENOVATED
AND
REIMAGINED.**





**YOUR
INVESTMENT**

FUNDING REQUIRED	MINIMUM TARGET	OPTIMUM TARGET	MAXIMUM TARGET
Purchase of building	520,500	520,500	520,500
Development costs	120,000	331,200	523,213
Working capital	50,000	50,000	50,000
Fundraising expenditure	18,962	25,488	31,421
TOTAL REQUIRED	709,462	927,188	1,125,134

FUNDED BY	MINIMUM TARGET	OPTIMUM TARGET	MAXIMUM TARGET
Ethex Share Offer	94,669	312,205	509,979
Crowdfunder share offer	205,282	205,282	205,282
Community Ownership Fund (capital)	250,000	250,000	250,000
Community Ownership Fund (revenue)	50,000	50,000	50,000
Interest-free Loan	100,000	100,000	100,000
Donations and other grants	9,511	9,701	9,873
TOTAL RAISE	709,462	927,188	1,125,134

FUNDING SECURED

FUNDING SECURED	
Community Ownership Fund (Capital)	250,000
Community Ownership Fund (revenue)	50,000
Loans & Grants	100,000
Share Investment (via Crowdfunder)	205,282
Donations and other grants	9,500
TOTAL	614,782

YOUR INVESTMENT WILL ENABLE US TO FULFIL OUR OPTIMUM TARGET:

- Purchase the buildings, so they are owned by the community and benefit local residents. The purchase price has been agreed with the current owners of the building and heads of terms have been signed. Purchase to be completed in mid 2025.
- Help us make the building fully accessible to everybody in the local community and beyond.
- Fund Phase 1 (see page 24 of this document) of our refurbishment of the buildings in order to make them suitable for all of the services we would like to offer. This will be completed in the first 12 months of our ownership.
- Contribute towards working capital that will enable us to employ a centre manager and pay overheads when we take ownership of the building.

Supported by.



Minimum target

If we are not successful in raising our optimum share offer target of £312,205, we will still be able to proceed by raising our minimum fundraise target of £94,669.

This, along with our other fundraising, will give us a total of £709,462.

Should we only be able to raise the minimum target, we will only partially complete Phase 1 of our Development Plan: This would include works to the Parlour Co-Working Space, studio spaces, cafe, entrance redecoration, toilets, and Wi-Fi.

This will still allow us to open and reach the revenue targets in our financial forecasts.

Maximum target

If this share offer exceeds our optimum target of £312,205, we will set a maximum target of £509,979.

We will use this extra funding to undertake Phase 2 of our Development Plan, namely the refurbishment of our Youth Hall and Lecture Hall. Both of these rooms are fully functional without refurbishment, but the upgrades will make the spaces much more attractive and accessible to a wider range of users.

The extra interest payments have been factored into our financial model. Interest will be paid on all investments from Year 4.

Funding to Date

A local charitable foundation has committed to contributing £125k to the project if we reach £600k. This will be in the form of £25k invested into the share offer and a £100k loan to be paid off interest free from Year 4.

The local Methodists, who are the current stewards of the building, have also been incredibly generous with their time, knowledge and patience.

Otley Town Council have also agreed to invest £10k in the community share offer once it is live. This is on top of over £50,000 worth of services being provided pro bono from local organisations – see page 16.

In March 2024 we were awarded £300,000 from the Community Ownership Fund (COF). £250,000 of this is for capital costs, and the remaining £50,000 is for revenue and will be used to employ staff when we first open.

The Architectural Heritage Fund have also awarded us £12,500 to pay for a tender package for chapel refurbishment and toilet facilities and an access audit and review of the proposals in our full masterplan.

Through Locality, we have been awarded a grant of £9,600 from COF to support the marketing around this share offer.

Co-operative's UK's Community Shares Booster Programme

We have been accepted onto the Co-operative's UK's Community Shares Booster Programme. They have already awarded us a £5,000 Development Grant to help us formulate our plans.

In November 2024 the Cooperatives UK Booster fund agreed to invest £20,000 in this share offer if we reach our minimum target (including their investment). The Coop will be an investor member in the Society and will have the same shareholding rights as all other investor members.

Funding Requirements

Otley Common is a social enterprise, carefully balancing delivering impact for the community and operating with sound commercial practices. The building provides opportunities to generate income at all times of the day throughout the week and to cater for multiple audiences. The programme of activities will attract both the local community and visitors from the nearby cities of Leeds and Bradford and towns like Harrogate, Ilkley and Skipton, visiting multiple times a year.

Income forecasts have been presented on a prudent basis, reflecting detailed analysis of other inspirational venues and allowing time to grow the level of activity in the future.

The operation has been designed in a way that costs can be managed in line with levels of income, ensuring resilience in the early years and beyond. We have created an alternative business model that assumes only achieving 50% of projected revenue and which shows we will still be able to honour our commitments to investors.

The investment will be made in the purchase of the freehold interests in the former church buildings and the Caretaker's Cottage, a modest refurbishment for both, working capital for early operations and reserves to provide financial stability. The buildings are structurally sound and only need superficial work to bring them up to date — this has been confirmed by the 2021 quinquennial inspection.

The buildings have been valued by an independent chartered surveyors.

Further funding

Our team is currently applying for grants to implement further phases in the development of the building and listing them in order of priority. We have already submitted an application for the Heritage Lottery Fund and a number of grants from local charitable trusts.

Once the building is secured and operational, we will start to look at these in more detail.

OUR BUSINESS MODEL

Management

Friends of the Wesley Otley is a charitable Community Benefit Society, it will be run by a board of trustees, who will be elected to the board at an Annual General Meeting. As a CBS, any profits we make must be used to further enhance our objectives and support the local community. Otley Common will be run by a manager and a small operational team that will answer to the board.

Financial viability

To ensure that Otley Common is financially viable, we need to have a sensible balance between affordable community use and commercial activities. We have consulted with other community hubs on providing a successful mix of offerings and with both users and existing providers in the town to ensure we are developing a complementary and compelling offer.

The business model and operations of the main building can be broken down into six key areas:

Events Venue: hosting a wide range of regular events at weekends including live music and theatre events, public speakers, and a range of important annual community events (e.g. seasonal events including markets; beer, food, and music festivals).

We will also offer the large spaces within the building for commercial hire for weddings, family celebrations, local business conferences and meetings, school events, and exhibitions. We will promote these through the publication of an annual calendar.

Sessional Hire: making available several key spaces for regular sessional hire by community groups throughout the week for a wide range of arts, cultural and physical activities across all age groups. These new sessional hires will compliment the current tenants of the building. This will include affordable social events and activities related to arts, heritage, and sports (e.g., exercise classes, yoga, dance, family discos, music rehearsals).

Youth Space: dedicating one of the larger rooms to youth provision. This will enable local uniformed groups to be able to continue the over a century's tradition of use of the building, but also provide much required space for other youth groups in the town. We will also work with local youth-focused community groups and Otley Family of Schools to ensure that young people can access all the venue's facilities.

Renting Space: converting the main hall's side rooms into studios and small offices for creatives and entrepreneurs enabling access to affordable premises within a supportive environment to encourage the growth of their businesses and encourage mutual support and collaboration. We will create an innovative, supportive environment for small and start-up businesses.

