

Sheffield Renewables AGM

24th February 2018



Agenda for the Meeting

- Minutes of last year's AGM and matters arising
- Chair's Report
- Financial Report, Annual Accounts and Audit Exemption
- Interest and Capital Payments (application of surplus)
- Membership
- Future Directions
- Election of Board

Chair's Report

Sheffield Renewables

We are... a **community and a social enterprise**, that develops, funds, builds, owns and operates renewable energy schemes.

Run by and for local people.

Profits support local initiatives

All about **participation**: involving local people as **volunteers** and **investors**

Part of a **growing movement of community energy projects** across the country



Why we do it

- **The Environment:** Renewable energy, CO2 savings, profits fund more green initiatives, looking after our environment and society
- Belief in the **strength of working together:** building a community to work towards a more sustainable city
- **New ways of doing business:**
 - Social Enterprise: profits re-invested
 - Co-operative: democratic decision making
 - Community financed and owned
- **Pride in Sheffield** – a positive contribution to the city



Year in Summary

October 2016 – Sep 2017

- Successful running of the Phase 2 Share Offer
 - Raised £72,380
- Installed Scheme 4
 - Lembas Wholefood wholesaler, running well
- Scheme 5 halted due to issues out of our control
- Building relationships to develop a pipeline for future projects

Share Offer

- Launched: 1st November 2016
- Target: £70,000
- Closed: (over subscribed) 12th December 2016
- Raised: £72,380
- Investors: 74
- New Investors: 56



