

17<sup>th</sup> July 2015

# REPOWERBalcombe 1 Co-operative Limited

## Chairman's Report – Year Ending 31<sup>st</sup> December 2014

I am pleased to make my first chairman's report to members of the REPOWERBalcombe 1 Co-operative Limited ("REPOWER").

The rules of the Co-op state that the AGM must be held within 7 months of the year end. This coincides with the requirement to submit our annual return to the Financial Conduct Authority within the same time frame. We have submitted our annual return on time, however, due to holidays and member availability, we will be somewhat belatedly holding our inaugural AGM on 18<sup>th</sup> September 2015.

Future AGMs will be held sooner after year end and well within the permitted 7 months.

This report covers 2014 which was our first full year, and although we had not yet been trading it was a very busy year for us.

### 2014 Financial Performance and Accounts

We have been fortunate to receive a £5,000 start-up loan from 10:10 and a £1,500 award from Community Energy South. We received a £4000 donation from the Hoalt Trust, allocated as deferred income for FY15.

We raised £31,300 through a share offer for the Grange Farm project and paid £19,554.11 for the installation by year end.

We spent £1,767.98 on expenses since starting REPOWER, making a first year loss of £267.98.

All creditor invoices were paid in full.

We may need a small loan to meet working capital requirements in FY15.

There were no surplus funds available for distribution as we were not yet generating income.

No salaries are paid to the board, officers or members of REPOWER; all their work is voluntary.

### Interest

The Board proposes that an interest rate of 5.0% to be paid to Investors in Grange farm and the Schools projects, if these project go ahead as planned.

### Developments in 2014

It was a roller-coaster of a year for REPOWER. From a quick start of registering with the FSA, HMRC, setting up a bank account, securing Grange Farm 19kWp Cow Shed as our first site and possibly the South of England Show Ground as well; to an almost excruciating 9 months of legal complications with Grange farm and other sites being possible and then not possible and not managing to go live with any project.

We had interest from the South of England Show Ground, St. Wilfred's School in Crawley and Imberhorne School in East Grinstead – all for significant 100kWp+ PV installations.

We are faced with more legislative challenges next year with EIS being withdrawn for IPS Co-ops such as REPOWER during 2015. This will make funding our projects less attractive for investors and may mean we need to change to a Ben Com entity that will still attract EIS.

## Management Team

The Co-operative management team comprises of approximately 8 volunteers who have met almost fortnightly for the whole of 2014 to establish an operating structure and develop site opportunities.

In addition there have been numerous ad-hoc sub-committee meetings between members and also with prospective sites. Getting the Co-op off the ground has been time intensive and heavily dependent on the management team who have put in significant amount of unpaid work to bring this project to fruition and I am very grateful to them. It has made this truly a community effort.

We receive tremendous support from 10:10; in particular from Millie and Leo, and also from Mike Smyth at Energy4All and from Thaddeus from Southern Solar to whom we are very grateful.

I would also like to thank the Headmistress and Chair of Board of Governors of Balcombe School for hosting our meetings at the School.

I hope that in 2015 we can recruit more volunteers to join our group and share the work load before our current team burn out.

## Background to co-operatives and our objects

As a co-operative social enterprise our Co-op has multiple goals, the principal ones of which are: to run a successful co-operative business; to generate renewable electricity; to provide an attractive return for our members sufficient to attract and retain the capital we need.

To support our projects financially and with reduced energy costs; to provide an environmental and business educational resource and to support our project sites in their sustainability work; to enable our community itself to take practical tangible measures to mitigate climate change, reduce carbon emissions and tackle energy security; and to support sustainable development in our community.

## Motions to be proposed at the Annual General Meeting

Motion 1: to receive and adopt the Report of the Directors and the unaudited financial statements for the year ended 31st December 2014, together with the report of the accountants thereon.

Motion 2: to dis-apply the obligation of the Co-operative to appoint auditors pursuant to Section 4A(2) of the Section 84 of the Co-operative and Community Benefit Society Act 2014 so that an audit of the accounts of the Co-operative shall not take place for the Co-operative's year of account ending 31st December 2014.

Motion 3: Election of directors: to reappoint Julian Fitzsimons as a director of the Co-operative.

Motion 4: Election of directors: to reappoint Joe Nixon as a director of the Co-operative.

Motion 5: Election of directors: to reappoint Tom Parker as a director of the Co-operative.

## Web site

We have updated the web site and will seek to keep it reasonably current.

## Conclusion

Well done to the management team for their perseverance and hard work in launching our new Co-op and thank you for investing in our first project, enabling us to set an example as to how communities can make a material difference to energy saving and the generation of renewable energy.

I look forward to meeting you and welcoming you to the AGM on 18<sup>th</sup> September.

Yours Sincerely



Julian Fitzsimons  
Chair, REPOWERBalcombe 1 Co-operative Limited