

# HEART OF ENGLAND COMMUNITY ENERGY

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2018 Annual General Meeting  
26<sup>th</sup> June  
Stratford-upon-Avon Methodist Church

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# Agenda Summary



1. Update on Heart of England Community Energy
2. Voting on various resolutions
3. Two guest speakers:

Ian Jelley, Warwickshire Wildlife Trust:  
Richard Milward, Act on Energy

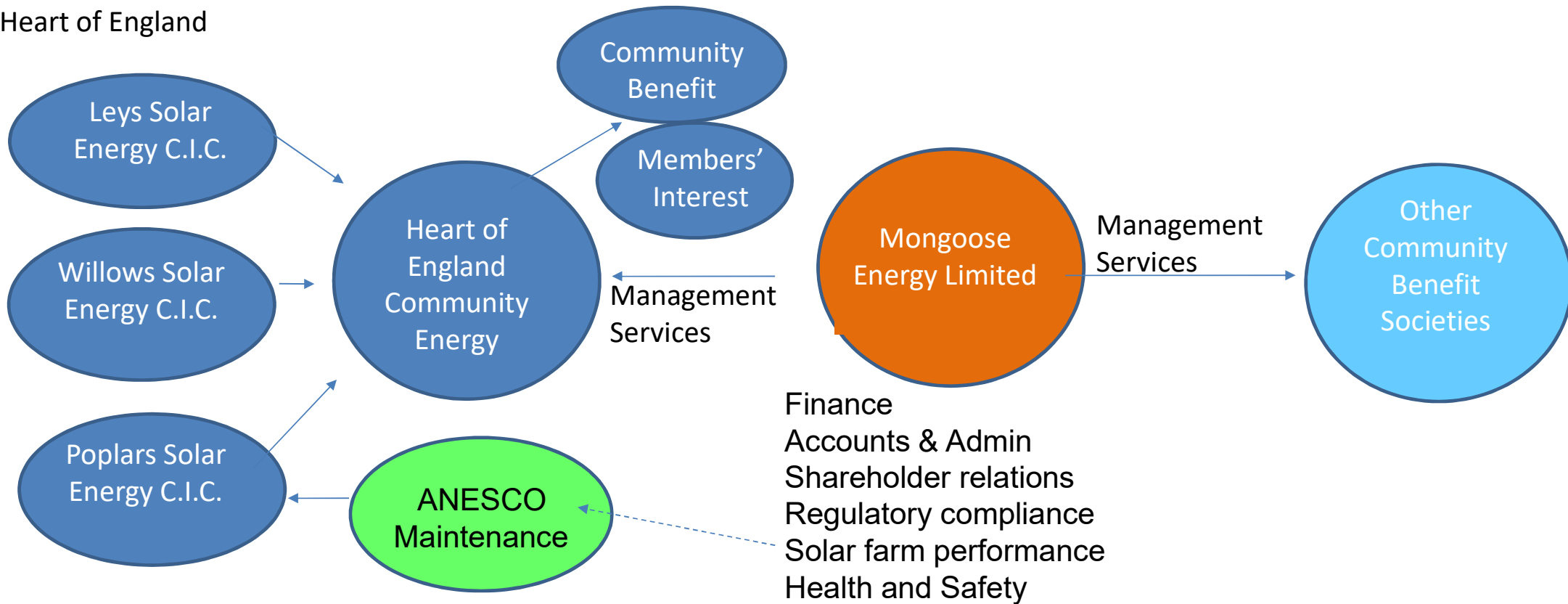


# Update on Heart of England Community Energy

# Corporate Structure



Subsidiaries owned by  
Heart of England



# Heart of England Community Energy Limited



Regulated by the FCA, must provide benefit to the communities in which we operate.

Generate low carbon electricity to earn money. PPA's are well above budget.

Plans to pay 6% pa interest to shareholders and donate significant funds for community benefit

One member one vote, regardless of number of shares

# Mongoose Energy



- Mongoose Energy manages 83MW of community energy assets: half of England and Wales total
- Acquired the solar farms from Anesco last summer and recruited a local board of directors last November.
- Provide the management services mentioned earlier



# Achievements So Far

- Avoided of over 7,000 tons of CO<sub>2</sub>.
- £30,000 committed to community benefit in 2018
- Agreed joint grant with Stratford Town Trust to fund Act on Energy to employ an extra person to tackle fuel poverty. (more later)
- Discussions with Warwickshire Wildlife Trust re improving biodiversity in land surrounding the panels (more later).
- Raised over £500,000 from share and bond offers
- Repaid approximately £200,000 of loan to Social and Sustainable Capital. £300,000 plus from bond to follow.