We're live!! Tune in with Dave and Julia



Like Comment Share



Paces Campus

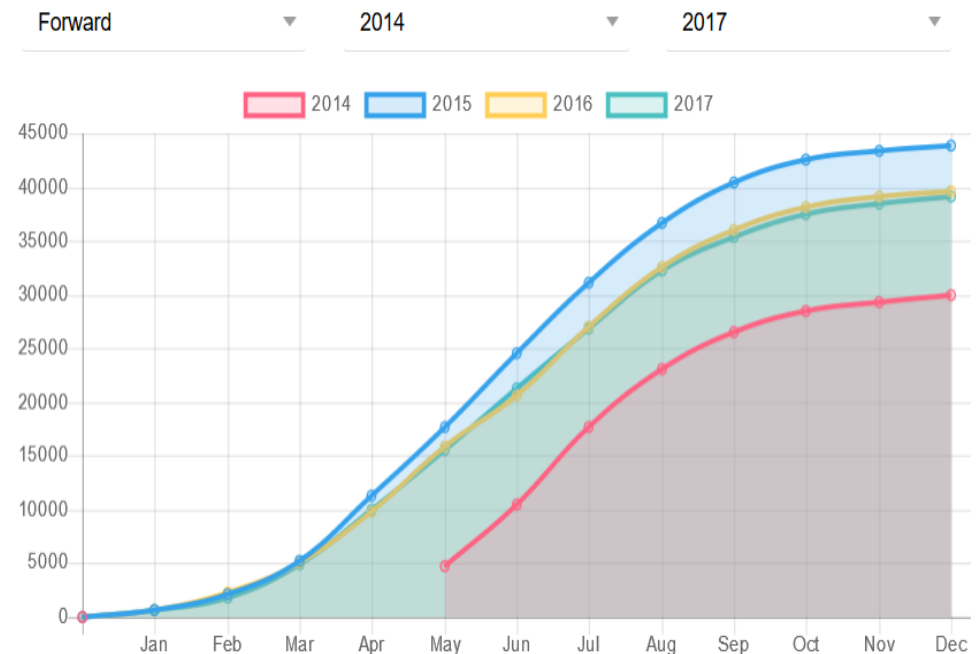
50 kw/p -200 panels

Commissioned May 2014

Predicted Output – 39,000 kw/h pa

Current output (1/10/17) – 148,879 kw/h

Carbon Saving – 80.7 tonnes



Swinton Fitzwilliam Primary School

50 kw/p -200 panels

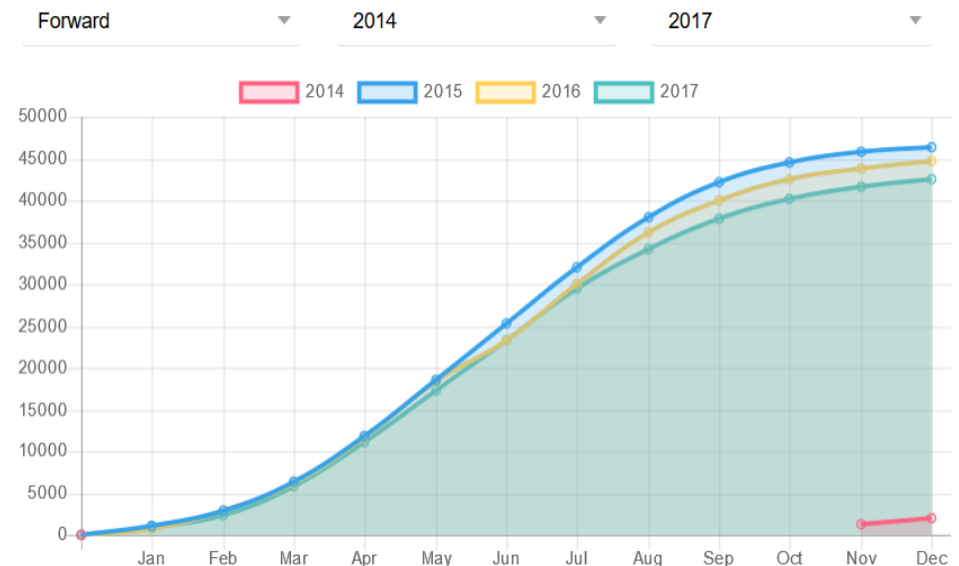
Commissioned November 2014

Predicted Output – 39,000 kw/h pa

Current output (1/10/17) – 131,107
kw/h

Carbon Saving – 71.2 tonnes

Exported- approx 40,000 kw/h



Attercliffe Police Station

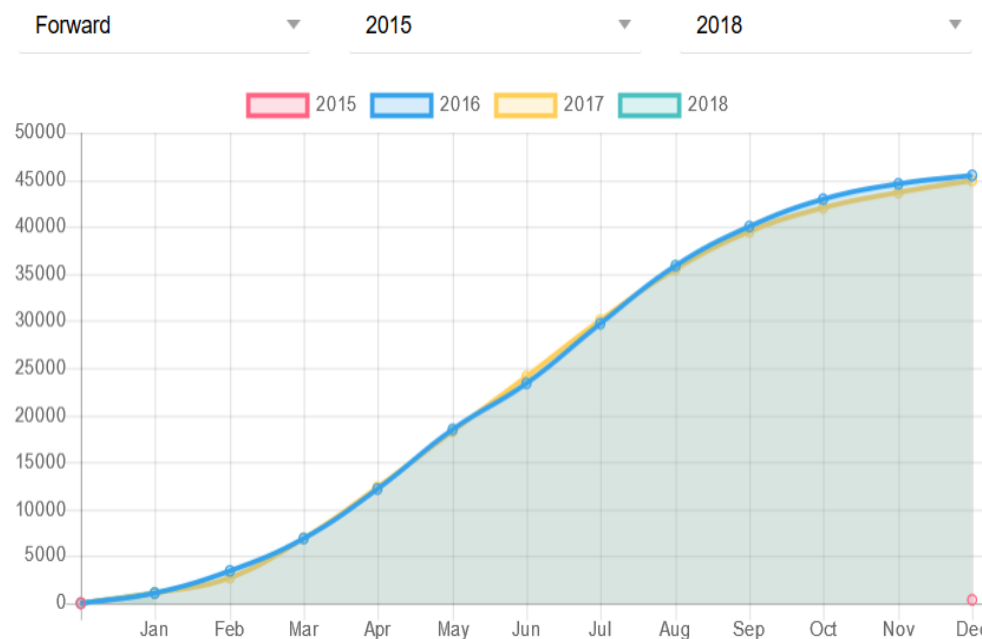
50 kw/p -200 panels

Commissioned December 2015

Predicted Output – 39,000 kw/h pa

Current output (1/10/17) – 85,540 kw/h