Co-working Space: converting one of the larger rooms into a co-working space, where people will be able to rent a desk for specific periods of time. This will be available to local businesspeople, including start-ups, social enterprises, local charities, and community groups and enable the site to be used as ad hoc meeting room for clients and customer visits.

Café Bar: a café with refreshments and simple and healthy catering to support daytime community activities, and a bar to support evening and weekend events (see events venue above). We envisage that this will encourage a significant increase in footfall to the Common.

Overnight Accommodation: in addition to activities in the main building we will use **The Caretakers' Cottage** to provide an overnight accommodation option for people using the facilities and accessing activities in the main building (e.g. business visitors, wedding guests, touring musicians, conference attendees).

This recognises the relative isolation of Otley and the scarcity of hotel and B&B accommodation in proximity to the building. We will use an ethical letting agent (e.g. FairBnB) with priority booking reserved for those accessing the building. We will retrofit the cottage to high environmental standards, enabling its use as a showcase for sustainable energy technology promoted via regular open days, workshops, and events, to encourage the take up of such technologies by residents, businesses, and others.





SCAN TO TOUR OTLEY COMMON

OR VISIT

[HTTPS://TINYURL.COM/COMMON-TOUR](https://tinyurl.com/common-tour)

**PURPOSE OF
INVESTMENT**

A COMMON SPACE FOR ALL

Otley is a market town which stands upon the River Wharfe, northwest of Leeds and located within the City of Leeds metropolitan borough. It is in two parts: south of the river is the historic town of Otley and to the north is Newall, which was formerly a separate township.

Otley was previously an industrial town with industries including cotton weaving, tannery, and paper production emerging during the industrial revolution. It is known for the invention and production of Wharfedale Printing Machine including a factory which in 1900 employed over 2,000 people.

Otley now depends significantly on trade from tourism for its economic well-being. It remains a vibrant town with a very engaged local community. Because of its geography and poor transport links it is also a close-knit community, where many people know each other and work together on different projects for the town.

Otley has a population of approximately 15,000 people, but there are over 130,000 people living in neighbouring towns and villages (within a 5-mile radius), including Ilkey, Horsforth, Guiseley, and Yeadon, all of whom will be positively impacted by having the opportunity to actively engage with our new venue.

Community Action Hub

Many people in Otley are involved in local community groups and charities. These groups organise a host of events that bring the town to life including the Otley Carnival, Otley Show, the Victorian Fayre, Otley Live, the Chevin Discovery Day, the Cycling Family Day, and the Green Fair.

They also provide critical support to vulnerable people, through projects like the Otley Community Larder, the Food Bank, Otley Action for Older People and Welcome Spaces.

With our partners, Otley 2030, we would like to create a hub that has the community running through its fabric.

In practice, this will mean:

1. Providing a common space for people to meet together and form new ideas that will lead to ground breaking new projects for the town, as we look to help Otley thrive over the coming decades.
2. Actively seeking funding so that we can offer subsidised access to space in the hub for community groups, particularly those supporting young people.
3. Adapting Otley 2030's digital stakeholder mapping to create a physical reference point for people who want to access or volunteer with community groups in the town.

THE CURRENT BUILDING

The building, despite being in need of updating and redecoration, is in remarkably good condition for its age. The Methodists have kept up a schedule of regular maintenance and cleaning and have completed all of the minor repairs that were recommended in the 2020 quinquennial report.

Despite this, we have bold plans to modernise the building and make it more accessible and inviting to a wider range of people from across our communities. Phase 1, below, will be carried out if we reach the Optimum target from our fundraising. Phases 2-5 will be dependent on future fundraising, potentially through grants, donations, or another share offer.

DEVELOPMENT PLAN

Phase 1 - (April 2025 – March 2026) - Funded by your investment

Works funded by your investment will comprise the creation of the open atrium, with a new compliant ramp, new door, lighting and planting. The corridors will be refreshed to create a bright entrance area with gallery space. The Parlour will be transformed into a new co-working space whilst the former Sunday school classrooms will become studio spaces for small business, entrepreneurs and artists. Wi-Fi will be installed.

By hitting the Optimum investment level Phase 1 will include refurbishments of the Caretakers' Cottage. The Wesley Hall will be developed for the occupancy of tenants on the co-working spaces. A Bar & Cafe will be created to service events and tenants of the building throughout Phase 1.

FUTURE DEVELOPMENT AMBITIONS

We have bold ambitions to further develop the venue. Once we have taken ownership, we will start working on funding options to bring these plans to life.

Full capital development plans and costing can be found on pages 27. None of our financial forecasts are reliant on these phases of development being complete.

Phase 2 (November 2026 – October 2027)

Works will focus on the lecture and youth halls, with fresh redecoration and acoustic treatment throughout.

Phase 3

The decarbonisation programme will form the third Phase. The works will comprise the replacement of the existing boiler with air source heat pumps and new efficient radiators throughout the property.

We will be looking to replace the windows to the studio spaces and install secondary glazing to where this is not possible. Insulation to roof voids is included as well as improvements throughout. Lighting, where possible, will be replaced with efficient LED lighting.

Phase 4

Glazing over the 'open atrium' to form a closed atrium. This work would also include for a new lift that would connect each of the level differences in the building.

The glazed atrium will specifically create a space for the café and bar to expand into, an exhibition space, and a foyer for performances. This phase may also break through to the chapel to create a level entrance. The heritage officer is supportive of this proposal.

The first floor works would include new accessible WCs.

Phase 5

Works to the chapel to repair the water damage to the balcony area, install a new handrail to the balcony, install new lighting, AV equipment, and acoustic treatment.

This will make these spaces even more appealing to a broader section of potential clients. The improvement to the youth hall will make safeguarding much easier, providing young people with their own entrance and toilets. We predict that this will increase usage, but our conservative financial modelling does not rely on such an increase.

GROUND FLOOR MASTERPLAN



- 01 OPEN AIR COURTYARD
- 02 OFFICE
- 03 BACK OFFICE
- 04 BACK OFFICE
- 05 ART GALLERY
- 06 LECTURE HALL
- 07 THE PARLOUR
- 08 YOUTH HALL
- 09 KITCHEN
- 10 CAFE
- 11 STORE
- 12 LIBRARY STORE
- 13 BACK OF HOUSE
- 14 MALE WC
- 15 FEMALE WC
- 16 FAMILY WC

NOTES:

The preliminary scheme is subject to change

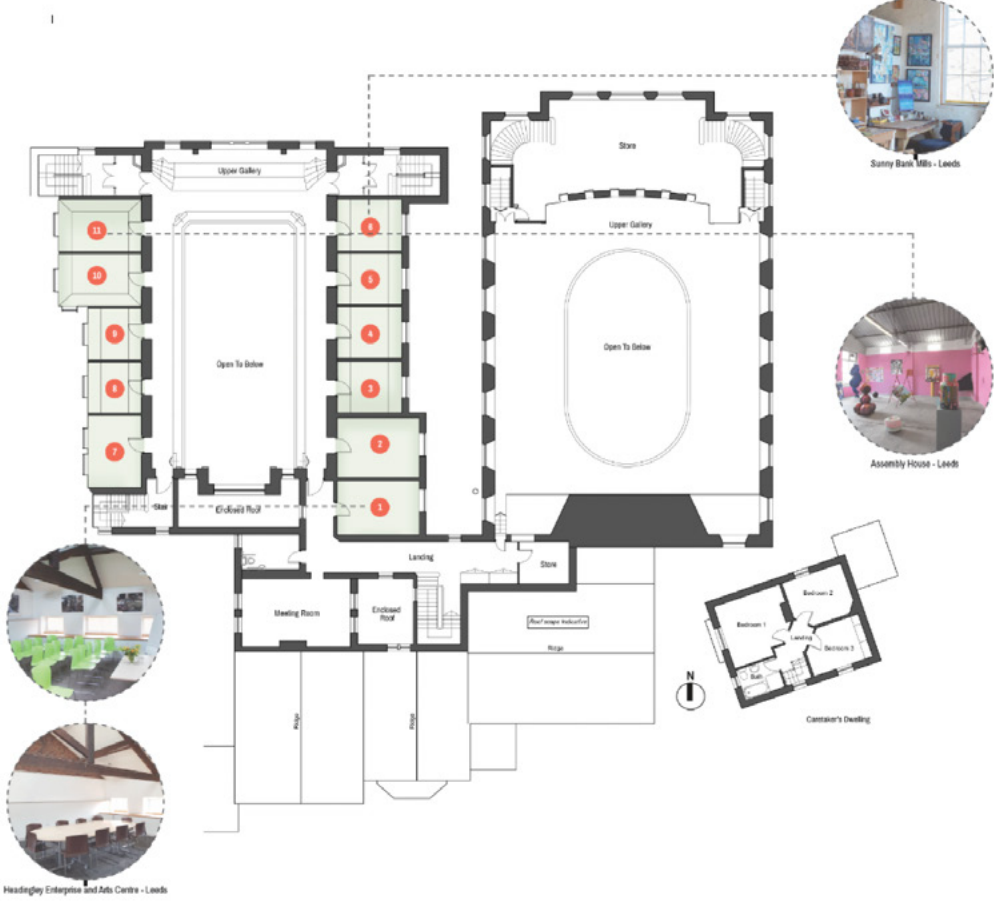
01. The courtyard's current use will be preserved as it is surrounded with glazing, allowing the space to be used even when it is raining. In addition, the project includes first-floor lift access to improve accessibility and circulation, as well as a new ramp to accommodate the level change. There is also direct access to and from the open courtyard to the cafe.

10. The kitchen will be completely renovated to ensure that it is adequately equipped and customised to the specific requirements of the cafe. The renovation intends to improve the space's functioning, efficiency, and overall culinary experience.

15. Improved bathroom facilities include an increased number of WC stalls, as well as the addition of accessible and family-friendly options. This expansion ensures user inclusivity and convenience.



FIRST FLOOR MASTERPLAN



- 01 MEETING ROOM
- 02 OFFICE STUDIO
- 03 STUDIO 1
- 04 STUDIO 2
- 05 STUDIO 3
- 06 STUDIO 4
- 07 STUDIO 5
- 08 STUDIO 6
- 09 STUDIO 7
- 10 EXHIBITION STUDIO 1
- 11 EXHIBITION STUDIO 2

NOTES:

The preliminary scheme is subject to change

01. The proposed meeting room will be equipped with modern amenities such as wifi, providing a space for effective discussions and collaboration.

03. The plan includes repurposing the existing rooms and converting them into studios available for rent to suit groups of varied sizes.



OUR ORGANISATION

Our Organisation:

The Otley Common will be owned and run by the Friends of The Wesley Otley Limited (FTWOL), which is a Charitable Community Benefit Society (registered under the Co-operative and Community Benefit Societies Act 2014) and regulated by the Financial Conduct Authority (Registration number 9110). FTWOL is democratically run by its members on a one-member, one-vote basis. We have exclusively charitable objectives and a charitable asset lock, ensuring that in the event of a sale, the proceeds must go towards our charitable objects (including returning investments to investors at par value).

FTWOL was registered as a CBS on 11th August 2023. It was founded by members of the current board (detailed below) all of whom have lived in Otley for several years and have been active in numerous community groups. Through their experiences of attending and organising various events in Otley and their regular interactions with other community groups, artists, businesspeople and the general population, and visiting facilities in other towns, it was abundantly clear to them that Otley was missing a large community space like the one that is proposed within this document. That is why they have all dedicated so much time and energy to this project.

Since the establishment of FTWOL, our board members and core team have continued to engage their network of key stakeholders across the town and beyond, to ensure that there is support and demand for such a project. The response has been resoundingly positive.

(“The Wesley Otley” was our working name when we undertook this project, hence the legal name of the organisation.)

Summary of charitable Objectives:

- To provide a community centre including for recreation and leisure
- To promote social inclusion
- To relieve needs of those people who are socially excluded
- To advance education in the arts, culture, environment and conservation, sustainable development, and health and well-being
- To develop the capacity and skills of the members of the community

Democratic Rights of Membership

A charitable community benefit society has a democratic structure which provides all members – however much or however little they have invested – with an equal say in the running of the organisation. This contrasts with a typical company structure, where voting power is linked to the level of investment. By investing in this community share offer you are becoming a member with an equal say in how Otley Common is run.

Benefits of being part of this democratic structure include:

- The right to attend the Annual General Meeting (AGM) and other key members meetings to have your say and help direct the strategy of Otley Common.
- The right to elect the Board at the AGM.
- The right to stand for election to the Board.
- The right to be informed of our progress through members’ communications and have the ability to input into our ongoing plans to develop Otley Common.

Through monthly communications, including a regular newsletter, membership events and meetings (in person and hybrid), members will be included, and contributions welcomed, in helping to move forward the aims and objectives of Otley Common.

All members will be made aware of the range of volunteering opportunities available within Otley Common. Both paid and volunteer staff will be needed to ensure the continued viability and growth of the business: volunteers will have role descriptions, which will complement the job descriptions of paid employees. To encourage participation, special events for members, volunteers and stakeholders will be arranged to mark and celebrate significant progress on different aspects of the project.

Eligibility for Membership

All investors must meet our criteria for membership, details of which are set out in our Rules. Individuals aged 16 or over (but you have to be over 18 to purchase shares in this raise), and organisations that support our objectives are entitled to join and invest subject to the approval of our directors. Organisations must first appoint a representative to exercise their membership right.

Our Team

Our organisation is currently led by a strong leadership team comprising a board of directors and a core team supporting with the purchase.

We have a wealth of skills, experience and competencies that ensures we can effectively deliver our strategic vision and manage ongoing operations.

Complete biographies are available in on page 28.

Leadership Team Core Competencies

We have taken time to build the team from the local community to ensure we have the right knowledge and skills to undertake this project. The names listed below lead on their section based on their professional and community expertise and experience but there is additional support provided across the groups as required.

Leadership Team Core Competencies

We have taken time to build the team from the local community to ensure we have the right knowledge and skills to undertake this project. The names listed below lead on their section based on their professional and community expertise and experience but there is additional support provided across the groups as required. See www.otleycommon.org/team for full details on our team members.

