



# Bro Dyfi Community Renewables Ltd

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Registered society under the Co-operative and Community Benefit Societies Act 2014.  
Financial Conduct Authority Reg. No. 29283R Registered address Unit 1, Dyfi Eco Park, Machynlleth, Powys SY20 8AX

## Minutes of the Annual General Meeting of Bro Dyfi Community Renewables Ltd

### Reporting on the year ending 31<sup>st</sup> December 2015

Held at Pantperthog, 21<sup>st</sup> May 2016

#### Present

*Members (Management Committee):*

Michael Phillips (Chairman), Rod Edwards (Treasurer), Sonia Kuznetsov (Secretary), John Howarth, John Williams, Rachel Kennedy

*Other members:*

Merle Fisher, David Crossgrove, Terrence Kerridge, Francoise Gollain, Nick Smyth, Maureen Sedgwick, David Baines, David Finney, Rebecca Watson, Tony Burton, Arthur Butler, Helen Cumming, Tim Brewer, Jacinta MacDermot, Angela Edwards, Leila Kiersch, Roy Bamford, Billy Langley

*Organisational shareholder:* Ecodyfi (represented by Andy Rowland).

*Non-members in attendance:*

Andy Cook (Administrator), Vic Bamford, Mrs Burton, Carer for Mrs Burton, John Fisher

#### 1. Apologies

*Members appointing a proxy (Chairman or other named shareholder) to vote on their behalf:*

Jeremy Brett, Simon Morpeth, Peter Harper, Anthony Worrall, Haydn Williams, Colin Merrony, Phil Horton, Roger Osborn, Roger Pawling, Joan Banton, Paul Brindley, Kelvin Mason, Mary Harris, Senaka Attygalle, Frances Voelcker, Bryce Gilroy-Scott, Andy Bull, John Allen, John Allison, Olivia Chandler, Nick Edwards, Simon Graham, Simon Tucker, Matt Palmer, Nigel Dudley, Jeanne Kerridge

*Members not appointing a proxy:*

Sally Carr, Ian Taylor, John Smout, Clive Newman, David Thorpe, Gwynfor Williams, Carol Satterthwaite

#### 2. Chairman's Welcome

Mike Phillips welcomed everyone to the meeting, commenting that for 15 years BDCR has been a pioneering renewable energy project. An excellent turn out today of 24 members (plus guests), with an additional 26 members (not present) appointing the Chairman to vote on their behalf. Mike

commented that 2015 was one of the best years for BDCR with just over 1GWhr of generation (typical annual generation normally 880/890 MWhr). BDCR have been working hard to re-commission the V17 turbine, which has proved to be challenging, but hoping to have good news to report soon. Mike thanked the Board members for their continued hard work, noting the sad news that Harry Chandler had passed away.

### **3. Receipt of the Annual Report and Accounts for the year ended 31<sup>st</sup> December 2015**

Presentations were made by Management Committee members as follows.

#### **A. Chairman's Report (Overview of year) – Mike Phillips, Chair**

**Key points:** *(Full Report attached / available on website)*

- First time in 15 years that the Nordtank turbine has generated over 1GWhr of energy during 2015, effectively providing the equivalent to annual domestic electricity use of 225 homes.
- 2015 was a good year for wind energy, with the UK using 12-15% of its electricity consumption from renewable energy.
- BDCR's main setback this year has been the delay to re-commissioning the V17 turbine, it became necessary to replace the main electronic control unit, which was unforeseen, and more problematic than expected.
- Financially it has been a good year, leading us to advise Members to approve a 5% share interest payment.
- The FCA approved our annual accounts for 2015 only recently, signifying its acknowledgement of BDCR as a bone fide co-operative, and a registered society under the recently introduced Co-operative and Community Benefit Societies Act, 2014.
- Our main task for the coming year will be to agree a vision for the future of BDCR and to address succession planning for the remaining years in operation.

#### **B. FCA Update – Sonia Kuznetsov, Secretary**

Sonia provided an update on the complex challenges BDCR had been faced with from the Financial Conduct Authority (FCA).

**Key points:** *(Full report attached/available on website)*

- Since the last AGM in 2015, the FCA had conducted a further round of consultation, focusing on two key areas, (1) the definition of a 'bona fide co-operative' and (2) interest rates.
- The final guidance on the FCA's regulatory role under the C&CBS Act was issued in December 2015.
- BDCR Directors will declare a maximum interest rate for the following year when the current year's interest cheques are sent out.
- Despite a considerable time lag (till February 2016), the FCA have accepted BDCR's 2015 Annual Return without further queries, and this acceptance now appears on the FCA website.