Carbon Saving – 46.4 tonnes



Lembas Wholefoods Co-op

26.1 kw/p – 90 panels

Commissioned December 2015

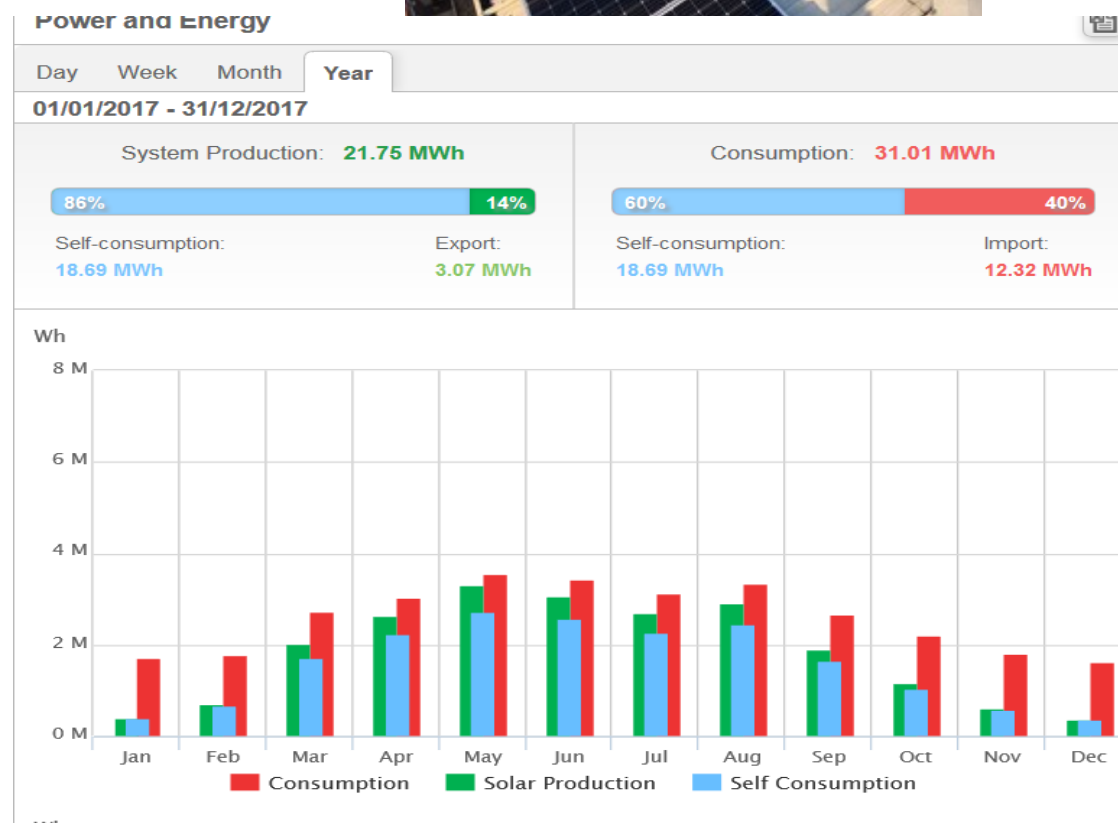
Predicted Output – 19,500 kw/h pa

Current output (1/10/17-1/1/18) – 21,750 kw/h

Carbon Saving – 11.8 tonnes

Exported- 3,007 kw/h

renewables



Last Year & Future Developments

- **Aborted social housing scheme due to Grenfell fire and review of fire safety in social housing**
- **Monitoring battery project with Reach Homes**
- **Discussions with S. Yorkshire Police over potential site development in 2019**
- **Discussions with student accommodation landlord**
- **Project with Royal College of GP's over solar schemes on Sheffield surgeries (currently in discussion with 3 surgeries)**