Finance

Simon Palmer
Andy Boyle

Fundraising

Andrew Howarth
Clare Smith

Capital

Stefanie Stead

Community

Andrew Howarth
Tess Leslie

Events

Paul Shelley
Alison Torres

Operations

Clare Smith
Will Willkin

Governance

Gareth Durling
David Turner

Branding / Marketing & Comms

Stephen Taylor
Paul Shelley

Board of Directors



Andy Boyle

Andy is a former corporate finance and strategic planning partner in an accountancy and business advisory practice with over 20 years of experience. He is a founder of Otley 2030 and Otley Energy, a Community Benefit Society. He has extensive experience sitting on and advising third sector boards and currently advises national and local government on the transition to net zero and sustainable communities.



Clare Smith

Clare was born and bred in Otley and having lived away she moved back 10 years ago. Clare is now Chair of Otley's Community Theatre Group, Otley Players. Clare is an Executive Director of one of the largest NHS Hospital Trusts in the country, specialising in operational management, and is passionate about inclusive access to the Arts for all.



Stephen Taylor

Stephen is a Creative Director and strategist with 10+ years experience working with the worlds most revered design and creative agencies. He has helped global brands both big and small build relevance in an ever changing world, and believes that design has the power to change life for better, smarter and more relevant ways we interact with the world. Clients include: Apple, Amazon, Adidas, Audi, Colorplan Papers, Cupra Seat, Derwent London, Design Miami / Basel, Established & Son, G.F Smith, Gill Marine, H&M, Huawei, Hunter, Naim Audio, Samsung, Stella McCartney, Tom Dixon & Vitra.

Finance Team



Simon Palmer

Simon is a Chartered Accountant and Partner within a top 10 firm of Chartered Accountants Azets. He has been an Otley resident all his life and has recently been instrumental in helping set up Otley Live. Simon has worked within the music industry and brings his financial awareness and local music connections to the board. He currently heads Azets Accountants.

Andy Boyle

See above for profile.

Our Members

FTWOL is founded on the principle of community membership. We will seek to expand our membership through the community share issue process. All members are entitled to one vote regardless of how many shares they hold. A key aspect of our community engagement plan, is to expand the membership to include a higher proportion of the community.

We envisage a golden thread of engagement from people connecting with us as users and beneficiaries, becoming involved as volunteers, and eventually taking on leadership positions, either as staff or board members. This commitment to “growing our own” will significantly strengthen our organisation.

Members will be invited annually to an Annual General Meeting at which Directors’ will report on the year completed and present the annual accounts.

The organisation’s accounts are available on the public website (as well as on the Mutuals Public Register) and will be publicised to members. Members will also be sent a copy of an Annual Report which will provide a summary of the year.

Not all supporters are members and therefore do not have a vote. However, they do have a voice, and have been a key part of co-designing Otley Common Project. As much as we want individuals to join as members, we will retain a broad commitment to engaging and involving the community.

Communication with members is critical and members will be asked if they wish to receive the regular newsletter. This newsletter, which will also be sent to other stakeholders, will cover all aspects of progress and include volunteering opportunities and positive stories about the value that membership and volunteering bring to the project. Vacant volunteering roles will be advertised around the building, to encourage users to consider volunteering for a range of opportunities from practical day to day ones to supporting Governance and management. The ability to recruit and retain volunteers will be a critical factor in the success of Otley Common, and therefore managing the volunteers will be a key role for the Centre Director, as well as a focus for at least one Board Director. Having a reliable volunteer base has a cost benefit which will be vital in successfully applying for grants for the future development of the Common; and sharing that cost benefit of our volunteer team with members and volunteers will be important in valuing their contribution and continued support.

Whilst the current Governance Committee is strong and enthusiastic and includes the wide range of skills needed for the project, as the project evolves new ideas and skills will be needed, and additional governance roles that need to be filled. At the same time, volunteers and members will become more confident and committed to the project, forming an available resource for filling spare Governance positions. Whilst in-person meetings are usually most effective, hybrid meeting arrangements will be available, to increase inclusivity and participation. Other ways to encourage participation, for example adding in a social component to meetings.

Our Board Members

Directors meet at least bi-monthly for board meetings. However, board meetings will be far more frequent during the development phase and the early stage of operational management (bi-weekly). Board meetings are structured with agendas and papers sent to Directors in advance. All Directors have access to the password-protected online drive where board papers, minutes and other internal documentation can be accessed.

Minutes are formally taken at all meetings. Directors will also hold an annual 'away day', designed as opportunity for strategic planning. Directors will be expected to adhere to the Nolan Principles for public life in carrying out their roles.

As charity trustees, all Directors contribute their time and skills voluntarily and it is clearly understood by all Directors that personal benefit or gain cannot be sought through FTWOL work.

The board regularly reviews their own skills and knowledge (including perceived skills gaps) and has developed a very skilled and capable board spanning multiple professional disciplines.

The board believes it is strongly represented in terms of architectural experience, financial management, charity and voluntary sector management, marketing and relevant professional skills and experience for the oversight of this project.

The Society’s core team members are committed and active members of the local community and have the wide range of knowledge, skills, and experience they will contribute in order to make this exciting project a success.

Reporting

Biannual review and revisions of our financial forecasts and impact reviews will be issued to our investors, collaborators and the wider community through online resources and newsletters.





BUSINESS AND FINANCE MODEL

Financial Forecasts

The financial forecasts are summarised in the tables below, and show the following highlights:

- Income of £355,594 in year 1 growing to £734,779 in year 5.
- A broad range of income sources.
- Overheads carefully managed in line with income levels.
- Interest being paid from year 4 onwards.
- Share withdrawals from year 4 onwards.
- Positive cashflow from year 1.

Our financial forecasts are set out in some detail on page 27. We have assumed modest income from commercial activity and food and drink in the first year until we complete the takeover and complete on bookings and events. From 2025/26 we anticipate increased income from commercial activity on the basis that we expect to be able to offer a broader range of uses because of planning and licensing consents we are working towards.

We expect to generate a modest operating profit year-on-year, allowing the organisation to meet its commitment to pay limited interest on the shares and facilitate withdrawals (from retained profit or new share capital).

How Can I Invest?

We are running this share offer through the Ethex website. Ethex will take payment immediately using a debit card, the upper card payment is £2,000, but bank transfers can be used for over that amount. Ethex will hold the funding until the project is either successful and they will pass the money to us, or unsuccessful in which case they will give you your money back at the end of the share issue.

INVEST NOW.

<https://ethex.org.uk/invest/otley-common>

Send an email to hello@otleycommon.org for more details on this.

What is the minimum and maximum investment?

The minimum investment is £200 and the maximum investment is £30,000 .

What is the interest rate?

Interest will not be paid until 4 years after the closing of the share offer. The interest rate will be set by the Board with national interest rates in mind, with our aim to pay no more than 2% above Bank of England base rate, up to a maximum of 6.25%. You will have the option of selecting a half rate or no rate, if you wish to further support the Otley Common. You will be given the option to revise this in subsequent years.

The following forecasts have been prepared with significant support and detailed analysis of income and cost levels from similar successful venues. They include a partial year of trading and a prudent view of initial activity levels in Year 1, followed by achievable increases from Year 2 through to what is considered our sustainable level of trading based on the current refurbishment in Year 5.

