



**Kelsale-cum-Carlton Community Energy Ltd
(Industrial Provident Society (IPS) registration no: IP032347
and trading as *Power4KcC*)**

**Draft MINUTES
ANNUAL GENERAL MEETING**

Held on Wednesday, 18 April 2018 at 6:00pm
at The Village Hall, Bridge Street,
Kelsale, Saxmundham, Suffolk IP17 2PB

Present:

Board members: Director and Acting Society Secretary, Tim Roberts (TER); Director Chris Burslem (CB)

Shareholders and members of the community: Jeni Aird, Anne Allen, Janet Barnes, Jan Cavanaugh, Chris Colchester, Lesley Covington, Richard Covington, Charles Cuthbert, Edwina Galloway, Sue Granville-George (self and Kelsale VHC), David Granville-George, Nigel Hiley, Joanne Littlejohn; Penny Mackay, Susan Major, Penny Robertson and Maggie Strutt

Apologies: Directors: Chair, Keith Dickerson (KD); Keith Beacham, Director (KB), Mike Scott (MS); **Shareholders and grant aiders:** Sir Peter Batho, Jenny Bridson, Pam & Mike Garratt, Cllr Richard Smith (SCC)

1. Introductions: TER

It was established that most present were shareholders and were, therefore, entitled to vote. TER reminded non-shareholders that they could not vote on agenda items, although they were most welcome to take part in the meeting. There were two proxy votes held by the Acting Chair: John and Diana Ball and Charlotte Dickerson. Susan and David Granville George also held the proxy votes for Pam & Mike Garratt respectively.

TER reminded attendees that the Society had established four objectives at its start:

1. To help the village hall and social club save money
2. To improve our energy resilience and reduce energy dependence
3. To build a significant community project in which we could all share
4. To use our previous LEAF grant (£65,000) for the continuing benefit of the community.
For example, we have improved the insulation of the village hall, as well as providing free electricity.

2. Approval of the minutes of the last AGM held on 19 April 2017

TR reported that under point (3), as agreed at the last meeting and in line with the Society's rules, only a short-form financial statement and bank reconciliation had been prepared for cost-saving reasons, but these had been independently verified by a chartered accountant. In addition, the minutes of each AGM to date had not been posted on the Society's website.

The minutes were approved and signed and KD has undertaken, separately, to publish all the latest official documents on the site (see (3) below).

3. Matters arising from the last AGM

There were no substantial matters arising and TER reported that the last financial and operational years had been highly consistent as this was to be further demonstrated later during on. TER explained that the resourcing of the Society had continued to be problematic and, that, in effect he was running the community energy project with KD managing the meter readings and invoicing matters. The Directors nominated at the last AGM were yet to be fully-tasked.

TER also reported that he had now discovered how annual returns were to be made as they could not be made to Companies House. An annual return would shortly be submitted to the FCA who regulate this IPS and the FCA would be asked if it required any further annual returns.

4. The receipt of accounts, balance sheet and reports of the Board and its Auditor

TER presented the latest accounts in respect of the financial year to 31 March 2018, which had only just been prepared given the 17 days available. These were not audited in full in line with the shareholder agreement from the first AGM motion, which was once again renewed in line with the Society's rules. Copies of these short-form accounts are available from TER, if desired, and will be posted on the Power4KcC website shortly.

Trading position (see Fig 2):

The 2016/7 accounts needed regularising and these have now been checked by an independent accountant and updated for FY 2017/8. The accounts are now in good order and prove that KB's original calculations were correct.