- **Mentoring group in Hope Valley**



Risks and Changes

- Continuing reduction in feed in tariff
- Schemes need more matching to site usage
- Schemes liable to be smaller > 30kw
- Replenish Board members

Financial Report

Organisation Finances Summary

Year End 2016 is the first point where we have had 3 schemes up and running for the majority of the year

- Over £80k of revenue since first scheme became operational
- Income from schemes:
 - £28,030, greatest income yet
- Income from grants and donations decreased
 - Majority from waiving of interest from members
- However funds are allocated for the running costs of the organisation
- The Board expects to propose to members the payment of the **full 3% interest** and associated CBF at the AGM

SHEFFIELD RENEWABLES LIMITED
INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 30 September 2017

	Notes	2017 £	2016 £
INCOME			
Electricity sales		28,030	21,511
Grants and donations	2	1,905	18,347
Fee income		881	336
Bank interest		69	322
		<u>30,885</u>	<u>40,516</u>
EXPENSES			
Staff costs	7	-	8,870
Rent and room hire		2,400	2,400
Printing stationery and office		306	291
Marketing and publicity		2,639	1,114
Share Issue		2,820	-
Insurance		1,417	1,077
Business development		600	81
Legal		250	-
Technology and projects		104	945
Travel and volunteers		258	81
Telephone		152	171
Fees and subscriptions		495	155
Loan interest		-	312
Interest on shares		3,539	-
Accountancy		550	450
Depreciation		15,844	13,612
Community Benefit Fund		3,252	-
		<u>34,626</u>	<u>29,559</u>
(Loss) / Profit on ordinary activities before taxation		(3,741)	10,957
Taxation	8	-	-
Retained for the year		(3,741)	10,957
Total funds brought forward		(28,285)	(39,242)
Retained funds carried forward		<u>(32,026)</u>	<u>(28,285)</u>

There are no recognised gains or losses other than the deficit for the year.

SHEFFIELD RENEWABLES LIMITED
BALANCE SHEET
At 30 September 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible fixed assets	3	153,270	141,214
CURRENT ASSETS			
Debtors and prepayments	4	6,721	6,434
Cash at bank and in hand		92,954	45,951
		<u>99,675</u>	<u>52,385</u>
CREDITORS: amounts falling due within one year	5	<u>(686)</u>	<u>(562)</u>
NET CURRENT ASSETS		<u>98,989</u>	<u>51,823</u>
TOTAL NET ASSETS		<u>252,259</u>	<u>193,037</u>
RESERVES			
Called up share capital	8	284,285	221,322
General unrestricted income fund		<u>(32,026)</u>	<u>(28,285)</u>
CAPITAL EMPLOYED		<u>252,259</u>	<u>193,037</u>

For the year ending 30 September 2017 the society was entitled to exemption from an audit conferred by section 84 of the Co-operative and Community Benefit Societies Act 2014.

The members have not required the officers to obtain an audit of its accounts for the year in question in accordance with the Act.

The officers acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small company regime.

The financial statements were approved by the Board on 6 December 2017 and signed on their behalf by