Forecasts are then shown in 5-year blocks through to the completion of the planned 25-year share buy-back period, demonstrating the organisation's forecast ability to pay interest on the shares at the maximum rate of 6.25% and buy back the shares in full assuming all shareholders take up their full entitlement each year. Ambitious plans for further development after the initial refurbishment have been excluded to enable investors to see that the ability to pay interest and buy-back shares isn't reliant on additional income or cost reduction from further planned improvements to facilities and energy efficiency measures.

Surplus reserves will be applied to a mixture of property development, accelerated share buy-backs, and community benefit rather than accumulated in the way presented.

PROFIT AND LOSS

INCOME AND EXPENDITURE (Profit and Loss Account)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	5Y 2035	5Y 2040	5Y 2045	5Y 2050	5Y 2055
Income										
Food and drink *1	165,250	280,500	345,250	363,500	381,750	2,014,330	2,202,265	2,407,733	2,632,372	2,877,969
Co-working space *1	9,600	19,200	19,200	19,200	19,200	101,310	110,762	121,096	132,394	144,747
Lettings - office spaces *1	22,600	48,000	50,400	50,400	50,400	265,939	290,751	317,878	347,535	379,960
Lettings - sessional rooms *1	75,315	118,440	138,690	138,690	138,690	731,807	800,084	874,731	956,342	1,045,568
Total lettings *1	107,515	185,640	208,290	208,290	208,290	1,099,056	1,201,597	1,313,705	1,436,271	1,570,275
Commercial activities *1	12,075	17,550	26,325	39,488	59,231	312,538	341,697	373,577	408,431	446,538
Funded projects *1	41,330	45,463	50,009	55,010	60,511	319,292	349,081	381,650	417,258	456,187
Fundraising *1	19,424	9,996	9,996	9,996	9,996	52,745	57,666	63,046	68,928	75,359
Cottage/production room letting *2	10,000	15,000	15,000	15,000	15,000	79,149	86,533	94,606	103,433	113,083
	355,594	554,149	654,870	691,284	734,779	3,877,109	4,238,839	4,634,317	5,066,694	5,539,411
Direct costs										
Food and drink *3	66,100	112,200	138,100	145,400	152,700	805,732	880,906	963,093	1,052,949	1,151,188
Commercial activities *4	6,838	9,975	14,363	20,944	30,816	162,831	178,456	195,608	214,440	235,121
Funded projects *5	20,665	22,732	25,005	27,505	30,256	159,646	174,541	190,825	208,629	228,094
Total direct costs	93,603	144,907	177,467	193,849	213,771	1,128,209	1,233,902	1,349,526	1,476,017	1,614,402
Gross profit	261,992	409,243	477,403	497,435	521,007	2,748,900	3,004,936	3,284,792	3,590,677	3,925,008
Margin Percentage	74%	74%	73%	72%	71%	71%	71%	71%	71%	71%
Overheads and administration expenses										
Staff costs *6	120,421	203,162	226,157	235,310	244,573	1,284,390	1,393,330	1,511,593	1,639,983	1,779,375
Utilities *7	28,933	41,160	51,479	62,381	64,252	351,358	407,320	472,196	547,405	634,592
Rates and insurance *8	16,000	16,800	17,304	17,823	18,358	100,388	116,377	134,913	156,401	181,312
Waste, cleaning, and consumables *8	9,677	13,034	15,631	18,372	18,923	103,480	119,962	139,069	161,219	186,897
Communications, technology, and equipment *8	11,980	13,743	16,725	19,874	20,470	111,938	129,767	150,435	174,395	202,172
Marketing and publicity *8	6,200	8,820	11,031	13,367	13,768	75,291	87,283	101,185	117,301	135,984
Accounting, legal and professional *8	7,170	8,087	8,861	9,679	9,819	53,694	62,246	72,160	83,653	96,977
Repairs and renewals *9	6,137	11,231	13,420	16,262	19,250	105,266	122,032	141,469	164,001	190,122
Other overheads *8	10,150	13,545	16,385	19,383	19,964	109,172	126,560	146,718	170,086	197,177
Total overheads and administration expenses	216,669	329,582	376,994	412,250	429,377	2,294,977	2,564,878	2,869,738	3,214,445	3,604,608
Earnings before Interest, tax, and depreciation (EBITDA)	45,323	79,661	100,409	84,985	91,630	453,923	440,058	415,053	376,232	320,401
Grant income *10	300,000	0	0	0	0	0	0	0	0	0
Depreciation *11	-32,887	-40,724	-38,862	-37,175	-35,645	-159,768	-137,743	-123,715	-114,491	-108,180
Earnings before interest and tax (EBIT)	312,435	38,937	61,547	47,809	55,985	294,155	302,315	291,339	261,741	212,221
Finance costs										
Bank, loan, and asset finance interest *12	0	0	0	0	0	0	0	0	0	0
Community share interest *13	25,488	0	0	32,343	31,049	135,840	103,497	71,155	38,812	7,762
Total finance costs	25,488	0	0	32,343	31,049	135,840	103,497	71,155	38,812	7,762
Net profit/(loss) before tax	286,947	38,937	61,547	15,466	24,936	158,314	198,818	220,184	222,930	204,459
Taxation *14	0	0	0	0	0	0	0	0	0	0
Net profit/(loss) after tax	286,947	38,937	61,547	15,466	24,936	158,314	198,818	220,184	222,930	204,459
Cumulative retained profit	286,947	325,885	387,432	402,898	427,834	586,148	784,966	1,005,150	1,228,080	1,432,539

ASSETS AND LIABILITIES (BALANCE SHEET)

ASSETS AND LIABILITIES (Balance Sheet)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	5Y 2035	5Y 2040	5Y 2045	5Y 2050	5Y 2055
Fixed assets										
Freehold property *11	511,891	503,359	494,970	486,721	478,609	440,032	404,565	371,956	341,976	314,412
Freehold property improvements *11	306,922	289,729	274,257	260,331	247,798	201,606	174,330	158,224	148,714	143,098
Total fixed assets	818,813	793,089	769,227	747,051	726,406	641,638	578,895	530,180	490,690	457,510
Current assets										
Cash at bank and in hand	88,858	153,099	238,508	253,279	264,660	344,109	474,014	639,233	797,943	973,237
Stock	5,000	8,000	11,000	14,000	15,500	17,969	20,831	24,148	27,995	32,454
Other current assets *15	0	0	0	0	0	0	0	0	0	0
Total current assets	93,858	161,099	249,508	267,279	280,160	362,078	494,845	663,381	825,938	1,005,691
Total assets	912,670	954,188	1,018,734	1,014,331	1,006,567	1,003,716	1,073,740	1,193,562	1,316,628	1,463,201
Current liabilities										
Bank overdraft	0	0	0	0	0	0	0	0	0	0
Other creditors *15	8,236	10,816	13,815	14,644	14,644	16,977	19,681	22,816	26,450	30,662
Total current liabilities	8,236	10,816	13,815	14,644	14,644	16,977	19,681	22,816	26,450	30,662
Non-current liabilities										
Loans and finance *12	100,000	100,000	100,000	100,000	88,000	28,000	0	0	0	0
Total non-current liabilities	100,000	100,000	100,000	100,000	88,000	28,000	0	0	0	0
Total liabilities	108,236	110,816	113,815	114,644	102,644	44,977	19,681	22,816	26,450	30,662
Net assets / (liabilities)	804,435	843,372	904,919	899,686	903,922	958,739	1,054,059	1,170,746	1,290,178	1,432,539
Equity attributable to the owners										
Community shares *13	517,487	517,487	517,487	496,788	476,088	372,591	269,093	165,596	62,098	0
Retained earnings brought forward	0	286,947	325,885	387,432	402,898	550,597	742,902	960,289	1,184,200	1,395,092
P&L this period	286,947	38,937	61,547	15,466	24,936	35,550	42,064	44,861	43,880	37,446
Total Equity	804,435	843,372	904,919	899,686	903,922	958,739	1,054,059	1,170,746	1,290,178	1,432,539
Restricted reserves *16	225,000	200,000	175,000	150,000	125,000	0	0	0	0	0
Unrestricted reserves *16	61,947	125,885	212,432	252,898	302,834	586,148	784,966	1,005,150	1,228,080	1,432,539
	286,947	325,885	387,432	402,898	427,834	586,148	784,966	1,005,150	1,228,080	1,432,539

