



**Sophia Hubs Limited**  
**Community Share Offer**  
**November 2015**

We are inviting you to be a part of a new international network by investing in enterprise hubs which are a vehicle for community development and a support to new enterprises with £75 or more in our community share offer.

We plan to

- create new enterprises,
- support green businesses,
- develop and sustain local communities.

We will seek to do this by tapping the wisdom of and unleashing the under-used property, talent, skill, time and financial assets found in many communities at home and abroad, and the business and public service communities in London.

We want to create a network of Sophia Hubs, where start-ups will be supported and existing businesses and social ventures provided with the specialist input they need to grow.

All we need is £150k in start-up capital and your willingness to make a difference.

**Our offer to you**

We hope that all our investor members will share an interest in receiving both financial and social returns on the money they can afford to put behind us - and feel some affinity with the principles that we set out here too.

By leveraging resources in a new way, and drawing in ideas across boundaries, we believe we can deliver a financial return and make a big difference for community development too. Although we are small these passions are our business and we intend to grow. We invite you to come aboard as we launch out on that journey.

**The Organisation**

We have established Sophia Hubs Limited (Registration number 32082R) as a non-profit Community Benefit Company and this is the business that you will be investing in. As an investor, you become a member of the organisation and all members have one vote (regardless of the number of shares they hold) at general meetings. Sophia Hubs Limited is not for profit and so its surpluses and assets can only be used for the purposes for which it was founded.

**Sophia Hubs Limited – A network for enterprise and community development**

Sophia Hubs sustain community through social enterprise. Sophia Hubs help local and faith based communities use their resources – webs of relationship, location, buildings – to assist people in their localities develop new start-up businesses and social enterprises through creating an enterprise hub. This puts potential entrepreneurs in touch with the different kinds of support they need e.g. business mentoring, incubation space, becoming part of a business community, start-up capital.

Sophia Hubs help faith and community groups become catalysts to make the communities they serve become more truly sustainable. They work creatively with Timebanks, which build relationships and offer a way to exchange value without using money. Timebanks work holistically and innovatively to create ways of keeping value and money circulating in the local community, identify key products and services which make a real difference in particular contexts, and encourage more entrepreneurial thinking and acting.

The Sophia Hub model is one which emphasises the building of resilience in communities through asset-based community development, networking and use of alternative/sharing economies which complement the money economy.

Through a network of local Sophia Hubs we plan to create new jobs by supporting and backing start-up or growth businesses in our own network of local hubs.

## The Potential

**Sophia Hub Redbridge** is working closely with Cathedral Innovation Centre, Faith Regen Foundation, Redbridge CVS, Redbridge Chamber of Commerce, as well as other businesses, charities, colleges, agencies and associations. We have been supported through funding from Big Lottery, Church Urban Fund, Diocese of Chelmsford, London Borough of Redbridge and St Martin-in-the-Fields. Our pilot hub has run for more than two years achieving its targets and outcomes. It has now been joined by **Sophiatown - the Mix** - enterprise hub in Johannesburg, South Africa as our first international network member of Sophia Hubs.

This share offer enables us to build on our success. Our Sophia Hub is based in the St John's Centre in Seven Kings and offers a package including business mentoring, enterprise club, Sophia course, and a Timebank across the London Borough of Redbridge to those wishing to launch a new business/enterprise or grow a small one.

This support is being complemented by events and enterprise opportunities organised by ourselves and with others – for example Redbridge Enterprise Exchange and Enterprise Desk. We now want to expand our network of Sophia Hubs. Ours is an international ambition with roots in the **UK and South Africa**, and it is time to grow.

## Our Goals For The Next Three Years Include:

- New Sophia Hubs joining the network – building on discussions in West London, Leicester, Milan and Washington DC.
- Creating a revolving loan fund supporting new and expanding enterprises.
- Consultancy to create a new Social Enterprise award.
- Creating a programme exploring ethical alternative business models with existing businesses/enterprises.

## What Benefits Do You Get From Investing?

- You help create jobs, support new firms, and know that your money is building economic, civic and social wealth in communities across the UK.
- You become part of a cause as well as a business which will keep you briefed, give you opportunities to be involved if you see fit, or give you the space to applaud from afar should that be your preference.
- If you come from public services or business community you will be backing an innovative model which combines the best of the public service ethos with a business-like commitment to innovation and development.
- If you are a member of a faith community, you will be backing a new way of change-making and a cause which seeks to develop the terms of action and debate possible from, within, across and beyond communities of all kinds.
- Assuming the business is doing well we intend to pay interest on the shares and in years to come have members who are able to redeem their shares.

