

# For the Love of Sea Ltd PIONEER SHARE OFFER

A Community Benefit Society trading as Câr-Y-Môr

(FCA no. 8172)



## SUMMARY OF THE PROPOSAL

- Share Offer Opens 1<sup>st</sup> December 2020
- Minimum amount £50,000
- Target Amount £150,000
- Minimum Investment £1,000
- Maximum Investment £10,000
- Currently Open until further notice (Reviewed by Board every quarter)

The aim of  
this  
document

By investing in our Community Shares you will help Seaweed and Shellfish Ocean Farming breathe a new life into our Coastal Environment and community around the Historic City of St Davids, West Wales. You will be helping Câr-Y-Môr become a viable and innovative community business.

Owned by you!



**For the Love of the Sea** Limited has been established as a **Community Benefit Society** for the specific purpose of establishing and operating a community-owned Seaweed and Shellfish Ocean Farm and associated Seafood Market to benefit the coastal community of St Davids – and all those who love and care for the Welsh Coast.

The initial trial ocean farms will show the environmental benefits, carbon offsetting and best farming practises allowing a three-hectare (Three rugby pitches) community ocean farm to be licensed and operated. Together with the opening of a community Seafood Market in St Davids will aim to benefit the local community by developing the St Davids Peninsular into the pre-eminent sustainable seafood area in Pembrokeshire.

Investors should appreciate that any investment they make is to support the development of a completely new ocean farm and sustainable seafood market and, accordingly, a subscription for shares in **For the Love of the Sea** Limited should be regarded as primarily an investment for social and environmental purposes. It should also be noted that members of community benefit societies do not have access to the Financial Ombudsman Service or the Financial Services Compensation Scheme.

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR CAREFUL ATTENTION.**

It should be read in its entirety.

## SUMMARY OF THE PROPOSAL

This document contains an invitation to subscribe for shares in **For the Love of the Sea Limited** (reg. no. 8172) to cover the cost of the first community-owned Seaweed and shellfish farms in Wales.



The share offer opened on 1 December 2020 and will close when decided by the board - this is being reviewed quarterly. If more than £150,000 is raised in the share offer, the directors would investigate bringing forward investment in Electric engines on the work barge, the Seaweed Hatchery and seaweed 3D printing equipment.

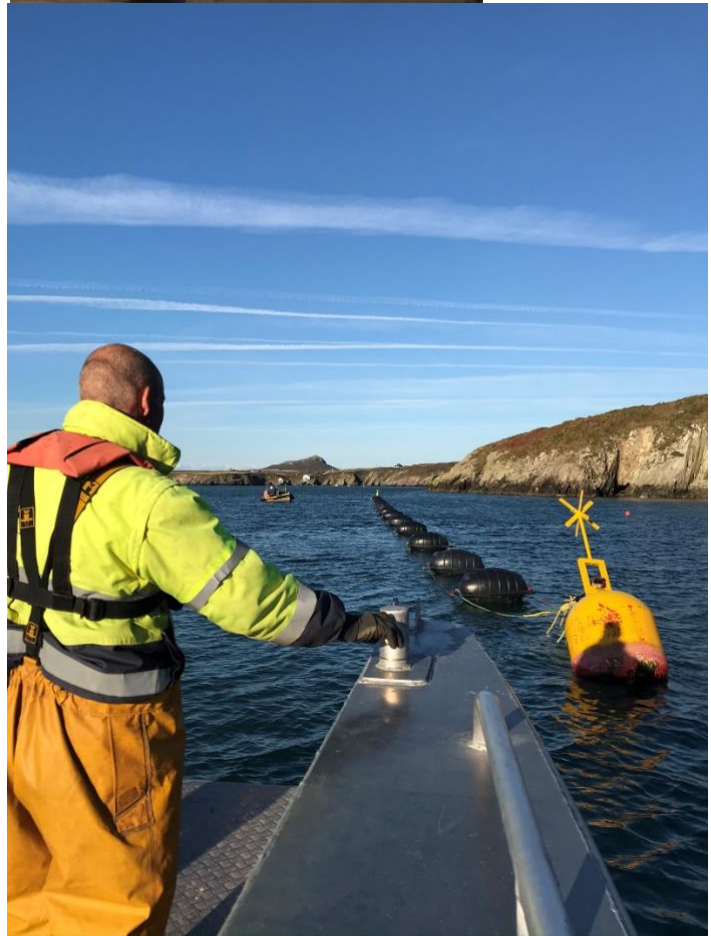
**Due care and attention has been taken in preparing this offer document. The process has been overseen by the founder members who can vouch that the information it contains is in accordance with the facts available and that there are no known omissions likely to affect the viability of For the Love of the Sea Limited.**

Dear All,

I am writing to you about the compelling logic of a seaweed and shellfish farm off the Welsh Coast. Due to generous and growing support Câr-Y-Môr now has seaweed and shellfish growing under the waves and plans to create Câr-Y-Môr's Seafood Market in St. David's.

