

REACH COMMUNITY SOLAR FARM LTD

MINUTES OF THE SIXTH ANNUAL GENERAL MEETING

7pm, Wednesday 10th June 2020

REMOTE MEETING - HELD VIA VIDEO LINK

The meeting was attended by Paul Robinson (Chair), Andy Rankin, Jenny Wood, Graham Lingley, Julian Luttrell, Charlotte Cane, David and Naomi Baker, John Chalmers, Pat Edwards, Rachel Beaven, Patrick O'Donohoe, Rachel and Martin O'Leary, Kate Rankin, Andrew Trump, Liz Serocold, Anne-Sophie Bretonnet, and Peter Pope.

Sarah Crick, from the Red Hen Project, attended as an observer.

Andy Rankin acted as Secretary for the meeting.

Welcome

The meeting commenced at 7.05pm.

1. Apologies for absence

Andy Rankin reported that apologies for absence had been received from Clarke Brunt, Bryony Morgan and Barbara Sheppard.

2. Minutes of last AGM

Minutes of the Fifth Annual General Meeting of the Society, held on 26th June 2019, had been made available to members on the Society's website prior to the meeting.

Paul Robinson proposed that the minutes be accepted as a true and accurate record of the meeting. There were no objections and the motion was passed unanimously.

3. Annual accounts for year ended 31st December 2019

Paul Robinson invited the Treasurer, Charlotte Cane, to introduce the accounts for the last financial year of the Society.

The accounts had been made available to members on the Society's website prior to the meeting.

Charlotte reported that it had been a good year for the Society. Our income was higher than the previous year as generation had been uninterrupted - in 2018 there had been a fire in the main incoming supply that had kept the solar farm out of operation for a month.

Our costs appear to be higher in the accounts than the previous year, but

the figure includes the higher community donation we propose to make this year. Excluding the donation our costs are actually around £1000 lower than the previous year.

Rachel Beavan enquired whether we had been able to recover the costs of the fire in 2018 from our insurers. Charlotte replied that the costs were in the end covered by UK Power Networks, as it was their equipment that had been at fault. They initially paid us around £2000 - approximately half of our costs - in the 2018 financial year. After some pressing, they paid the remainder in 2019, and this is reflected in the accounts being presented.

Paul proposed that the accounts of the Society for the financial year to 31st December 2019 be accepted by the members. There were no objections, and the resolution was passed unanimously by the meeting.

4. Report from the Board

Paul Robinson summarised the activity of the board over the last year.

It had been a successful year for the Society - mainly in that it had been uneventful, with no events impacting on the operation of the farm. Our generation for the year was the highest we have yet seen.

The board had reviewed our insurance arrangements. The premium had crept up, and was considerably more than we had initially budgeted for. We have changed insurance company and reduced the value of the equipment insured (as solar panels are now considerably cheaper), and we now have a much lower premium.

We keep an eye on the possibility expanding the solar farm. However, in the absence of any government support, and low wholesale electricity prices, at present it is not economically viable.

As our income exceeds our costs each year, we have a surplus that we are investing in various ethical and sustainable funds.

Paul invited Julian Luttrell to elaborate on our investments. Julian explained that in May last year we invested £25K of our funds in four unit trusts and one investment trust. The funds initially performed well - by the end of 2019 the value of the funds had seen a growth of 5.9%.

The performance of the market since the end of our financial year has, however, been very poor owing to the impacts of Covid-19. At the worst point the value of our investments was down 19% from the original purchase price. They have since recovered to approximately 2% lower than our initial purchase price. They have overall performed better than the FTSE100. One fund (Unicorn UK Ethical Income) is performing less well than the other funds, and we will be considering whether to move money from this fund.

We have built up more reserves in our current account, but we are holding off investing more funds at present due to concerns over the stability of the market.

Rachel Beavan commented that it was good to take a long term view on the investments the Society makes.

Martin O'Leary enquired what information the committee used to inform its investment choices, and why it choose to invest in market funds rather than, for example, a Triodos Bank deposit account. Julian responded that we get information from various sources, such as *Investors Chronicle* and *Morningstar* and noted that Triodos operate a unit fund which is one of the ones we are monitoring and may invest in.