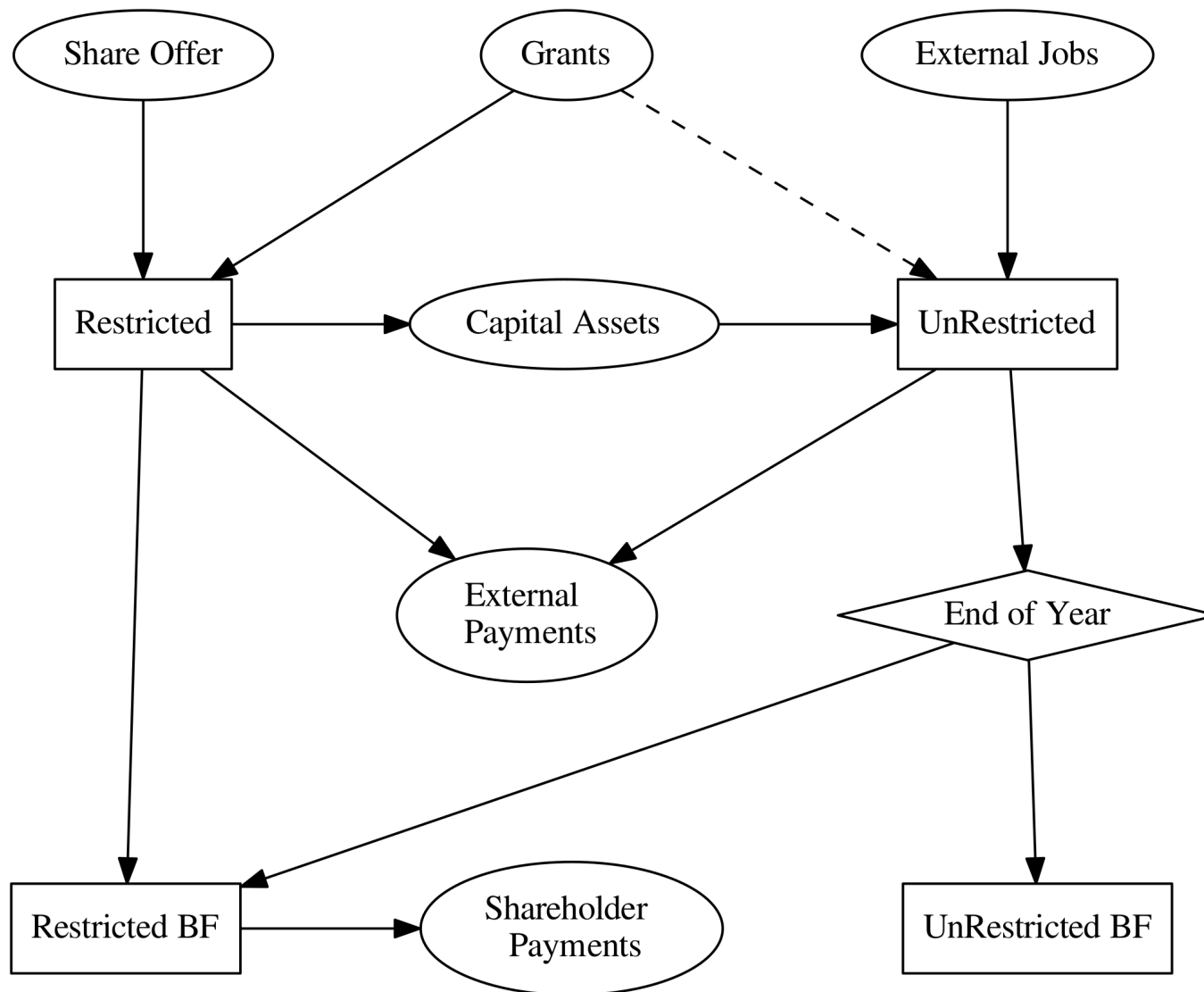


End of Year Interest and Capital Payments

Sheffield Renewables Community Shares

- Two Types of Shares
- A-Shares: 2013 Share Offer Document
 - Matured 2017
- B-Shares: 2016 Share Offer Document
 - Mature 2020
- This end of year process is only relevant for the A-Shares
- Once the B-Shares mature we will put a motion to the members to unify the terms of the share holdings





Sheffield Renewables Funds

Unrestricted Funds:

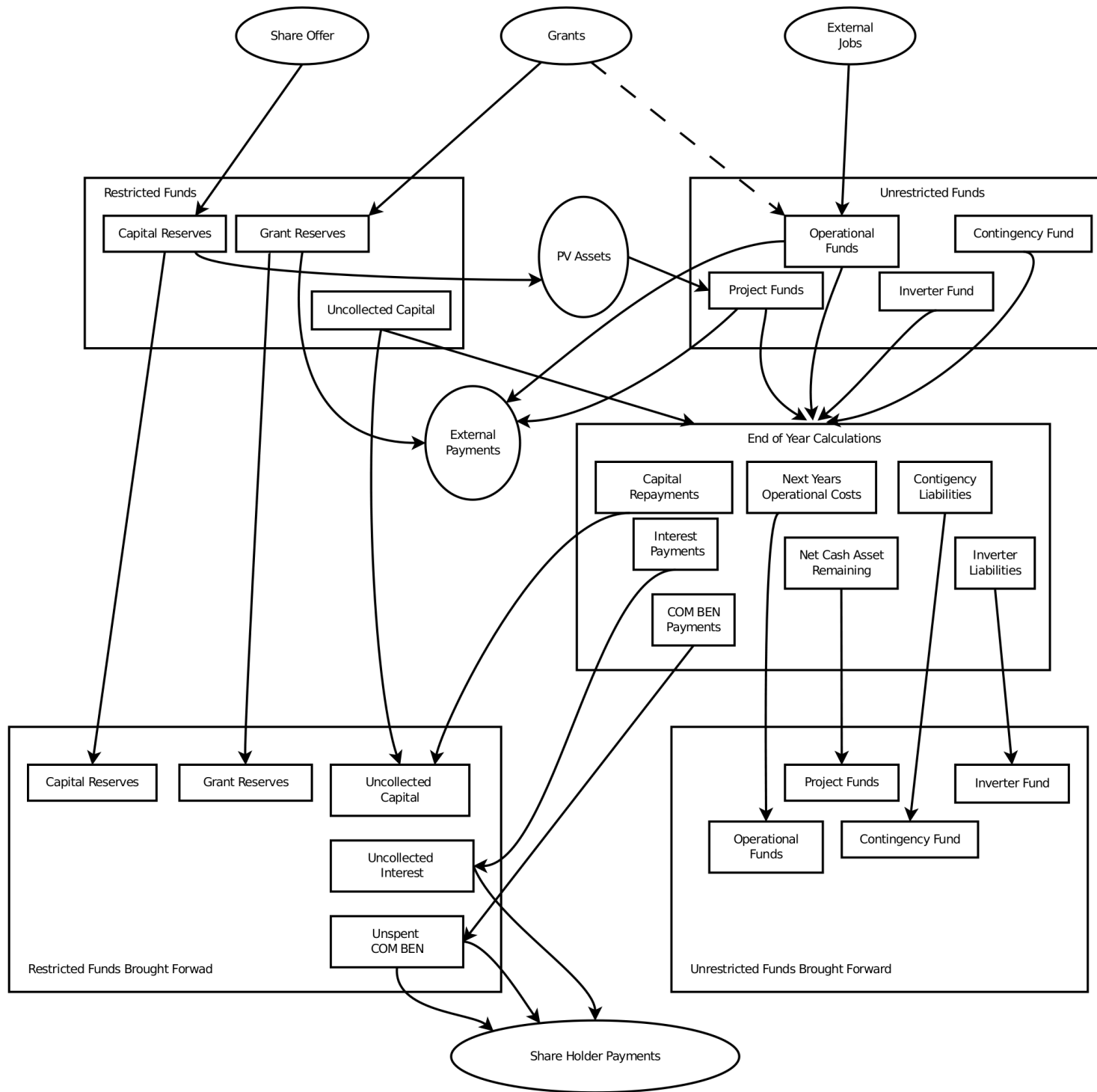
- Reserves
 - Inverter Replacement Funds
 - Operational Reserves
 - Contingencies
- Revenue from
 - Electricity Generation
 - Fees for external activities

Restricted Funds:

- Unspent Raised Capital
- Allocated Grant Money
- Uncollected Capital Repayments
- Uncollected Interest Payments
- Unspent Community Benefit Fund

Priority of Payments and End of Year Process

- 1) Operate and maintain the PV schemes,
 - 2) Repay loans and pay interest on loans (and pay tax),
 - 3) Maintain our reserves,
 - 4) Set aside funds to repay share holders who wish to 'cash in' their shares.
 - 5) The remaining funds will be split between Community Benefit fund and interest payments to shareholders. For every £2 we pay in interest we will aim to pay £1 into the CBF.
- 1) Calculate the total unrestricted funds
 - 2) Calculate the total funds we require to operate over the next year
 - 3) Calculate the total payments to investors and CBF
 - 4) Check that the total unrestricted funds exceeds the liabilities plus the payments to investors
 - 5) Convert the payments to investors into restricted funds in anticipation of payment
 - 6) Calculate the balances brought forward in the unrestricted funds