# Next steps



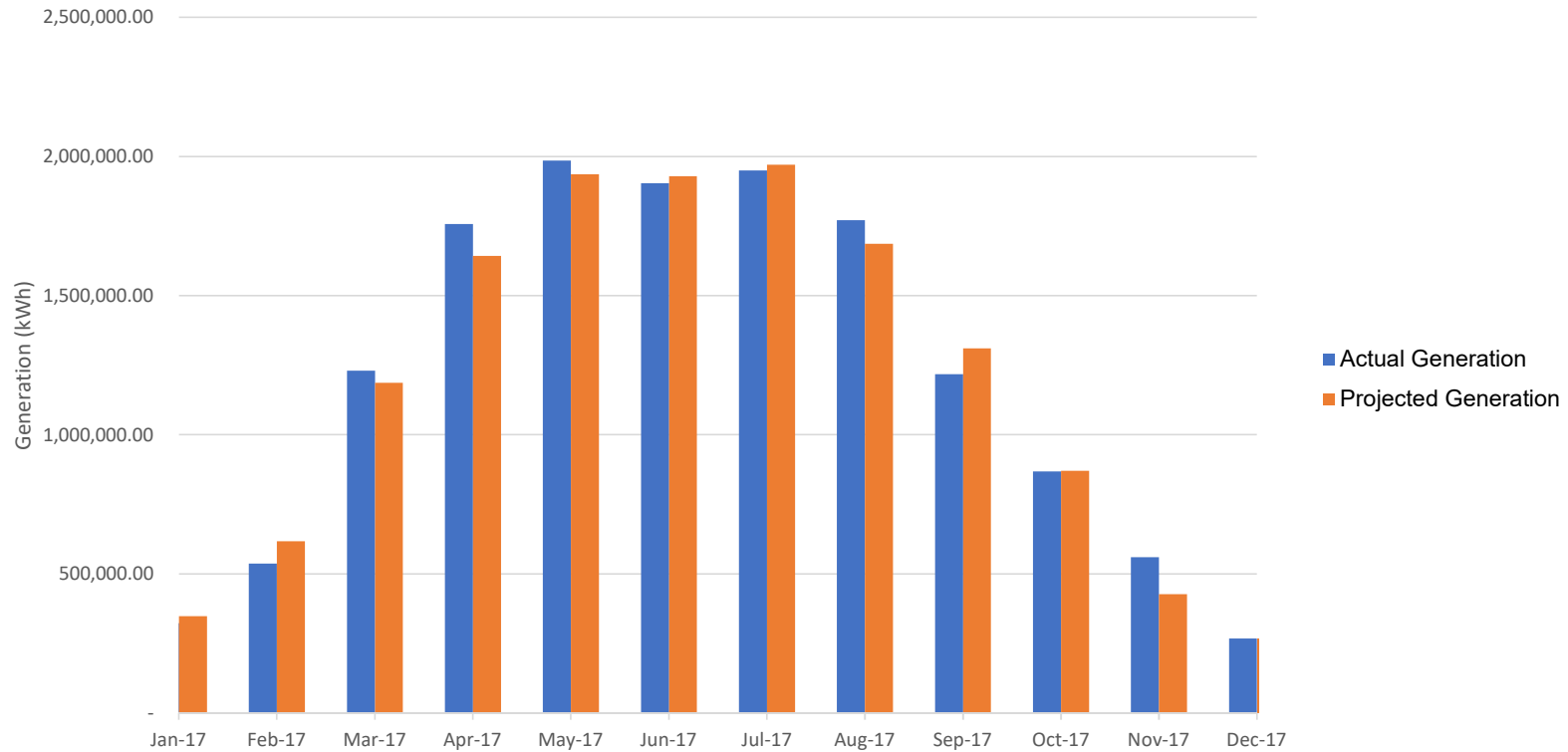
- Improve the rate of refinancing the £6million loan from SASC
- Future bond offers to be launched on alternative crowdfunding platform – Mongoose looking into Ehex or Abundance.
- Investigate refinance of bank loans with lower fixed long-term interest rates in November 2019 to replace loans from Close Bros.
- Explore institutional investment opportunities – some local councils have expressed interest already.
- More community benefit and to progress biodiversity improvement.