Câr-Y-Môr's vision is to create jobs producing sustainable and local seafood while simultaneously improving the coastal environment and people's diets and wellbeing.

Owen







In 2017 our extended family group of seven became interested in farming in the sea when -

1. Jonathan Williams, of [Pembrokeshire Beach Foods Co.](#), asked Megan to convince her Dad, an addicted fish farmer, to start seaweed farming. Jonathan is concerned wild harvesting of seaweed is fast becoming unsustainable.
2. We learnt about [Greenwave](#) (USA) developing regenerative ocean farming that creates jobs and benefits our planet. In just a few years they have trained over 50 new regenerative ocean farmers and helped many start their own Ocean Farms.

We decided to investigate if we could replicate this model in Welsh Seas. We proposed our idea to the National Trust, the Milford Haven Port Authority, the Welsh Government's Fisheries Office, the Crown, NRW and many more! We were invited on to the Accelerated Growth Programme with Jeremy at Landsker.

The Welsh Co-operative Centre then recommended that as we wanted to run a business for the benefit of the community, we should register with the FCA as a Community Benefit Society (CBS). This we have done registering as 'For the Love of the Sea Limited' trading as Câr-Y-Môr. As a CBS it is owned and democratically controlled by its members and operated to be a viable business reinvesting all its profits to produce more Community Benefits.

## HOW DID THIS START?



Then finally in August 2020, after three years of applications and lobbying many Stakeholders, including MPs and AMs, we received the necessary 5-year Licenses for two trial Restoration Ocean Farms.

Remarkably, in just three months, Robust Boats have now deployed and seeded Câr-Y-Môr's two trial ocean farms.

**With these trial farms finally started, and community interest growing, we invite all who are inspired by what has been achieved to become members and share the challenge of setting up Câr-Y-Môr so that it is owned by you, and democratically run by you. We are looking for a diverse group of people of all ages and skills who want to work together, operating a viable business that reinvests all profits to bring long lasting benefits to our society.**

This document is being circulated to all on the Câr-Y-Môr distribution list. This includes all the people who have generously supported, guided and given their time over the last three years and additionally families who attended the free outside child education in the summer of 2019. This included over 300 good souls. Please can you forward this offer to friends and family you believe may be interested.

# THE AIMS OF CÂR-Y-MÔR

To mitigate Climate Change and improve people's wellbeing with the following steps.

## **Starting “Regenerative Ocean Farming” in Wales and helping others to duplicate it:**

- This polyculture farming system growing a mix of seaweeds and shellfish requires zero inputs (e.g. NO land, fresh-water, fertiliser, pesticides or animal feed) —making it the most sustainable form of food production on the planet
- These farms create vertical habitats allowing the rebuilding of marine ecosystems and providing coastal storm surge protection
- It captures carbon and nitrogen from our seas helping to stop rising sea temperatures
- As more sea farming is started it will take the pressure off current agricultural techniques
- Fulfilling increasing demand for seaweed as more positive uses are developed. Examples include as a healthy food bringing unique umami, in natural cosmetics, as animal feed, as an organic plant fertiliser, for 3D printing, as bio-fuel or bio-plastic and numerous others
- By monitoring the positive environmental impact of these trial farms, we will enable other Ocean Farms to be licensed and started

## **Developing a viable seafood business that will:**

- Create fulltime jobs farming, processing and marketing sustainable seafood
- Educate and inspire people to eat more seafood
- Reinvest all profits to continually innovate this sector generating skilled and valued jobs while improving our coastal environment

## **Reconnecting people with local and sustainable seafood by:**

- Using all media channels to tell everybody about the jobs and environmental benefits that this innovative farming can bring, and the healthy and affordable seafood it can offer
- Through volunteering and paid workshops at the Sea farms and with Seafood processing and cooking
- Through boat and diving trips to the sea farms
- Offering Child led outdoor education to schools and other events



**Two Trial Restorative Ocean Farms growing seaweed and shellfish – The first of their kind in Wales!**

- They are deployed in Ramsey Sound, off the St David's Peninsula in Pembrokeshire - consisting of 300m seaweed lines and 90,000 juvenile native oysters
- Future developments will include the deployment of mussel settlement rope (Spring 2021) as well as further seaweed species cultivation.
- The trial sites will be monitored to record carbon capture, growth rates and marine environmental data by Dr. Sara Barrento of CSARs of Swansea University, Dr. Christian Berger of Plant Ecology Beyond Land CIC and Dr. Julie Webb of the Shellfish Center of Bangor University. This is to demonstrate the positive effects of this farming so larger farms can be started.

