



Southill Community Energy  
The Pump House, Coton Hill  
Shrewsbury SY1 2DP

18<sup>th</sup> January 2019

Dear Members,

You ought to have already received the notification for this year's Annual General Meeting. Doors will open at 7.30pm, and the AGM will start at 8pm on Thursday 7<sup>th</sup> February 2019 at the Memorial Hall, Brown's Lane, Charlbury OX7 3QW.

Please find below and enclosed with this letter the formal papers for that meeting.

If you are unable to attend, please use the proxy form and return by email to [agms@shareenergy.coop](mailto:agms@shareenergy.coop) or Southill Community Energy, c/o Shareenergy, The Pump House, Shrewsbury, SY1 2DP by 9am on 6<sup>th</sup> February 2018 to ensure your vote can be included.

We hope to see you at the AGM.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jon Hallé', is written in a cursive style.

Jon Hallé

Company Secretary

On Behalf of the Board

Encs:

AGM Notice & Director biographies; Chairs' Report; 2018 AGM Minutes

Attached:

Financial statements to September 2018; AGM Proxy Voting Form

# **SOUTHILL COMMUNITY ENERGY LTD**

## **NOTICE OF ANNUAL GENERAL MEETING**

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TO BE HELD ON 7 FEBRUARY 2019

NOTICE is given that the Annual General Meeting of Members will be held at 8pm (doors open at 7.30pm) on Thursday 7<sup>th</sup> February 2019 at the Memorial Hall, Brown's Lane, Charlbury OX7 3QW, for the following purposes:

### **AGENDA**

- A. Welcome and introductions
- B. Declarations of Interest
- C. Reports from directors
- D. Questions and Answers to Directors
  
- D. Formal business of AGM
  - 1. To agree the minutes from the last meeting
  - 2. To receive and adopt the Report of the Directors, the Annual Accounts and the Auditor's report for the year ended 30<sup>th</sup> September 2018
  - 3. To make a share interest payment to members of 3%
  - 4. To re- elect Tom Johnstone as a Director of the Society
  - 5. To re-elect Chris Barras as a Director of the Society
  - 6. To re-appoint Third Sector Accountancy as Auditors for this year
  - 7. Any Other Business

By order of the Board

Jon Hallé

Secretary

18<sup>th</sup> January 2019

Registered Office:

The Pump House

Coton Hill

Shrewsbury, SY1 2DP

# SOUTHILL COMMUNITY ENERGY LTD

## CHAIR'S REPORT

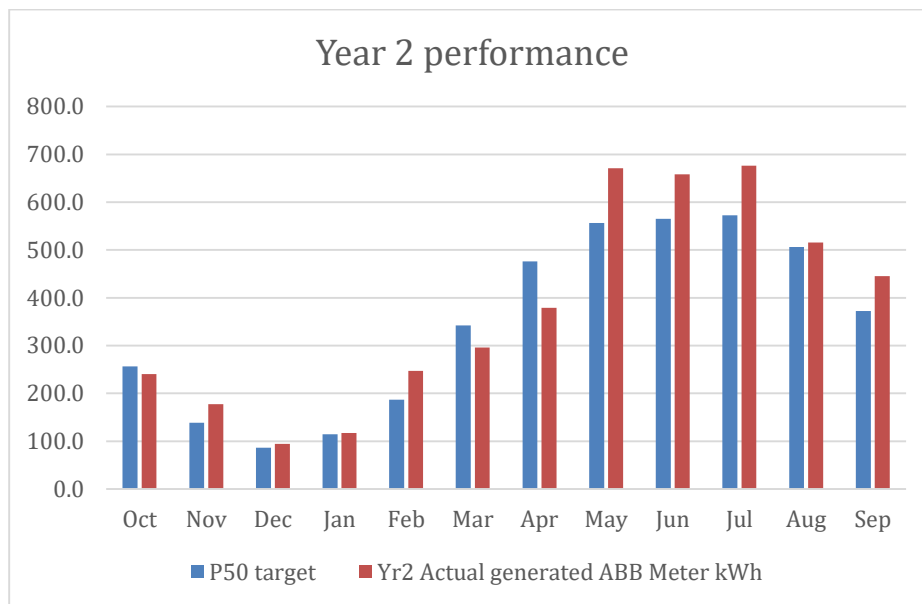
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I don't know how many of you take the train to Oxford or London, and take a few moments to check on the solar farm. It always pleases me to see it – come rain or shine – because we know that our community worked hard to deliver a really meaningful project that is making a difference to our climate change emissions. Even with a covering of snow – see pic below – those panels were generating!