<u>KELSALE-CUM-CARLTON COMMUNITY ENERGY LIMITED</u>				
<u>INCOME AND EXPENDITURE ACCOUNT</u>				
<u>FOR THE YEAR ENDED 31 MARCH 2018</u>				
	£	2018 £	£	2017 £
<u>Income</u>				
Feed in tariff	1,177		1,063	
Social club	255		135	
	-----	1,432	-----	1,198
Less vat provision		(59)		(58)
		-----		-----
		1,373		1,140
<u>Expenditure</u>				
Insurance	290		274	
East Green Energy	-		42	
Data protection registration	35		35	
FCA registration	65		60	
Hall hire	18		-	
Amortisation	843		843	
	-----	1,251	-----	1,254
Operating surplus/deficit		122		(114)
Tax		-		-
		-----		-----
Net surplus/(deficit) for year		122		(114)
Retained surplus brought forward		(68)		46
		-----		-----
Retained (deficit)/surplus carried forward		54		(68)
		-----		-----

Fig 1. Our FY 2017/2018 trading position

Cash position at HSBC Bank

This is as shown below:

At the start of the project: 0
After paying set-up and construction costs: £143.55
At 18 April 2018: £4,274.60
Therefore, net gain £4,131.05

We have, therefore, made a net gain of £4,131.05 and this is forecast to increase by £1,800 - £2,000 per annum for the next 21 years which will cover the Society's original investment.

Our FiTs payments, which are obviously a major source of revenue as desired, will increase in line with the CPI each year.

Solar panel and financial performance

TER reported that, once again, that KB's original forecast for power generation and revenue generation agreed well with what had been generated (see Fig 2). The slight dips in actual output were due to power trips (2015) and the vagaries of the weather (2016).

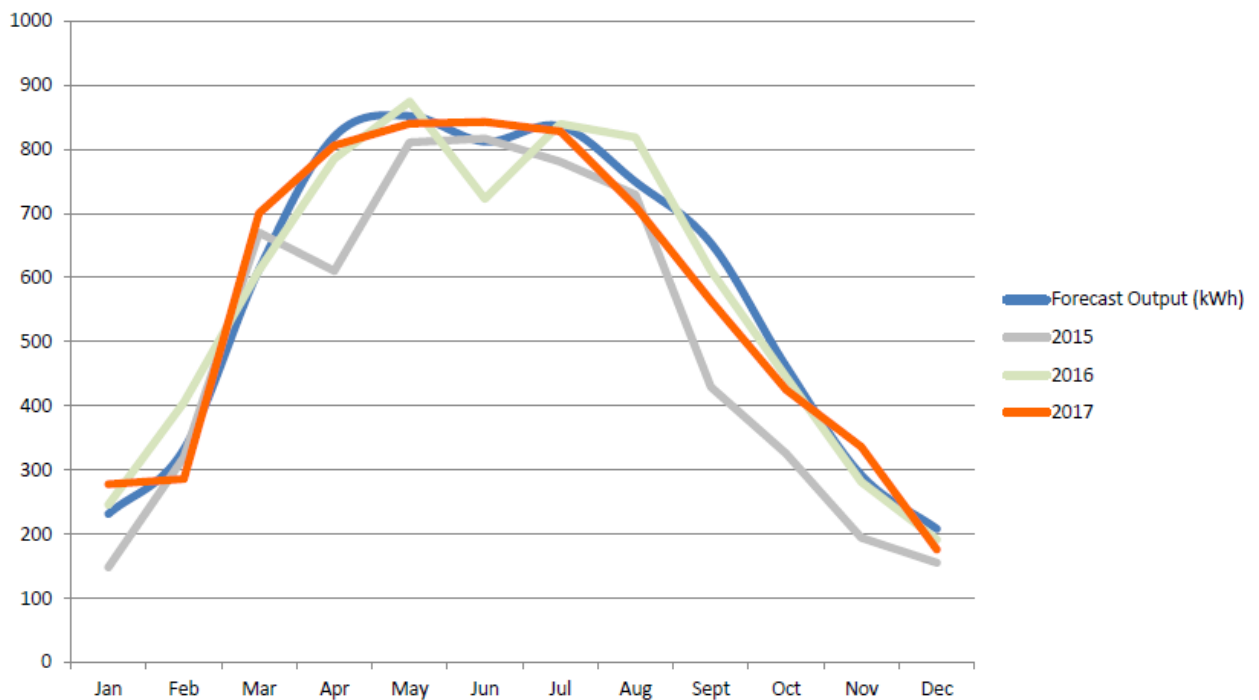


Fig 2. Output of our solar panels

TER monitors the output of the solar panels on line 24/7 to monitor their efficiency.