CASH FLOW STATEMENT

CASH FLOW STATEMENT	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	5Y 2035	5Y 2040	5Y 2045	5Y 2050	5Y 2055
Operating income	355,594	554,149	654,870	691,284	734,779	3,877,109	4,238,839	4,634,317	5,066,694	5,539,411
Operating costs	-310,271	-474,488	-554,461	-606,299	-643,149	-3,423,186	-3,798,780	-4,219,264	-4,690,462	-5,219,010
Earnings before interest, tax, and depreciation (EBITDA)	45,323	79,661	100,409	84,985	91,630	453,923	440,058	415,053	376,232	320,401
Working capital movements	3,236	-419	-1	-2,171	-1,500	-136	-158	-183	-212	-246
Net cashflow from operating activities	48,558	79,241	100,409	82,814	90,130	453,787	439,900	414,870	376,020	320,155
Taxation	0	0	0	0	0	0	0	0	0	0
Capital expenditure	-851,700	-15,000	-15,000	-15,000	-15,000	-75,000	-75,000	-75,000	-75,000	-75,000
Funding received	917,487	0	0	0	0	0	0	0	0	0
Net cashflow available for finance and share payments	114,346	64,241	85,409	67,814	75,130	378,787	364,900	339,870	301,020	245,155
Finance Payments										
Loan repayments	0	0	0	0	12,000	60,000	28,000	0	0	0
Interest on loans and finance	0	0	0	0	0	0	0	0	0	0
Total finance payments	0	0	0	0	12,000	60,000	28,000	0	0	0
Net cashflow available after financing	114,346	64,241	85,409	67,814	63,130	318,787	336,900	339,870	301,020	245,155
Share Payments										
Community share interest	-25,488	0	0	-32,343	-31,049	-135,840	-103,497	-71,155	-38,812	-7,762
Community share withdrawals	0	0	0	-20,699	-20,699	-103,497	-103,497	-103,497	-103,497	-62,098
Net cashflow	88,858	64,241	85,409	14,771	11,381	79,449	129,905	165,218	158,711	175,294
Opening Cash Balance	0	88,858	153,099	238,508	253,279	264,660	344,109	474,014	639,233	797,943
Closing Bank Balance	88,858	153,099	238,508	253,279	264,660	344,109	474,014	639,233	797,943	973,237

SUMMARY

***1.** Income is forecast based on detailed support and analysis from similar venues. Year 1 represents a partial year of trading while the refurbishment is completed and a prudent view of initial activity levels on a detailed line by line basis. Achievable growth has been considered for each activity through to Year 5 which represents expected sustainable annual earnings based on the initial refurbishment. Income inflation is applied in Year 6 onwards at 1.8% compared to cost inflation applied at 3%.

***2.** Cottage holiday letting begins in month 5 following a refurbishment and is included at £312.50 per week to allow for prudent occupancy rates. This excludes expected sponsorship and letting income from use of the cottage by day as an eco show home.

***3.** Food and drink gross profit percentage (GP%) is included at a prudent 60%. The cafe, catering, and event food and drink income will be operated on a commercial basis with GP% in line with industry standards for each category. The expectation based on the forecast mix of sales is actually for a higher GP% of 65% but has been discounted to maintain prudence in the forecasts.

***4.** Commercial income gross profit percentage is estimated at 50% based on discussions with other venues to account for different fee and ticketing arrangements for different markets, events, and shows. It also includes booking fees and cleaning costs for the cottage.

***5.** Funded projects income gross profit percentage is estimated at 50% based on grant income for health and wellbeing activities covering some direct costs as well as staff costs and overhead costs already accounted for below.

***6.** Salary increases will likely be targeted in line with the cost inflation which is included at 3%, however salary increases have been restricted to 1.5% to acknowledge that staff churn often leads to a natural limitation of salary levels.

***7.** Utilities are estimated based on a detailed feasibility study for a similar local venue and cross checked against other venues. The venue has the ability to manage energy usage inline with activity levels

***8.** Overheads are estimated based on a detailed feasibility study for a similar venue and cross checked against other venues. Individual overheads have been categorised based on whether they will increase with activity levels and 5% annual inflation has been applied in Year 2 and then 3% in Year 3 onwards.

***9.** Surveys have demonstrated that the building is structurally sound but a prudent repair and renewal budget is included annually which will be accumulated in a repair reserve alongside the annual capital expenditure budget for major repairs.

***10.** Grant income for capital and revenue expenditure are included as income in the year they are received in line with accounting standards. These are shown beneath EBITDA to allow investors to see the operating performance before these grants.

***11.** The buildings are currently depreciated over 60 years in line with accounting standards, despite the expectation that they will retain or increase their value over time. Periodic revaluations will be considered if required. The remainder of the refurbishment costs are being depreciated at a rate of 10% per annum on the basis that a significant amount will be structural and assets with longer useful economic lives. The initial purchase of the building and refurbishment are forecast to be completed in the first 12 months and a capital expenditure/major repair fund of £15k are included in each subsequent year.

***12.** The only loans initially are £100,000 of philanthropic loans agreed to be interest free and repayable at a rate of £12,000 per annum commencing in Year 4.

***13.** The forecasts include the optimum total Community Share raise (including shares sold prior this offer document) of £517,487=. Share interest is included at the maximum rate of 6.25% for the duration of the forecasts. This rate will reduce if interest rates reduce and also experience from other Community Benefit Societies suggest an element of the investor base will waive or roll up their interest into additional shares.

***14.** Corporation Tax is assumed to be nil on the basis of initial advice that as a charitable Community Benefit Society we will be able to establish a trading company wholly owned by the CBS who will transfer its profits to the CBS prior to tax being charged.

***15.** Other receivables and other creditors are assumed to be nil for simplicity with the exception of VAT balances which are calculated in line with VATable income and expenditure.

***16.** Restricted reserves represent funds that have restrictions applied to them by the source of the funds. This represents the £250k capital expenditure grant. It has been assumed that this applies to the refurbishment expenditure and has been released to unrestricted reserves at a rate of 10% per annum. This isn't considered to have a material impact on the forecasts and will be considered in more detail after the purchase. The balance of profit reserves not treated as restricted are designated as unrestricted in their use.