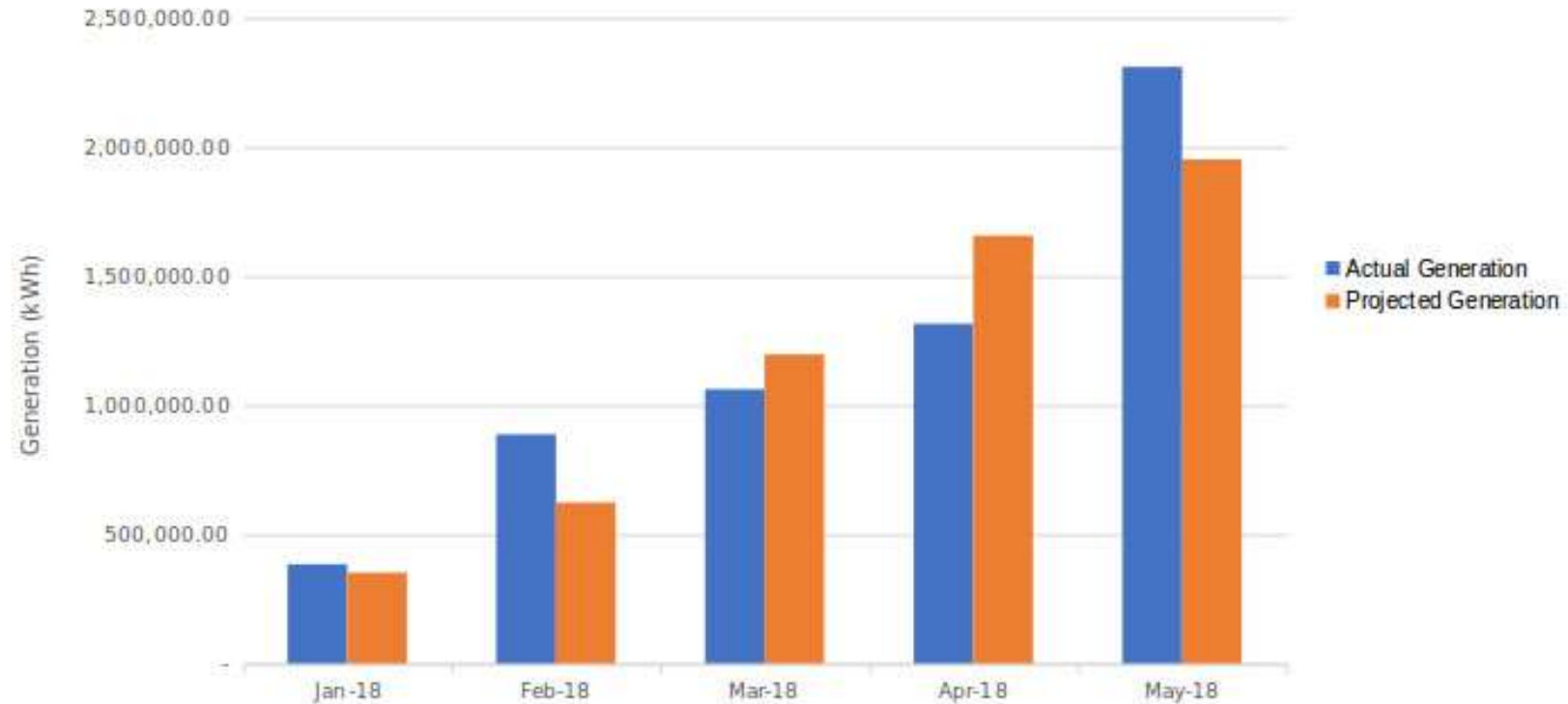
# Performance of Solar Farms

## 2017 Performance Summary



- Generated 1.25% more than projected.
- No notable outages or performance issues

## 2018 Performance Summary to date



- Generated 3% more than projected
- March and April's underperformance was due to poor weather conditions – particularly impacted by snow

# Final Acceptance Certificates



- Final milestone: tests which Anesco is legally required to complete to ensure they have correctly fulfilled their contract obligations
- Contractor required to prove that the site is performing as expected and that there are no significant issues or defects in the construction of the site
- Leys reached FAC in March 2018
- Independent audit was carried out on the site and a defect notice was issued
- Anesco has to assess the defects and can either remedy or dispute them.
- FAC will not be signed off until defects are resolved.

# Accounts 2017/18



- Consolidated accounts for HECE show a loss of £447k.
- This after charging non cash accounting items of £460k (amortisation and depreciation)
- Shareholder and bondholder interest deducted within P & L calculation
- Broadly in line with financial model for the year.
- Current model projects profitability c. 2025 to 2026
- The consolidated accounts are for Heart of England group and include the performance of the three solar farms.



QUESTIONS?



# Resolutions

# Votes



To accept Heart of England Community Energy's audited accounts for the year ending 31<sup>st</sup> December 2017

To delegate to the directors the authority to appoint auditors

To approve amendments to the rules. 3 separate votes.

To elect the board of directors



# Rule Amendments 1



## Article 1

“The name of the society shall be ~~Portworthy~~ **Heart of England** Community Energy Limited”

## Article 2

“The registered office of the society shall be at ~~13/14 Orchard St, Bristol, BS1 5EH~~ **Overmoor Farm, Neston, Wiltshire, England, SN13 9TZ**”

## Article 4

“The objects of the Society shall be to carry on any business that will maximise the community benefit generated from renewable energy projects developed in ~~Portworthy and surrounding parishes~~ **South Warwickshire and nearby areas**”

## Article 69

“The Board of Directors may at any time fill a casual vacancy on the Board by co-option. Co-opted individuals ~~must be Members of the Society and~~ will hold office as a Director only until the next annual general meeting.”

# Rule Amendments 2



Articles 54 & 55 and new article 56.

Voting procedures

Amendments to article 54 & 55 permit electronic or postal voting at future general meetings. Article 56 details new procedures needed.

The proposed wording is on the sheets circulated before the meeting.

# Rule Amendments 3



## Article 66

“The composition of the Board shall be as follows:-

Up to ~~five~~ **seven** Directors elected by and from the Society’s Members;”

# Election of the Board



## **Candidates:**

Susan Juned

Tony McNally

Tony Guy

John Stott

Dave Passingham

Stuart Potter

Michael Bullock



End of formal AGM business



Guest Speaker:

Ian Jelley

Warwickshire Wildlife Trust



Guest Speaker:  
Richard Milward  
Act on Energy