## Investment terms and financial return

- The minimum investment is £75, representing 75 shares of £1.
- The maximum investment is £20,000.
- Any amount can be invested between these two figures.
- The launch date of the offer is November 17th 2015 and the closure date July 30th 2016 or when the Directors give notice of closure.
- We are seeking a total of no more than £150,000.
- If you invest £75 up to £1000 our intention is to pay interest at 2.5%. In the first two years it is intended that this will be paid in additional shares.
- If you invest over £1000 it is our intention to pay 5%. In the first three years it is intended that this should be paid in additional shares.
- You can make your investment in monthly instalments, although we will only issue your first share certificate once the cost of the pledged share investment has been paid to us.
- From 48 months after the date of your original investment you will, at the directors' discretion, be able to redeem the value of your shares in part or full should you so wish.
- Should we not reach our target of £150,000, the board will alter its plans accordingly, extend the share offer period and notify you.

## How Will We Deliver Social And Economic Returns?

We will benefit from in-kind support through low cost buildings provided in kind, pro bono mentoring and volunteer support for aspects of the business's work – we are cause as well as an enterprise.

Financial Revenues and margin will be generated from:

- Membership fees
- Pay-back agreements
- Service charges
- Crowdfunding
- Angel investors
- Grant funding
- Sponsorship

## How Will Your Investment Be Used?

We are looking to raise up to **£150,000** in community share capital. This money will be used by the Directors to establish a **Revolving Loan Fund (RLF)** used to encourage and support start-up, early-stage development and expansion of selected businesses and social enterprises. It is a self-replenishing pool of money, utilizing interest and principal payments on old loans to issue new ones. The RLF will provide access to a flexible source of capital that can be used in combination with more conventional sources. The RLF will often be a bridge between the amount the borrower can obtain from friends, family and high-street banks, and the amount actually needed.

The RLF will be administered by a local RLF Management and Selection Board who will process applications and be responsible for the proper management of the Fund.

## The Board

**Revd Jonathan Evens** is Associate Vicar for Partnerships at St Martin-in-the-Fields and is also Priest-in-charge at St. Stephen Walbrook, a City of London church which works in partnership with St Martin's. He was formerly Vicar of St John's Seven Kings in Chelmsford Diocese, whose church centre is home to the Seven Kings Sophia Hub. He enjoys creative writing and painting and seeks to integrate them into his ministry. He runs an arts organisation called commission4mission. Before ordination he worked in a variety of managerial roles at Jobcentre Plus.

**Revd Canon Rosy Fairhurst** is Canon Chancellor at Leicester Cathedral, leading on education, discipleship and formation, and work with visitors to the Cathedral. Rosy has wide experience in the Church of England. She has been a priest at St Martin-in-the-Fields in London's Trafalgar Square and Director of Mission and Ministry at Ripon College. Rosy has also worked as an Organisational Analyst for the Grubb Institute, where she played a key role in a major research project on English Cathedrals.

**Dr Nujhat Jahan** is the CEO of Faith Regen Foundation. She has a doctorate degree in Statistics (Operation Research) and over 22 years' experience in teaching as a professor in the Department of Statistics, Biostatistics & Informatics at Dhaka University. With a very strong research background she has published many papers in national and international journals. Nujhat has worked as consultant, fundraiser, bid writer and principal investigator in social research projects on BME communities, population, health and other regeneration activities. These projects were funded by the World Health Organisation, the Population Council, DFID, the British Council, Action Aid and others.

**Clive Sheldon** co-founded Argentis Capital, a Social Impact Investment firm focused on affordable social housing, education and healthcare. He was General Counsel to YCS Investments in San Francisco, and worked in South Africa to develop a new solar-powered construction technology for housing, classrooms and health clinics. Clive is a qualified solicitor-lawyer (non-practising).

**Aidan Ward** is an experienced and radical systems thinker good at organisational interventions of many types. Author of a key book on trust and risk, he has consulted for clients including Tesco, Lloyds of London, Norwich Union and Transport for London. His areas of expertise include: Trust and risk management; systems modelling and information architectures.