End of Year Cash Assets

a) Project:	£26,781
b) Unrestricted:	£2,762
c) Restricted:	£1,468
d) Reserves:	£9,800
e) Unspent Capital:	£47,007
ei) Un-Collected capital	£2,750
eii) Community Benefit Fund	£0
eiii) Uncollected Interest Payments	£488
<u>Total Unrestricted Cash Assets:</u>	<u>£39,343</u>

Ongoing Liabilities

g) Yearly operation of Sheffield Renewables: £3,800

h) Emergency maintenance: £1,000

i) Inverter fund ($9 * 8,000 / 10$): £7,200

j) Membership Management Cost £4,000

Total Liabilities (Reserves Required) £16,000

Available assets to pay shareholders = 39,343-16,000

Net Total Unrestricted Available Assets: £23,343



Calculation of Capital Repayment and Interest

A) Total Invested Capital:	£284,033
Ai) Shares not yet liable for interest (B-Shares)	£72,380
B) Investors Waiving Interest:	£21,367
C) Non-converted capital :	£2,750
D) Capital subject to interest payments (A-Ai-B-C):	£189,036
E) Capital subject to COM BEN payments (A-Ai-C) :	£210,403
F) Capital Repayment:	£14,583

NOTE: Repayments in year 1 maximised, whilst still allowing 3% interest payment

G) Interest at 3% of subject capital (D/100*3):	£5,626
H) CBF at 1.5% of subject capital (E/100*1.5):	£3,134

I) Total payments (F+G+H): **£23,343**

J) Net excess at the end of year (i-I) **£0**

Agreement of Proposed End of Year Process

- Capital Repayment
 - £14,100,583
- Interest Payment
 - £5,626
- Community Benefit Payment
 - £3,134

Community Benefit Fund Proposal



Community Benefit Fund

The Community Benefit Fund (CBF) is designed to use revenues to support local environmental initiatives.

We particularly wish to support projects that can achieve a social benefit whilst helping the environment, for example by addressing fuel poverty.

However the decision for its use is down to the membership



Community Benefit 2015-16

- Last year we spent £3,252 through the CBF
 - £3,000 to South Yorkshire Energy Centre
 - £252 to SolarAid
-
- It was proposed by a member (and agreed) that we continue to aim towards a split between supporting overseas development projects and local projects.



Last Years CBF

- SolarAid
 - We funded 63 solar lamps
 - SolarAid also sent us an example of the lights that they use
 -



Last Years CBF

107 households received in-depth, supported advice on energy efficiency ranging from saving and switching on energy bills to how to make their homes warmer.

29 households switched to new, cheaper suppliers and tariffs saving a collective total of £6,825 a year.

11 households were identified as eligible for unclaimed Warm Home Discount totalling £1,540 a year.

10 households were new registrations to the Priority Services Register enabling them to access extra support from their energy suppliers.

40 households received energy efficiency small measures. We installed 119 measures in total including door brushes, insulating tape, draught excluders, radiator foil and issuing free energy saving light bulbs. The potential savings for the draught-proofing measures is £1,920 a year in total.

5 households were supported with fuel debt advice. For 4 of these cases, we agreed and set up instalments plans to pay back the debt owed in manageable amounts. 1 household was referred to Sheffield CAB for help with a Trust Fund application for a fuel debt of £750 on prepayment meters which was preventing them from switching.

2 households were given emergency top-up money of £40 so that they could get their energy supply back on.

3 households were referred to other support services including benefits and debt application advice with the Citizens Advice Bureau (CAB); housing support with Shelter and Sheffield City Council; reduced water tariffs with Yorkshire Water.

