

Reach Community Solar Farm Ltd.

Minutes from the Eighth Reach Solar Farm AGM

29th June 2022

Meeting took place at 7pm via zoom

The meeting was attended by; Anne-Sophie. Bretonnet, Wookey, Nicola Terry, Pat Edwards, Rachel O'Leary, Robert Headland, Rachel Beaven, John Chalmers, Liz Serocold, Patrick O' Donohoe, Peter Pope.

Directors Present; Paul Robinson, Charlotte Cane, Martin O'Leary, Jenny Wood, Graham Lingley, Julian Luttrell.

Graham and Deborah Lingley acted as Secretary for the meeting.

Welcome

The meeting commenced at 7.05.

1 Apologies

Apologies received from Bryan Pearson, Dafila Scott and Tim Clutton Brock

2. Minutes of last AGM

Minutes of the Seventh Annual General Meeting of the Society, held on 16 June 2021 had been made available to members on the Society's website prior to the meeting.

PR 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 31 December 2021

Paul proposed the approval of the annual accounts for year ending 31/12/2021. He highlighted a small change to note 12 on page 10 regarding the change of ownership.

CC proceeded to give a presentation to the shareholders;

Turnover had increased by £2,000 even though there had been a slight fall in generation, as we are getting a higher per unit rate for our electricity. Administrative expenses have decreased because we have decreased our donations by £4,000 but investment fees had gone up by £2,000. Operating profit decreased by £6,000 because we no longer have the £10,000 Covid grant. Although we have accounted for tax we won't pay any because we are able to bring forward losses.

Balance Sheet

Shareholder funds have increased by £8,000 because of unrealised increase in investments which were valued at £84,655 at year end. Creditors are £8,000 less than last year because donations and interest were paid after year end.

CC stated that note 12 does need to be changed. RCSF used to lease the land from John Robinson. He has sadly passed away and RCSF is now leasing from Paul Robinson (his son and RCSF chairman) and his brother through a company called Spring Hall Ltd. CC stressed that members should understand this as it is a significant change in the related party disclosures. The rent will be split equally between your chairman and his brother.

There was a minor change on page 2, in review of business, where it refers to the 2020 AGM, it should refer to the 2021 AGM. These will be altered before the accounts are signed.

PR stated that there is no conflict of interest. The way the rent is set is by a pre-determined formula and that does not change. CC confirmed that the lease is the same as the lease agreed at the outset and the rent increases according to a formula based on CPI inflation figure in June each year. It was suggested that the wording would be more accurate if it said the names of the people from whom the land is leased and then in brackets, Paul is currently the chair. Then there would be an accurate record of who the land is owned by. Paul agreed with this proposal.

A member noted that there was a huge increase in investment value between 2020 /2021 to £84,655 from £27,900. To explain JL gave a brief report on our investment activity.

During 2021 RCSF had two rounds of investments. The first was in January 2021. RCSF Sold one investment that was performing badly, Unicorn Asset Managements UK Ethical Income fund and purchased £5,000 each of 5 further investments;

- Renewable Infrastructure Group
- Impax Environmental Markets
- Liontrust Sustainable Future Global Growth
- Trojan Ethical Fund
- Rathbone Ethical Bond

In October RCSF purchased 6 further investments of about £5,000 each;

- More Renewable Infrastructure Group
- More Impax Environmental Markets
- More Trojan Ethical Fund
- Stewart Investors Worldwide Sustainability
- Liontrust Sustainable Future Global Growth

There was a brief discussion around producing a short report on investments in advance of the AGM and a query on the total shareholding in RCSF. JL was thanked for his work on our investments.

PR then asked for a vote in favour of the annual accounts.

Accounts passed unanimously.

4. Report from the Board

PR summarised the activity of the board over the last year. He read through the report that was sent to all members prior to the AGM.

A small date error was pointed out and will be corrected.