	estimated	actual	estimated	actual		actual
	1	2016	2	2017	3	2018
Assumptions						
FIT Annual increase						
Export & sales fee annual increase						
Units produced	6862	6116	6807	6833	6752	6833
FIT fee per unit	14.38		14.8	15.3	15.3	15.3
Electricity sale per unit	7.0		7.4		7.7	
Export fee per unit	4.77		5.0	4.9	5.3	4.9
Deemed export amount	50%	50%	50%	50%	50%	50%
Electricity sold	0%		0%		0%	
Income						
FIT income	£987	£919	£1,008	£1,063	£1,030	£1,177
Electricity income	£0	£0	£0	£135	£0	£255
Export income	£164	incl in FIT	£170	incl in FIT	£178	incl in FIT
VAT provision		-£65		-£58		-£59
total	£1,150	£854	£1,179	£1,140	£1,208	£1,373
Outgoings						
insurance	£170	£265	£170	£274	£170	£290
maintenance		£444		£42		£0
admin & legal	£1,000	£60	£200	£95	£200	£118
total	£1,170	£769	£370	£411	£370	£408
EBITDA	-£20	£85	£809	£729	£838	£965
interest on savings	£3	£0	£5	£0	£9	£0
tax	£0	£0	£0	£0	£0	£0
depreciation	-£843	-£843	-£843	-£843	-£843	-£843
Profit after tax	-£860	-£758	-£29	-£114	£4	£122

Fig 3. Financial performance of our solar panels

5. The appointment of an auditor

TR explained, once again, that to employ an Auditor would cost £1,500 - £2,000 per annum which would wipe out the Society's income. However, as our asset base is less than £2.8 million and our turnover is less than £5.2 million, we can instead opt to produce a financial statement which would be far cheaper and fully in line with our Society rules, if accepted by a quorum of shareholders. The meeting voted unanimously to do this.

6. Further Board nominations and appointment of Chairman and Directors

Keith Dickerson, Tim Roberts, Richard Covington, Mike Scott and Chris Burslem stood for re-election to the Board and were approved unanimously.

In his absence, Keith Dickerson was nominated to remain as Chair and this was approved unanimously.

7. Proposed motions. To consider:

a. The application of any profits

Based on the advice of the Society's auditors, it was decided that all profits to date would be held by the Society until they were deemed significant enough for distribution by award of a dividend, and only if then voted for by a quorum of shareholders. The advice of the auditor will also be sought again for the next AGM, based on the latest financial statements prepared. Many of the shareholders present voiced their interest in keeping the Society well-funded, long-term in line with its principal aims of helping power these important village buildings as opposed to the purpose of short-term individual gain.

b. The withdrawal of any shareholdings

TER explained the rules on the above matter (*please see the 2018 AGM slide presentation on the Power4KcC website or the original Society prospectus for full details*) now that the Society had been trading for over three years. One shareholder expressed a desire to withdraw her small shareholding which the Society would purchase.

c. Future power supply tariff rates

Once again, it was agreed that the current tariffs would continue until the next AGM for the same reasons expressed by the majority of shareholders. The Village Hall will retain free electricity and the Social Club would contribute 50% of the cost of power at the equivalent tariff from its current supplier.

d. GDPR compliance

TER reported that the Society continues to subscribe to and be registered with the Information Commissioner’s Office (ICO) and that the board will review the use and secure storage of all shareholder and other stakeholder data held in connection with the Society.

8. To transact any other business which may be properly transacted at this AGM.

In line with the options proposed by the agenda, there was a brief discussion about how the Society’s activities might be expanded using grant-aid, further crowd-funding or technology donations and the Board agreed to do its utmost to promote the Society, its aims and future within the capabilities of its meagre resources.

Recorded and issued by order of the Board, Tuesday, 2 April 2019

Signed with the agreement of shareholders:

Keith Dickerson, Chairman

Wednesday, 17 April 2019