#### **C. Accounts – Rod Edwards, Treasurer**

The full accounts were available on the BDCR website, or by post if requested, before the AGM. A recommendation regarding share interest payment had also been circulated prior to the meeting.

The full accounts were presented by the Treasurer in the form of a summarised Powerpoint presentation. *(Also attached/available on website).*

In summary, **a profit of £23,757 had been made for the year.**

**Income was £109,340**, which was comprised of £100,334 from operations, £8,781 released from grants, and £225 from interest earned.

**Expenditure was £85,583** which included Repairs and Maintenance (£35,432), Turbine Depreciation (£20,711), Admin/Operating Expenses (£20,419), share interest paid to shareholders (£7,516) and grant payment to Ecodyfi (£1,505).

The book value of **Shareholder funds** as at 31/12/15 is **£308,226**

Rod also mentioned that the Treasurer vacancy still needed to be filled, Rod asked for Members to come forward who are interested, or if they know of anyone else that might be. A job description is available on request and on the website.

Mike called for a round of applause from the floor to thank Rod for his continued hard work on all aspects of our finances.

#### **D. Technical Report – Rod Edwards, O&M Manager**

Rod provided an update on the record year for the Nordtank turbine and an update on the V17 re-commissioning project.

**Key points:** *(both reports attached / available on website)*

- Nordtank: 2015 was an exceptional year for generation: 1,054,620 MWh with a capacity factor of 24%
- Nordtank: December was the best month we have recorded at 197,115 MWh with a capacity factor of 53%
- V17: Unfortunately the re-commissioning of the turbine is well behind schedule. However it is 98% complete.
- V17: Reasons for the delay include the weather, sourcing of spare parts, the need to replace the controller, and the unexpected lack of compatibility it has with the V17.

Rod asked for thanks to Tim and Murdo for their hard work.

Mike Phillips gave thanks to Rod and Tim.

#### **4. Approval of distribution of share interest**

**Resolution 1:** That a distribution of share interest at a rate of 5% per share shall be made to Members in the 2016 financial year.

This resolution was proposed by Jacinta MacDermot, seconded by Leila Kierch and agreed unanimously.

**Resolution 2:** That a Grant of £2,150 shall be made to Ecodyfi in the 2016 financial year in lieu of share interest on grant funding to the project of £43,000.

This resolution was proposed by Tim Brewer, seconded by Maureen Sedgwick, and agreed unanimously.

## 5. Resolution on auditing

As has been BDCR practice for several years, the accounts have been subjected to an Accountants' Report, but have not been audited. As the turnover in 2015 had exceeded £90,000 for the first time, this Accountants Report was now mandatory, whereas it had previously been a voluntary practice.

As already circulated with the agenda, the committee recommended the following resolution:

**Resolution:** That the co-operative shall for the financial year to 31<sup>st</sup> December 2015 not require the accounts to be audited.

*Explanation: The turnover is below the threshold of £5.6 million and BDCR Rule 119 also allows us to be exempted from an audit in this circumstance. The decision not to carry out an audit needs to be made by the Membership, not the Committee.*

The resolution to apply the audit exemption was proposed by Helen Cumming, seconded by Billy Langley, and agreed unanimously.

## 6. Retirement and re-election of Directors

One third of the Board members retire each year. The three most long-standing Directors now retiring are: **Michael Phillips, Sonia Kuznetsov and Conrad Trevelyan**

Sonia and Michael are offering to re-stand for another three years, whilst Conrad is needing to stand down at the current time.

The election of Michael Phillips and Sonia Kuznetsov as Members of the Committee was proposed by Billy Langley, seconded by Tim Brewer, and agreed unanimously.

## 7. Future Planning

Introduced by Sonia Kuznetsov, Secretary. What shall we [BDCR] do over the next few years? We need to begin the process of considering how BDCR continues into the future. A numbers of thoughts for consideration were shared:

Wind up completely?

Continue as BDCR 'as is' replacing turbines as required / expanding?

Spin-off organisation(s) to create a 'direct supply' company? (complex)

Can BDCR become part of another umbrella organisation?

General questions to Members, what would they prefer? Take their money out? Stay the same?

Invest more?

Sonia commented that most of the current members of the Management Committee have been involved for many years and are losing energy. The committee needs new members to be able to take things forwards. Mike commented that BDCR is now actively seeking new Committee members, and requested people to come forwards if they are interested.

## 8. Concluding Matters

Tim Brewer proposed a vote of thanks to all members of the current Committee.

The Chairman thanked everyone for attending and for their continued involvement in the ongoing success of BDCR.

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