Paul Robinson added that we do have money in a Triodos deposit account, but interest is very poor. We need to aim for higher rates to give our members a good return on capital. The committee tries to strike a balance between keeping capital safe, and getting a good return. We are

very unlikely to need funds quickly, and if we did it might be better to arrange short term borrowing rather than withdraw money from long term investments.

Charlotte added that we have a very secure cash flow and get paid promptly for the energy we generate, so we can always meet the expected regular expenditure of the Society.

Andrew Trump asked via the chat service whether any members had withdrawn shares. Andy Rankin responded that three shareholders, all with small shareholdings, have now withdrawn their shares. Paul noted that we are able to do this for others as well, and it is in the Society's interest to do so where members wish and we have the capital, as we then don't have to pay interest on the value of those shares.

At this point in the meeting Paul Robinson experienced problems with his video connection to the meeting. Charlotte Cane assumed the chair until the problems were resolved.

5. Decision on interest payment to be returned to members of the society

Charlotte stated that, as previously intimated to members, the committee recommended a 2% interest payment on shares this year, rather than 3% as we had paid in previous years, in order to be able to make a larger community benefit fund payment.

Charlotte proposed that we make a 2% interest payment to our members and make a £4000 community benefit fund payment. There were no objections and the motion was passed unanimously.

6. Decision on community benefit fund payment

Charlotte outlined the two community fund applications the committee had received, from the Red Hen Project and Prospects Trust. She then asked Sarah Crick to introduce the Red Hen Project.

Sarah explained that the Red Hed Project work with disadvantaged families in North Cambridge. They support a large number of families who have complex needs in various ways, such as helping integrate children into mainstream education, working with people who have experienced domestic violence, assisting with housing issues or helping families access Council or Government services. They have been doing some deliveries of food during the Covid-19 lockdown – but their main aim is to give families resources so that they can look after themselves.

Covid-19 is impacting the families they work with in various ways, such as loss of income, or inability to access education or other support services, and they would welcome a grant that would help them fund a family worker to increase the support they can give to the families they work with.

Rachel O’Leary asked if the Red Hen Project work with North Cambridge Children’s Centre. Sarah Crick replied that they work very closely with them, but the Childrens Centre is very stretched, and as a non-statutory body Red Hen has a lot more flexibility to direct resources where they are really needed.

Paul Robinson spoke on behalf of Prospects Trust. During lockdown none of Prospects Trust’s co-workers have been able to attend the farm, and they are desperate to get the workers back. They have also greatly suffered from loss of income during this period. In order to bring the co-workers back safely they need to spend money on making the site more suitable for small groups with increased social distancing.

Charlotte shared a poll with the members, with four options. The options were:

- Splitting the community fund equally between the Red Hen Project and Prospects Trust
- Donating the whole fund to Prospects Trust
- Donating the whole fund to the Red Hen Project.
- Supporting neither project.

1 member voted in favour of supporting only Prospects Trust. 16 voted in favour of an equal split between the charities.

7. Election of the board

Charlotte Cane explained that the Society has a system of rolling elections to the board, with one third of the directors standing down each year. This year it was the turn of Julian Luttrell and Paul Robinson to stand down, but both were intending to stand again. The committee had received no other nominations.

Charlotte proposed that Julian and Paul be re-elected. The proposal was passed unanimously.

8. Professional Audit of Accounts

Charlotte explained that a formal audit of the accounts of the Society is not required, provided the members pass an appropriate resolution at a general meeting.

In practice, the directors need to know a year in advance whether an audit will be required, as any audit that did take place would be required before the Society holds its next Annual Meeting.

Charlotte noted that, while not a formal audit, we do ask a local firm of

accountants to check the accounts and assist with their submission.

Charlotte proposed that the Society dispense with an audit for the 2020 financial year. The resolution was passed unanimously.

9. Any other resolutions put forward

Paul Robinson resumed the chair, and thanked the board for their service during the year. He noted that Chris Smith had also served during the year but had asked to stand down from the committee in the spring. His experience and input had been very valuable to the board over the last couple of years.

There being no other business to transact, Paul Robinson again thanked everyone for attending, and closed the meeting.