**Purchasing Solva Seafoods on 4<sup>th</sup> January 2021**

- This will give income through the existing dressed crab & lobster sales and the potential to develop this well-established small business with additional local and sustainable seafood products, customers and online marketing.
- Initially trading from the existing site in Solva to allow training, moving in April to a rented facility (we plan to call "The Seafood Market") in St. Davids.

## What Câr-Y-Môr has achieved and its immediate plans?



**Plans to establish the Seafood Market in April 2021**

- To allow Câr-Y-Môr to create jobs and be a financially viable business.
- By leasing a business unit in St Davids at a boat building family business Robust Boats Ltd.
- In a location that enjoys the St David's footfall and is three miles from the Trial Ocean Farms.
- To include the relocated Solva Seafood processing operation and a seafood kitchen/shop offering local and sustainable seafood.
- Also, a bivalve depuration unit and Vivier tanks for crab and lobster, allowing the shellfish to be sold straight out of the water.
- To offer our products through the shop and to local households, retail and wholesale customers using multiple online platforms and a delivery service.
- To include an outdoor play and seating area for Câr-Y-Môr to continue their community engagement and education program.

Investing in Câr-Y-Môr is principally a social and environmental investment but can provide investors with a fair financial return.

The project will not be possible without the support and commitment of investors. The more we raise through shares the less commercial finance is needed for the scheme, the less risk there is and the more net profits we will have to invest in our community and environment. This offer is for caring souls who are passionate about:

1. Developing ways of farming healthy food whilst improving our environment.
2. Creating fulfilling jobs in a business focused on benefitting as many in the Community as possible - all profits reinvested!

If the target amount can be raised it will enable Câr-Y-Môr to start delivering the Society's aims and benefits. After three years the investments are forecast to return 3% per annum. Please note as this project is still in the early stages of development all of these figures are aspirational and there is the risk of losing some, or all, of your investment.

Investing in Câr-Y-Môr will mean you become a member of a democratic growing Community Benefit Society, including a variety of Pioneer Shareholders Rewards.

**We have sent you this as we believe you and/or people you know may like to consider this offer. If so, please find more information below.**

Thanks for your consideration.

Diolch yn fawr

Here's to 2021 and future generations

From all of us at Câr-Y-Môr

(1st November 2021 - 112 members and growing)



This section contains additional information regarding the invitation to subscribe for shares in For the Love of the Sea Limited

### **Your Community Benefit Society's Plans for 2021**

**With the maximum target of £150,000 and the already secured £115,000 from members and academia the following can be funded:**

- Purchase of Solva Seafoods Ltd an established processor of local crab and lobster supplying the St Davids Peninsular
- Set up of 'The Seafood Market' in St. David's selling sustainable seafood products and more
- Pay for Trial Sea farm costs during 2021
- Pay for environmental monitoring work at the sea farms in 2021 to evaluate the carbon capture and other marine environmental benefits.

#### **This will:**

- Demonstrate to Welsh Government and funding bodies that Câr-Y-Môr can raise start-up capital and implement a business plan leading to more investment and opportunities
- Allow you the Pioneer Shareholders to use your many skills and commitment to help create a financially viable Community Benefit Society
- Create local fulfilling employment and volunteering

### **Reasons to invest in your Community Benefit Society**

**Start Carbon Offsetting from the CO2 absorbed when growing seaweed and shellfish**

- Start Offsetting the carbon we personally emit. The average UK citizen produces 12kgs of CO2 daily

- During the first year the Trial Sea farms will only offset 6kg of CO2 per day showing the need to demonstrate these trial farms work, allowing larger sea farms to get started
- To understand the scale the two trial farms only cover 8% of the Millennium Stadium Rugby Pitch. The average agricultural farm in Wales is 50 rugby pitches.
- One Sea farm covering 50 rugby pitches would offset around 4000kg CO2 per day – the daily emissions of 300 people in Wales, or 4 peoples return flights from London to New York.

