

REACH COMMUNITY SOLAR FARM LTD

MINUTES OF THE SECOND ANNUAL GENERAL MEETING

7pm, Thursday 30th June 2016

SPRING HALL FARM

The meeting was attended by Paul Robinson (Chair), Andy Rankin (Secretary), Charlotte Cane, Andrew Trump, Graham Lingley, Jonathan Kimmitt, Dave Fox, Liz Serocold, Patrick O'Donahoe, Gwyn Jones, Hamish Pritchard, Jenny Wood and Nigel Gawthorpe, Bryan Pearson, Joanna, Leonia and Arthur Depledge, Kate and Ailsa Rankin, and Nicola Terry.

Apologies for absence were received from Brian Trump, Catherine Bertrand, Celia James, Wookey, David and Naomi Baker, Barbara Sheppard, Helen Humphreys, and Mick Doe.

Welcome

The meeting commenced at 7.04pm. Paul Robinson began by welcoming everyone to the solar farm and thanking them for attending.

1. Minutes of last AGM

Jonathan Kimmitt summarised the minutes of the first Annual General Meeting of the Society, held on 25th June 2015. The members agreed unanimously that they were a true and accurate record of the meeting.

2. Annual accounts for 2015

Paul Robinson invited the treasurer of the Society, Charlotte Cane, to introduce the accounts.

Charlotte explained that the draft accounts detailed the finances of the Society for the last financial year, which ran from 1st January 2015 to 31st December 2015.

During this period the Society held a share offer to raise funds for the build of the solar farm. The share offer was fully subscribed, and raised over £340,000. The majority of the funds raised were spent during the year on building the solar farm. Smaller sums were spent on administrative costs associated with the share offer, planning and lease of the land, and on rent and insurance.

Our only income during the year was a kind donation from a local Co-operative, Delta T. Overall the Society made a loss for the financial year, but

this was in line with our business plan and was to be expected for the financial year in which the solar farm was under construction but not operational.

The assets of the Society at the end of the year were valued at £309,000. This includes the solar farm itself and the substation by which it is connected to the grid. Although the substation was subsequently adopted by UK Power Networks, the Society retains the economic benefit of the plant and it therefore remains as an asset on our balance sheet. The assets will be depreciated over the 20 year lifespan of the scheme.

The Society held approximately £74,000 in the bank at the end of the financial year. Most of these funds were reserved for the final contractors invoices, and have now been spent.

As the solar farm is now generating we are receiving income from Good Energy on the sale of exported electricity. Our costs are in line with those we anticipated in the business plan and should be less than our income, so the Society is in a healthy financial position.

A query was raised on the deferred tax which is shown in the accounts. Charlotte explained that as the Society made a loss over the financial year, it is entitled to tax allowances which can be claimed against surpluses in future years.

Charlotte noted that the board had arranged for the accounts to be independently examined by an accountancy firm – Chater Allan LLP. Chater Allan had checked receipts and invoices against the accounts, and were satisfied that the accounts had been diligently prepared and comply with all relevant laws.

Paul Robinson proposed that the Accounts for Reach Community Solar Farm Ltd for 1st January 2015 to 31st December 2015 be approved. The motion was passed unanimously by the meeting. Paul thanked Charlotte on behalf of the members for her work in preparing the accounts.

3. Report from the Board

Paul Robinson reported that the last year had been an extremely busy one for the Society – but had also been a very successful one. Whilst not everything was plain sailing, difficulties with the lease and with the grid connection had been resolved and the solar farm was operational in time to receive the higher rate of feed-in tariff, and on budget.

Thanks were due to many people for making the project happen – not least to all the members for their financial support. Thanks were also due to Midsummer Energy and the other contractors who had worked hard through the middle of winter to bring the project to fruition.

The solar farm has now been generating since the middle of January, and is performing in line with expectations. We have received our first payments for the sale of electricity. We have also recently received notice of Feed-in Tariff accreditation of the site from OFGEM, which will enable us to start claiming FIT payments. We are therefore on target to meet our financial projections. Over the next year we expect to make a surplus. We should be able to pay interest to members and make a donation to the community fund after the end of the current financial year.

A query was raised on how projects could be put forward for consideration for the community fund. Paul explained that there was no formal process in our rules, but that at some point during the year the board intended to invite members to suggest projects. The board would then come up with a proposal, which would be voted on at the next AGM.

4. Election of the board

Paul Robinson explained that, in line with the Rules of the Society, one third of the board had to stand down each year, although board members that stood down were permitted to stand for re-election. He and Charlotte Cane were standing down on this occasion, although both were intending to stand again. As he was standing down, he invited Graham Lingley to chair the election.

Graham explained that, now that the solar farm was operational, the workload of the board was no longer onerous. It should involve only a small number of meetings each year, with some decisions between meetings being taken by circulating emails among the board members. An invitation was extended to any other members present who would like to join the board, and Jenny Wood offered to stand.

There being sufficient spaces on the board for all three members standing, Graham proposed that Paul Robinson, Charlotte Cane and Jenny Wood be elected en bloc. The motion was agreed unanimously.

5. Professional Audit of Accounts

Paul Robinson resumed the chair, and invited Charlotte Cane to introduce the last item on the agenda.

Charlotte explained that Co-operative Societies are permitted to dispense with a professional audit of their accounts if their turnover does not exceed £5,600,000 for the financial year, provided the members agree. We had taken advantage of this dispensation last year, and the board intended to do the same for both the financial year for which accounts had just been approved by the meeting, and for the current financial year.

Charlotte also requested an opinion from the members on whether an Independent Examination of the accounts by an external accountant should be undertaken in future years. The board had decided it was an appropriate step for the last financial year, given the relatively large sums spent in building the solar farm. However, for the current financial year, and subsequent years, the accounts were likely to be considerably simpler.

After some discussion, a consensus was reached that, provided that the income and expenditure of the Society were in line with the business plan, and no unexpected complications arose in the accounts, then the members would be happy to dispense with an Independent Examination of the accounts for future years.

6. Any other resolutions put forward

There being no other business to transact, Paul Robinson again thanked everyone for attending, and Midsummer Energy for their work in building

the solar farm. He invited all those present to stay for a picnic and to look round the solar farm.

The meeting closed at 7.34pm.