



**Bristol Community Energy Ltd, trading as Bristol Energy Cooperative.
Company no: 31313R.**

Minutes of the 2017 AGM, held on Thursday October 12th 2017 at Broadmead Baptist Church, Bristol.

Present:

Members registered on the attendance list.

Directors: Eric Booth, David Bunker, Deborah Douglas, Gareth Hoskins, Andy O'Brien, Daniella Radice, Chris Speller, Peter Thompson.

Guests: Emily Bellis (Solar Aid); Adam Corn (Bristol Cable), Sebastian Foot (Mongoose), Hugh Prentice (Mongoose), Win Williams (Coniston Community Centre).

Chair's Report

The chair of Bristol Energy Cooperative, Peter Thompson, delivered a report on the work and performance of Bristol Energy Cooperative over the last year. Highlights include the work on consolidating the coops' expansion in 2015-16; further fundraising and refinancing including through an innovative ISA eligible Bond; delivery of community benefit through a newly launched Megawatt Community Fund; and diversifying our ambition to include battery storage; hydro projects; and leading on Zero Carbon West, a regional initiative looking to catalyse progress towards a zero carbon society.

Questions asked on the Chair's report:

Where is the battery site?

The battery is located in Winchester. The battery is 100Kw, and BEC are treating this project as a learning experience, as our first venture into energy storage. The partner companies, HAB Housing & Clean Energy prospector are Bristol based, and we have a good working relationship with them.

Is there a geographical limit to our installations?

BEC choses its projects on a number of factors including contribution to greenhouse gas reduction and building community ownership as well as location. The geographical limit is not definitive, but the preference is for projects within easy reach of Bristol, in part due to staff and volunteer time, and in part due to building a sense of community around our projects. Current projects range from Puriton in the south, in Sedgmoor, Somerset, Wick Sports Ground to the east, and Coniston Community Centre to the north, both in South Gloucestershire. The battery in Winchester would be our furthest active project.

Are investors in the July 2017 ISA eligible Bond new or existing?

Roughly 60% of investments made in the ISA-eligible bond were returning investors, and 40% new to Bristol Energy Cooperative.

Minutes of 2016 AGM

The Minutes of 2016 were discussed, with amendments raised. The minutes were passed as amended.

Accounts

The Accounts and Balance sheets were presented, with Andy O'Brien talking through key parts of the consolidated accounts. He explained that the main reasons for the loss shown were:

1. The Lawrence Weston Community Farm didn't generate income in the first two months of the financial year (May and June 2016) because it had not been completed at that point. These 2 months are typically the best income-generating months for solar farms.
2. The accounts include £299,791 relating to on-going depreciation of BEC's solar assets. This is a standard accounting procedure, and the sum isn't paid out to anyone.

Andy also explained that the accounts don't include a £155,000 community benefit payment to Ambition Lawrence Weston (ALW), our partner in the Lawrence Weston solar farm. This payment was made directly by Power to Change, as part of an £800,000 "blended loan" made to BEC by Social and Sustainable Capital.

Questions asked on the accounts:

Does BEC charge interest to its subsidiaries, Puriton and Severn Community One?

Not currently, as it's quite complicated to do so.

Regarding depreciation, is the falling cost of asset replacement logarithmic?

This is calculated using a straight-line method with a 4% rate for plant and machinery.

The depreciation is over 25 yrs, but the Feed-in-Tariffs are for 20 yrs. Will last 5 yrs be unprofitable?

No, there won't be many costs in the last 5 yrs, as capital loans will have been repaid and any electricity generated can be sold on the open market.

What is the arrangement with the landowner of the solar farms?

BEC pays the landowner a fixed rate rent. With the Lawrence Weston Farm BEC also pays rental on the grid connection.

Has BEC considered the cost of de-commissioning?

The general industry view on this is that the recycling value of the materials will outweigh the costs of de-commissioning.

What are the rates of the Mongoose Refinancing package?

These are likely to be between 3% and 4%.

Is there cashflow to cover £1,109,283 due to creditors?

Yes. This figure is slightly misleading, as the £650k loan from Bristol City Council has since been converted to shares, and £250K of those shares were subsequently re-purchased.

Regarding profitability of years 20 to 25, can the overheads be met?

Yes. This is often the most profitable period for these projects, because the major loans have been paid off while the electricity generated can be sold on the open market.

ACTION: The executive team to organise a session for investors to look at the business model (as per the Offer Documents) in depth. This could be online or in person and should be made available as a presentation. Ideally this should be before the 2018 AGM.

Resolutions

The formal resolutions were introduced, and the director candidates' statements were delivered. It was explained that 2 members of the board were standing down, on rotation, and both standing for re-election.

Director Candidates

Gareth Hoskins spoke to his nomination.

Peter Thompson read out a statement on behalf of Andrew Lee.

Voting

Members completed their ballot papers. These were counted by Vicky Wakefield-Jarret, David Cook, Will Houghton, and added to the results of the online vote.

Community Fund

A presentation was made by Chris Speller on the Community Fund and the Bristol Sustainable Energy Research Fund. Further details about both can be found on the BEC Website at <http://www.bristolenergy.coop/communitybenefit>

A presentation was made by Emily Bellis of Solar Aid on their work to replace kerosene lamps with solar lights. Emily thanked Bristol Energy Cooperative for their donation of £2,500.

Results of member voting

The results of the votes were announced:

- The minutes of the 2016 AGM were approved (76 for, 1 against, 11 abstentions)
- The annual accounts or the financial year, which ended 30th April 2017, were received (80 for, 2 against, 5 abstentions)
- A return of 5% to be paid to members on their share investment for the year 2016-17 (85 for, 2 against, 2 abstentions)

The results of the director nominations were:

- Gareth Hoskins was elected
- Andrew Lee was elected

Peter Thompson thanked the attendees and closed the meeting.