*(Note all above figures are estimated)*





### Investing to generate beneficial social and environmental impact and a long term financial return

- The £115,000 of match shows other funders have already backed this business plan before this Pioneer share offer was launched
- Investing in a growing number of individuals committed to developing practical solutions in Wales to help create fulfilling employment and improve the coastal environment
- Making food production more sustainable by investing in zero-input farming that absorbs the carbon we all emit into our atmosphere
- Helping our coastal areas start a new innovative and sustainable seafood sector providing full time careers for younger generations, reducing dependency on the tourism and retirement sectors
- With the unique marine skills from the aging fishing communities additional income streams for them and younger generations can be developed
- 3% interest per annum from year 4 onwards (subject to the Community Benefit Society making a profit) knowing that your investment has brought many benefits as well as your return.

### The package of Pioneer Shareholder Rewards you can choose to enjoy from of your investment

- Quarterly "Pioneer Shareholders Seafood Box"
- Pioneer Shareholder's boat trip to visit the sea farms in Ramsey Sound
- Use of the pair of Câr-Y-Môr wood fired Seaweed baths (made from Whiskey Barrels) at your chosen location
- Use of the Seaweed Potion kitchen and Ocean Farm photo board for children's parties
- Being as active a member of the society as you choose – can include volunteering, working, being a board member etc.
- Pioneer Shareholders Discount offered on all products, services and workshops Câr-Y-Môr provides. (Workshops will include sea farm, cooking and processing)

*(All subject to the terms and conditions, including covering cost price, weather conditions, product availability, vacancies for volunteers, jobs, board members, health and safety). Full copy available on request.*



## Investment is now urgently required

We are at a critical stage of development, with the trials now underway but sales having not started. Our original members loans will run out soon. Our dilemma has been caused by several unsuccessful funding applications and loans for various reasons. Too innovative, too big a project, not established enough, can't prove viability, too approximate carbon offset figures etc.

We have several ongoing applications, but every organisation/ process appears to be slowed by the COVID/ Brexit factor or undergoing strategic reviews.

We had planned this pioneer share offer for later in our development when we had more to show for our work - but such is life!

### **Without a successful Pioneer Share offer Câr-Y-Môr will be unlikely to continue from 1<sup>st</sup> February.**

However, if enough of you decide Câr-Y-Môr is worth developing and invest the target amount of £150,000, to add to the £115,000 already secured, we believe we will be able to establish a financially sustainable business.

Câr-Y-Môr has been developed over the last 3 years, in people's spare time, with all expenses privately funded - £55,000 to date. Thousands of voluntary hours and additional expenses have been given and are continued to be given by a small group of wonderfully skilled and generous people that it has been a privilege to meet and get to know. Personally, it has been an extraordinary and humbling experience, continually motivating us all to continue.

### **I do hope you can help by investing and /or recommend someone who can.**

## Investment Criteria

- The minimum investment is £1,000
- The maximum investment is £10,000
- Applicants must be over 16 years of age
- Corporate applicants are required to nominate in writing an individual to represent their interest
- If you are struggling to afford £1000 but want to invest, we can offer joint memberships where people club together to buy a share or discuss staged payments. If you have any questions about how joint membership works, please contact us
- One investor one vote irrespective of the amount invested between £1000 and £10,000
- All applications for this share offer will need to be considered by the board
- All investors must support the aims of the society and agree to participate whenever and however they are willing and able
- The minimum support is participating in the annual general meetings by proxy or in person

### **Additionally, members can be:**

- Customers of Câr-Y-Môr Seafood products, services and facilities
- Supporters – receiving Câr-Y-Môr newsletter and updates
- Volunteers for Câr-Y-Môr in the office, sea farms, hatchery, processing, delivering, hand harvesting, outdoor education
- Full or part time employees of Câr-Y-Môr
- Press/social media officers
- Board members

*(All subject to availability)*

### **Withdrawal of shares (always subject to availability)**

- We don't expect people to want to withdraw as this is a long term social and environmental investment, but we appreciate that people's circumstances can change
- Anytime in the event of the death or bankruptcy of a member of the society
- From year 4 onwards
- The shares are non-transferable. This means you cannot sell on your shares to another person

### **Please note**

No dividends are payable on any Society shares.

No annual membership subscriptions will be due with pioneer shares

Five-year Financial Projections that have been prepared and approved by the Board are in the full business plan available in the link below. The figures are based on best estimates and show a growing profit each year. The Directors take responsibility for the reasonableness of the projections in this Offer and will continue to update all the forecasts as more information becomes available. Projected returns to Members for these Pioneer shares are expected to be 3% interest payable from year 4. Investors are able to withdraw their initial investment from this time. However, the board hopes that investors see this as a long-term investment.