THE
BUILDING
WILL BE
A PLACE
WE ALL
HAVE IN
COMMON.





**RISK
MANAGEMENT**

Approach to Risk Management

We have developed a risk register which will apply throughout the duration of the capital development phase with a particularly focus upon managing financial and governance risks. Our approach to risk management will be sophisticated and we will link the process of risk management to our financial forecasting through detailed sensitivity analysis undertaken based upon producing different iterations of financial forecasts.

FTWOL's board has sufficient skills and experience to enable it to effectively monitor the risks associated with both the capital development phase and the operational phase. We have developed and actively maintain organisational risk registers.

We have previously worked through several scenarios (e.g. time and cost overruns, base interest rate changes if using loan), which has supported the process of developing mitigation strategies and contingency plans. On an ongoing basis we will have a risk register which applies to our operations for when the site has been developed. Categories of risk identified in the register include those relating to governance, operations, financial, environmental and external factors, and compliance.

The risk register content is summarised in the tables below and takes the following structure (based upon the headings of separate columns):

- Describing the nature of the risk and particularly describing the nature of the impact the occurrence of that risk could have upon the organisation
- The approximate date when that risk is likely to manifest
- Applying a risk rating based upon a three-level rating rating (orange = high risk; pink = some risk; green = low risk). This is split into two columns, a rating for likelihood the risk will occur and then a rating for the level of seriousness of impact in the event of occurrence
- Actions which FTWOL will undertake to prevent occurrence and/or mitigate the seriousness of impact should the risk occur
- Undertaking a further risk rating which is applied after completing mitigating actions which will generally result in a lowering of the risk rating

Eventually three further columns will be included:

- Assigning risks to the ownership of individuals or roles (named board members, executives)
- Date the risk was added to the risk register
- Date the risk register was updated after review

In relation to the practical governance of risk register review will be a standing part of the board agenda and the risk register will be accessible via a link referenced in the board papers and as an ongoing basis as a shared document. Over the capital development phase, the board is likely to be meeting bi-weekly recognising the high-risk nature of that phase and our commitment to being an informed and engaged client of any contractor.

Prior to the employment of staff, maintenance of the risk register will reside with the Secretary.

RISK REGISTER (CAPITAL DEVELOPMENT STAGE)

RISK ITEM AND POTENTIAL IMPACTS	DATE OF LIKELY OCCURRENCE	RISK RATING PRE MITIGATION		ACTIONS TO PREVENT OCCURRENCE AND/OR MITIGATE IMPACT OF RISK	RISK RATING POST MITIGATION	
		OCCURRENCE	IMPACT		OCCURRENCE	IMPACT
Unable to use Community Ownership Fund within grant contract period.	Contract period is 28th March 2024 to 30 September 2025	Low	High	<ul style="list-style-type: none"> We are currently seeking further funding from other grant bodies, including Heritage Lottery Fund. Success in these will reduce the importance of the COF 	Low	Med
<p>Capital cost overruns on redevelopment of site (weather related, contractor performance, further works required identified during development phase etc) leading to:</p> <ul style="list-style-type: none"> That FTWOL is unable to meet its financial obligations That investor share capital is lost Grant funding claw back Resorting to expensive loan finance jeopardising operational phase Reputational impact and relationships with potential occupants 	Year 1/2	Med	High	<ul style="list-style-type: none"> Valuations and appropriate surveys by qualified personnel, including detailed costs reports for all significant refurbishment work, are carried out ahead of purchases Scrutiny of quotes received for work prior to formal tendering (utilising technical skills of the board) All funds in place before works begin Substantial focus on reducing construction costs through design without sacrificing strong environmental credentials (including being open to phasing of refurbishment) Contract with construction firm aims to de-risk for FTWOL Exploration of design and build contract as a risk management strategy Tight controls and contract management of contractors through strong approach to project management and being a fully engaged client % contingency built into costs Sensitivity analysis undertaken against several scenarios (construction overruns, under occupancy during transition from development into management phase, unforeseen expenditure etc) Use of community shares and grant to reduce any need for loan finance Ongoing communications with tenants / users and providing regular progress updates 	Low	Med
<p>Poor contractor performance:</p> <ul style="list-style-type: none"> Cost overruns Time delays creating significant knock-on impact on operational finance Contractors going bust mid-contract (delay, financial issues, legal issues) Resorting to expensive loan finance jeopardising operational phase Non-compliance with regulations Reputational impact and relationships with potential occupants 	Year 1/2	Med	High	<ul style="list-style-type: none"> High level of due diligence of contractor including scrutiny of accounts Tight controls and contract management of contractors through strong approach to project management and being a fully engaged client Oversight of schedule by experienced capital project manager and effective management of contractor by board Contractual framework which makes liabilities/ responsibilities clear and supports the management of this risk Negotiating prompt regular payments to contractors as opposed to larger upfront payments. Multiple staged payments triggered by agreed milestones Prompt communication with funders and investors on this issue Gantt chart with key milestones in capital scheme mapped Time contingency built into construction phase To immediately discuss slippage reasons with contractors and how to make up time Contract includes clauses to deal with delays Snagging period and independent scrutiny of works quality Ongoing communications with tenants / users and providing regular progress updates 	Med	Med

RISK REGISTER

(OPERATIONAL STAGE)

In addition, by the time capital phase is complete a risk register will be developed which reflects the risk associated with facilities management. This could include risks relating to trips and falls, legionella, building security, hazardous activities, risk relating to legal compliance etc. We will draw on a range of risk registers of this type for buildings with similar functions.