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

An, at times, heated discussion took place around the years interest payment, with some members querying why the 3% from the original prospectus was not being upheld, whilst others were keen to give as much as possible to good causes. The board pointed out that the amount was linked to the circumstances of the 2021 financial year and was therefore appropriate, given our rules (maximum of 2% above bank base rate or 5%). The current circumstances of a cost of living crisis and the substantial increase in electricity sales income would be addressed at next years AGM (as it relates to the current financial year), with both sides of the discussion likely to be satisfied, given the increase in income and the likely bank base rate on 31/12/22.

PR Proposed a vote on a 2% interest payment to members. 11 in favour with 5 against. The motion carried.

6. Decision on community benefit fund payment and beneficiaries

PR stated that everyone had been sent details of the applications prior to the meeting. The board had decided to split the £4,000 equally between the three organisations;

- The Prospects Trust
- The Red Hen Project
- Cambridge Refugee Resettlement Campaign.

PR proposed a vote, 13 agreed. The motion was carried.

7. Election of the Board

We can elect up to 6 directors (as present), and the board can co-opt another two members if it wishes. One third of the directors must stand down each year. Jenny Wood is standing down this year, but is happy to be put forward for re-election.

PR asked for votes in favour of re-electing JW. 11 in favour. The motion was carried.

PR asked if anyone else wished to stand as director.

CC proposed co-opting Wookey as a director, given his strong views. He agreed.

A brief discussion took place around the protocol for co-opting a new director.

PR thanked JW for agreeing to continue.

8. That the requirement to undertake a full professional audit of the accounts for the year 1st January 2022 to 31st December 2022 be dispensed with

RCSF has to provide an annual return to the Financial Conduct Authority (FCA). The return includes audited annual accounts. However, as a small organisation, RCSF is permitted to dispense with the audit if its turnover in the year of account did not exceed £5,600,000 and its total assets are below £2,800,000, provided the shareholders resolve that an audit is not required.

PR proposed a vote in favour of dispensing of the audit. The motion was carried.

9. Extraordinary Resolution - Society rule changes

Rule 94 Application of profits

Rule 94.b; Change from;

"To paying interest on issued share capital at such rate or rates as determined by the Board from time to time, but not exceeding 5% per annum or 2% above the Co-operative Bank's base rate, whichever is the greater;"

To

"To paying interest on issued share capital at such rate or rates as determined by the Board from time to time, but not exceeding 5% per annum or 2% above the Bank of England's base rate, whichever is the greater;"

Explanation - All banks appear to use the Bank of England's base rate, rather than set their own. PR proposed a vote. The motion was carried.

Proposed by Bryan Pearson - Rule 94.c, change from;

"To making payment for social or community purposes within the community served by the Society."

To

"To making payment for social or community purposes within the community served by the Society and/or other renewable energy projects worldwide."

The board also proposes an alternative change to rule 94.c, which would better define "the community served by the Society" to avoid confusion;

"To making payment for social or community purposes within the community served by the Society (the areas covered by the following local councils; Cambridge City, South Cambridgeshire, East Cambridgeshire, and West Suffolk)."

A brief discussion took place around the merits of the proposals, before a vote on the two amendments was proposed. The motion was carried to change the wording of rule 94c to;

"To making payment for social or community purposes within the community served by the Society (the areas covered by the following local councils; Cambridge City, South Cambridgeshire, East Cambridgeshire, and West Suffolk)."

10 Any Other Business

JL was once again thanked for his work on the investments and a member commented on how lucky RCSF is to have him. PR also thanked JL for all his work on the feasibility grant application for the a district heat network in Reach, as he did the majority of the work.

Thanks were expressed to all the directors for their work and Wookey was welcomed into his new role.

PR expressed his thanks to Graham and Deborah for their secretarial work and the maintenance of the solar farm. It is a haven for wildlife.

A member queried as to why the Co-op bank base rate was used originally. PR believed it was because RCSF obtained a grant from them when the farm was first set up.

PR was thanked for all his hard work as chairman.

Meeting closed after an hour and 3 minutes.