All Pioneer Share investments are paid into a dedicated account. The minimum amount to be raised will be £50,000. The target amount is £150,000. The share offer opened on 1 December 2020 and will close when decided by the board - this is being reviewed quarterly.

**As with any shares there is a risk that you may lose your investment, the offer is unregulated and there is no statutory compensation. As a pioneer share offer, this is even higher risk and you shouldn't invest more than you could afford to lose.**

### **Key Risks**

- **Ongoing damage or loss of marine equipment and stock.** Planned Solutions – Regular inspection from boat and divers (especially after storms) and maintenance as required. By trialing two sites with different sea conditions, we can develop the most suitable equipment and work practices for future larger site. The Ocean Farming operations will continually seek to innovate and improve procedures. Learning from other farmers around the UK and Europe with much harsher conditions we see as key. EG Rathlin Island Northern Island, Bangor University Sites, SAMS sites, Faroe Island sites
- **Unable to use Unit at Robust Boats site in St David's due to planning or availability issues.** Planned solution - exploring alternative sites and adapting all possible aspects of 'The Seafood Market to be mobile
- **Covid** Future lock downs will reduce our sales to pubs and restaurants however we will offer home deliveries locally and by courier. Our shop and working areas will adopt all required measures so business can continue safely. The impact of Covid for the foreseeable future will probably increase tourism in the area and encourage all to eat healthy food at home both of which will positively effect the business
- **Unable to generate sufficient income to cover trial farm**

**costs** – reduce trial activities and concentrate on seafood trading

- **Unsuccessful in obtaining any further funding for Câr-Y-Môr.**  
Cut back business activity to only include parts making immediate profit
- **Maintaining all legal obligations.** Within the Câr-Y-Môr membership there is expertise in all areas of the business. egs: Robust boats and Jono Voyce for marine regulations, Solva Seafoods and Robert Lewis for food safety regulations, Owen Haines and Flo Taylor for CEFAS and NRW regulations, Alex Minford and Chimene Haines for accounting regulations, Meg Haines and Ella Hughes for safeguarding in education etc
- **Conflict of interest.** At the AGM held on 11th August 2021 the board of 9 Directors was re-elected. This board has only three of the original founders. This will safeguard against any significant vested interests or potential conflicts of interest
- In business plan link see section 4.1 'Critical Success Factors' on page 13 demonstrating that we have considered all risks and required solutions

Many are unclear about exactly what a "Community Benefit Society" is, so please allow me to clarify.

## **For the Love of the Sea Ltd is a Community Benefit Society trading as Câr-Y-Môr**

Community Benefit Societies are democratic structures with the legal ability to raise money directly from members of the public. With a 'one member, one vote' system and a board elected from the membership, they offer a fair and transparent way to operate a community-owned business. It must be operated as a Limited Company for the benefit of the community. It will be VAT registered, employ people, pay wages and pensions etc. However, profits are not distributed among members, or external shareholders, but returned to the community.

Another example of a flourishing Community Benefit Society is the Tafarn Sinc – We are hoping they'll offer us some support as they were successful with their Pioneer share Offer.

Societies are registered with the Financial Conduct Authority (FCA).

Pioneer Share Investors are automatically Members.

Members participation must be the minimum of supporting Câr-Y-Môr's aims and attending annual general meetings by proxy or in person

FOR THE LOVE OF THE SEA LTD

### **What is a Community Benefit Society?**

### **Financial Section**

To date Câr-Y-Môr has been funded by member loans and donations. The



Society agreed the purchase and started running Solva Seafoods as its marketing arm from 4th January 2021.

There are no tax incentives due to the purchase of Solva Seafoods being an existing business.

The five year figures are disclosed in the table below. Interest at 3% will be paid from year 4. We envisage funds will also be available to repay shareholders at this time.

	Year 1	Year 2	Year 3	Year 4	Year 5
Turnover	174,000	177,257	294,042	326,602	357,193
Expenditure	-89,800	-178,119	-276,602	-302,783	-322,899
Profit	84,200	-862	17,440	23,819	34,294
Bank balance	83,800	78,028	68,533	27,902	52,838
Funds available to return to shareholders				100,000	50,000
No of employees	4	5	7	7	9

## Governance

Board of Directors

Alex Minford

Chimene Haines

Ella Hughes

Flo Taylor

Megan Haines

Owen Haines

Bill Preece

David Lloyd

Nikki Spill

For bios regarding current board members please see, <https://carymor.wales/about-us/>.

We recognise that there is a potential conflict of interest as three members of the board are related. Our conflict of interest policy details how these issues are managed (policy available upon request).

The board of directors may periodically request agreement from the members.

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## Tax Incentives for the Investment Section