## Partners

Cathedral Innovation Centre, Faith Regen Foundation, London Borough of Redbridge, Sphiatown "The Mix" Hub

## How to Invest

The share offer is open between 17th November 2015 and 30th July 2016 or until the Directors give notice of closure. The minimum investment is £75 in shares of a value of £1 and the maximum investment is £20,000 and any amount in between may be invested

If you wish to pay for your investment in instalments we will provide a standing order form. The Company Secretary will issue your share certificate once the final payment has been received.

The governing document of the enterprise (the Rules) contains details of members' rights and the management and constitution of the enterprise. They are available from the Company Secretary.

## Nature of your Investment

This is a long term investment and your money will be at risk. Please do not treat this as a savings account.

Your investment is needed to create the social benefits we have explained above. In return for allowing us to use your money, we will try to pay you a reasonable rate of interest, but there is no guarantee. The board decides each year what the appropriate rate is. You will never own a portion of the assets and so there is no capital gain. Withdrawable shares could be considered similar to an at-risk loan which pays variable interest.

The value of shares in Sophia Hubs Limited cannot increase beyond the nominal value of £1 they were bought at, and may be reduced in value if liabilities exceed assets. You cannot sell them to anyone else.

You may request withdrawal of your share capital by writing to the Company Secretary of Sophia Hubs Limited at any point from the 4th anniversary of your investment. Withdrawal will be at the discretion of the directors who will judge if Sophia Hubs Ltd can afford to fund the withdrawal. If the directors allow the withdrawal, there is a 90 day notice period. Sophia Hubs Ltd can never be sold for the benefit of its member shareholders. The board of Sophia Hubs Ltd intends to pay a fair rate interest on your investment but it cannot be assumed that such a discretion will be exercised.

Your investment will be contributing significantly to improving the community's economy and the life chances of those you share it with, giving you a 'social dividend' rather than just a financial reward.

## Caution

- 1. As with any trading activity, our business is vulnerable to changing or unanticipated risk.**
- 2. We plan to apply for the Community Share Standard Mark in relation to administration of this Community Share Offer and the Revolving Loan Fund; see [www.communityshares.org.uk](http://www.communityshares.org.uk) – as at time of offer this Standard Mark has not yet been awarded to Sophia Hubs Limited.**
- 3. This share offer is not a regulated offer under the Financial Services and Markets Act 2000 or subsidiary regulations; this means you have no right of complaint to an ombudsman and your investment is not safeguarded by any depositor protection scheme or dispute resolution scheme. The whole of your investment will be at risk (although you will never incur a liability beyond your investment). Please consider it carefully in the context of the complete share offer document and related information and, if needed, seek independent advice.**

***We do not want money you cannot afford to be without.***

## Application for Shares

To apply for shares at £1 each (minimum 75, maximum 20,000) please complete the attached application form, write to the Company Secretary, Sophia Hubs Limited, St Johns Centre, St Johns Road, Seven Kings, Ilford IG2 7BB, email [clive.sheldon@sophiahubs.com](mailto:clive.sheldon@sophiahubs.com) or telephone Clive Sheldon on 07554-160895.



**Sophia Hubs Limited - Community Share Offer**

**November 2015**

**APPLICATION FORM FOR £1 COMMUNITY SHARES**

(MINIMUM PURCHASE IS 75 SHARES = £75, MAXIMUM PURCHASE IS 20,000 SHARES = £20,000)

FULL NAME:

EMAIL ADDRESS:

POSTAL ADDRESS:

TELEPHONE:

I confirm I am over 18 and wish to apply for [        ] (*insert number - minimum 75, maximum 20,000*) one-pound community shares in Sophia Hubs Limited and that I have read and understand the Community Share Offer document.

SIGNED..... DATED.....

Please post this application form to: Company Secretary, Sophia Hubs Limited, St Johns Centre, St Johns Road, Seven Kings, Ilford IG2 7BB, or email [clive.sheldon@sophiahubs.com](mailto:clive.sheldon@sophiahubs.com)

Payment can be made by cheque payable to Sophia Hubs Limited, by cash or by internet bank transfer to:

**Account:** Sophia Hubs Limited

**Sort code:** 08-92-99

**Account Number:** 65705683

*THANK YOU!*