Proposal from the Board

1) Split the CBF

- 1) £2,800 to support local projects
- 2) £334 to overseas projects

Proposal from the Board

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2) Local projects we could support

- SYEC or
- Trussel Trust - Energy Signposting

3) Overseas projects

- SolarAid or
- Trine

South Yorkshire Energy Centre

- Sheffield Council says (2015) an estimated 34,000 households – out of 230,000 in Sheffield – are living in fuel poverty where they have to make decisions between keeping warm or eating regularly.
- South Yorkshire Energy Centre works with vulnerable and at risk people to help reduce their fuel bills and energy use.
- Shelly McDonald, centre manager, said: “We provide people with really practical advice and support to help them get their energy bills down and make them more affordable. “Small changes at home can make a huge difference to people’s bills and wellbeing.”
- The Centre is the only not-for-profit, energy efficiency demonstration centre in South Yorkshire.



Trussell Trust – Energy Signposting

There is a huge amount of information out there about how to save money on your energy bills, as well as many different schemes designed to help people in fuel poverty, but this can be confusing and difficult to understand. We aim to make this information more accessible and help people get the support they're entitled to

How does it work?

Volunteers sit with a client while their food package is prepared and discuss the support they might need. If they mention problems with fuel debt and are struggling to pay bills, they may be in need of help to solve these issues.

The topics covered include...

- Energy efficiency tips and information
- How to read an energy bill
- How to read your meters
- Where to look if you want to switch supplier
- How to apply for grants to alleviate fuel debt or receive energy efficient white goods





SolarAid

- The problem

598 million people in Africa alone have no access to electricity. Without electricity families have no clean source of light, leaving millions to rely on expensive and dangerous alternatives such as homemade kerosene lamps. These lamps are a poor source of light; they emit toxic black smoke, eat up to 15% of a family's income and are extremely hazardous.

- The solution

With a solar light, everything changes. These little lamps are safe, clean and affordable. They give off hours of light in the evening so families can earn, learn and feel safe after dark. Just one lamp can transform the fortunes of an entire family and is the first step on an energy ladder to full electrification.

- Our donation would

- Fund 83 Solar Lamps
- Save £13,576 by the families using the lamps
- 83,474 Extra hours of child study time
- Save 88.1 tonnes of CO2 emissions





Trine

TRINE

- Swedish crowdfunding platform TRINE, launched in February 2015, connects people with projects in Africa, enabling individuals to invest in solar energy.
 - To date they have raised €3,746,767 for projects
 - Returned €285,185
- Their current campaign is to fund: BBOX, Kenya
- BBOX will be the largest crowd-investment initiative in off-grid solar to date.
- 51,500 people provided with electricity
- 14,461 tons CO2 will be avoided
- 10,300 solar systems will be installed

This would be an investment not a donation



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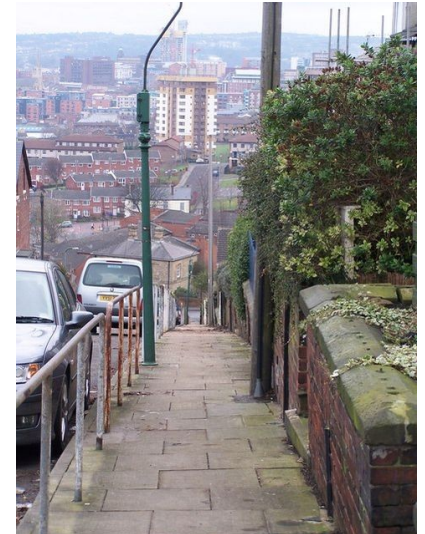
- SolarAid or
- Trine

Membership

Future Directions

Our Future Plans

- Half a MegaWatt of community owned renewable energy in Sheffield
- Continue to grow and develop the organisation
- Increase the community value of our renewable energy projects
- Support more communities with projects and through the Community Benefit Fund
- Commercial Properties



Future Developments

- **Discussions with S. Yorkshire Police over potential site development in 2019**
- **Discussions with student accommodation landlord**
- **Project with Royal College of GP's over solar schemes on Sheffield surgeries (currently in discussion with 3 surgeries)**