RISK ITEM AND POTENTIAL IMPACTS	DATE OF LIKELY OCCURRENCE	RISK RATING PRE MITIGATION		ACTIONS TO PREVENT OCCURRENCE AND/OR MITIGATE IMPACT OF RISK	RISK RATING POST MITIGATION	
		OCCURRENCE	IMPACT		OCCURRENCE	IMPACT
<p>Unstable environment (e.g. pandemic, serious recession, energy price increases etc) leading to:</p> <ul style="list-style-type: none"> • Cash flow problems • Accumulation of debt • Potential project closure 	Anytime	Med	High	<ul style="list-style-type: none"> • Income diversity – in relation to income types and sources and involving multiple customers • Not being reliant upon revenue grant – only using as working capital or to develop added value projects • Lean staffing structure with an ability to default to use of volunteer roles • Investing capital in building refurb to provide quality offer/ environment • Investing capital in developing strong eco credentials and at the same time reducing utility costs (both USPs) • Separating rents and service charges to tenants to enable us to better respond to economic challenges (e.g. increases in utility costs) • Multifaceted marketing strategy • Proactive collaboration and partnership building with potential centre users • Stress tested cash flow projections with inbuilt contingency 	Low	High
<p>That we are unable to achieve the increase and scale of growth as per our operational plan and financial model</p> <p>Actual management and maintenance costs exceed forecasts. This is a large Grade II listed building and long-term costs can be high, and unforeseen repairs can emerge.</p>	Year 1/2	Med	High	<ul style="list-style-type: none"> • Research of the local market and benchmarking against similar venues with similar activities operating within areas with similar socio-economic profiles • Current financial management processes (budgeting, accounting, etc.) and board oversight are fit for purpose and able to scale. In the initial operational phase there will be very close board scrutiny on cash flow management supported through bi-weekly meetings • Expert support from other practitioners with experience of supporting other successful similar ventures (e.g. support from Community Shares Practitioner) • Secured £50k revenue grant which will be used to plug cash flow gap for the initial operational phase • Sufficient provision made for on-going repair and maintenance and forecast based upon building up reserves 	Low	Low
<p>Non compliance with health and safety regulations and other practical buildings management and operational issues which could:</p> <ul style="list-style-type: none"> • Create physical harm for users, staff or volunteers • Jeopardise insurance cover • Create significant reputational damage • Result in legal cases against FTWOL 	Year 1	Med	High	<ul style="list-style-type: none"> • A broad range of skills and experience on the current board reflecting crucial areas – capital development, marketing, finance, etc • Initial skills audit and subsequent board development to address skills gaps • Embracing the membership basis of our organisation - targeting people with specific skills and experience in membership and encouraging them to stand. Plus growing our own leadership by supporting volunteers to eventually take up position as board members 	Low	Med
<p>Weaknesses in non-executive governance</p> <ul style="list-style-type: none"> • Inability to attract and retain those with appropriate knowledge and skills • Lack of diversity on board • Struggling to achieve quorate meetings 	Year 1	Med	High	<ul style="list-style-type: none"> • A broad range of skills and experience on the current board reflecting crucial areas – capital development, marketing, finance, etc • Initial skills audit and subsequent board development to address skills gaps • Embracing the membership basis of our organisation - targeting people with specific skills and experience in membership and encouraging them to stand. Plus growing our own leadership by supporting volunteers to eventually take up position as board members 	Low	Med
<p>Challenges in recruiting and retaining staff</p> <ul style="list-style-type: none"> • Inability to undertake core business function • Quality of service suffers • Impact on income generation leading to broader problems 	Year 1	Med	High	<ul style="list-style-type: none"> • Benchmarking of salaries to ensure competitiveness • Prioritising positive relationship between board and officers (e.g. through regular meetings, involvement in strategic planning etc) • Development of detailed job descriptions and person specifications linked to individual roles • Comprehensive approach to recruitment • Strong approach to staff management – staff handbook, structured approach to supervisions and appraisals, developing a work culture based upon staff empowerment and strong levels of support, strength in approach to CPD 	Low	Med

FAQS

Who can invest?

People over 18 who have registered with Ethex. You must be over 18 to invest via Ethex, however, you can purchase shares in trust for people under 18. This option will be made available during the purchase process.

Who will manage the share portfolio?

Ethex will be our registrar and will manage all share transactions, including interest payouts and share withdrawal. They will send regular updates to shareholders

You are a Corporate investor

We will accept applications for membership from corporate investors. A corporate body which becomes a Member shall, by resolution of its governing body, appoint a representative who may during the continuance of their appointment be entitled to exercise all such rights and powers as the corporate body would exercise if it were a natural Person. Each such corporate body Member shall give details of its representative in the application.

You are joint investor

We will accept applications from groups of people (an unincorporated association). Such applications need to provide details of a nominee who shall be the Member of the Society. Such unincorporated associations can change their nominee subject to the Rules of the Society.

Can I sell my shares?

No. This investment is in withdrawable share capital which cannot be transferred, sold or given to anyone else, except on your death or in the case of your bankruptcy (see Clauses 1-20 of FTWOL's Constitution for full details). If you own less than £5000, you can tell us in advance if you wish to transfer your investment upon your death, and we can transfer it to your nominee; any investment above £5000 requires your beneficiary to be explicitly named in your will. You can name the Friends of the Wesley Otley as your beneficiary, and we are grateful to anybody who chooses this option. If you do not nominate anyone, then the Board will rely on the instructions given by your executors.

What if the Minimum Target is not reached?

If we do not reach our minimum target by **March 31st**, we will not proceed with our community share offer. No shares will be allocated, and any money committed by our investors will be returned. We do however reserve the right to extend the offer for a short period if we are close to achieving the minimum target.

We anticipate that money would be returned within one week of the closure date for those who invested online.

What if the share offer is oversubscribed?

The share offer will close if we reach our maximum target. People who express an interest in investing in Otley Common but are unable to do so will be kept informed of our intentions with regards to future share offers.

If we fall between two targets, say Optimum and Maximum, and we only wish to accept the Optimum total, then we will put a cap on the amount larger investors can invest, thus reducing their overall shareholding, in order to bring the total down to the Optimum amount.

What if Friends of the Wesley Otley Limited fail to purchase the building?

If the purchase of the building is not completed in the first year after the offer is closed, the shares may be cancelled in whole or in part and funds returned, minus any administration or operational fees incurred by FTWOL in our attempts to purchase the building.

Withdrawal of share capital

We aim to allow share withdrawal 4 years after the date of issue of the shares. This is consistent with our forecasting and budgets. We have budgeted to allow 4% of the original share capital to be withdrawn each subsequent year.

Withdrawal is not guaranteed and is dependent on the success of the Society, as withdrawal can only be funded from the profits of the Society or by the issue of new shares.

The Directors also have a duty to suspend withdrawal of shares at any point where the Society is not in a position to afford that withdrawal.

The procedures around applications for share withdrawal are further defined in the Rules of the Society, which can be downloaded from our website, or send an email to hello@otleycommon.org if you would like further information.

Share withdrawal requests will be considered on an annual basis and paid at the end of the financial year, although exceptions can be made at the discretion of the board.

Note on Ethex

Ethex is not required to be authorised by the Financial Conduct Authority in so far as it provides information on or arranges deals in investments. This is because it is an Enterprise Scheme, which is exempt from regulation in arranging financial deals provided it is not acting for financial gain. This document has not been approved as a financial promotion under section 21 of the Financial Services and Markets Act 2000

DOCUMENTATION

Further documentation is available free of charge as downloadable PDFs on the Otley Common website: www.otleycommon.org/fundraising and includes:

- A copy of FTUOL rules (the Constitution)
- A copy of this offer document
- Reserves Policy

The website also has further details about the activities of Otley Common and will be updated regularly.

If you are unable to access the internet and require a copy of any of these documents, please write to The Secretary, Otley Common, Otley Methodist Church, 65 Walkergate, Otley LS21 1AG or make an email request at hello@otleycommon.org

Data

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

We will hold your data for both statutory and contractual reasons. For a copy of our Privacy Policy with full information about how we manage your data and your rights, please see www.otleycommon.org/data

The data provided by you when you buy shares in Friends of the Wesley Otley Limited will be stored on an electronic database. This data will be used for Friends of Wesley Otley's purposes and will not be disclosed to any third party other than as required by any statutory duty.

Prospective investors should note that under the 2014 Co-operative and Community Benefit Societies Act, the register of members can be inspected on request by any member, who can view any other members' contact details held on the register (but cannot view how much any other member has invested in the society).

By applying for these shares, you agree to all the information disclosed here being held on a computer database in compliance with current data protection legislation. Your rights over this data can be found in our privacy policy.

Registered Office: c/o Tina Morris, Schofield Sweeney, Church Bank House, Church Bank, Bradford BD1 4DY

**A COMMUNity,
a COMMONplace
combining Arts,
work, life for the
COMMON good.**

INVEST NOW.

<https://ethex.org.uk/invest/otley-common>

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