### Performance

In our first full year of operation, we were fortunate enough to enjoy a remarkable summer which gave our generation a fantastic boost. The site exceeded the estimates of likely generation used to forecast our financial performance, producing 4517 MWh of solar electricity, saving 1,279 tonnes of carbon dioxide.



Income in excess of £0.5m was received through sales to Coop Energy and from the combination of financial support for which we are eligible for providing renewable energy and for being embedded in the local grid.

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Since being commissioned, the solar farm has generated sufficient income to cover its running and financing costs and is operating cash positive. However, Renewable Obligation Certificate income is paid three months in arrears meaning that, although generation levels were high, there were still cash flow issues related to paying off our highest cost initial loan from Resonance.

The cash flow issues were resolved by the issuing of the Bond Offer in the early part of 2018. The target of £350,000 was met ahead of the formal closure date, and bonds were issued on 1 May 2018. The first interest payments at 3.5% will be made on 1 May 2019.

The accounts show a modest surplus following the loss made in the previous year. Once the member interest payment is made this will translate to a small loss. There are two reasons that surplus is a little lower than expected.

The first is that this is the first year in which the society must meet its obligation to provide community benefit of £10,000 to the Cotswolds Conservation Board under our planning obligations.

The second is due to the high cost of our continuing loan repayments. Directors have therefore decided to use surplus cash to start paying off our higher cost or conditional loans. This means that we will be able to move to profitable operation sooner.

### **Landscape management**

Under the continuing management of **Wychwood Biodiversity**, the main activities of the 2018 land management plan were undertaken, with some changes and some additions, as summarised below.

#### **Boundaries**

In January, the hedgerow along the roadside was cut in order to keep it within the 3m height specified by planning conditions. However, just one side was cut in order to maintain fruiting bodies as food for birds through the winter.

We had long been concerned about the gaps in the hedgerow along the roadside which allowed easy access to Southill from the lay-by. After several episodes of fly-tipping, in April we asked the Wychwood Project to build post and rail fencing in the main gaps. Some of the whips planted to fill the hedge gaps had died, so we formed a work party of volunteers to replace all the dead whips and clear the area around the whips (photo 1). We also cleared the site entrance of thistle and dock and sowed some small areas of wild flowers.

The field margins continued to thicken up, but several areas showed a flush of annual weeds, so sections of these were cut with a tractor mower to promote the wild flowers. By early summer, the margins were tall with wild flowers (photo 2).

Weed control remained a central activity throughout 2018, especially in the north meadow which had yet to be sown with wild flowers and grasses. In this area, volunteers from Charlbury, led by Anne Miller, removed ragwort and thistles throughout the growing season. This area was cultivated by Rob Hobill of Ditchley and fine grasses were sown in September.

The south meadow, which was seeded in September 2017, developed into a wonderful display of wild flowers, including cornflower, corn cockle, corn marigold and of course the common poppy (photo 3).

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The meadow was topped and partially baled in Autumn to remove the thatch. In future years we hope to bale the entire meadow area and remove the bales for cattle fodder.

With our partner Cotswold Seeds, we selected a new wild birdseed mix for the southern end of the site. This mix established well and by late summer this area was thick with sunflowers and other seed-rich crops (photo 4). These were stripped clean by flocks of wintering birds, and – we suspect – deer from Cornbury, such that by January just stalks remained.

Through the summer we undertook annual breeding and wintering bird surveys and botany and invertebrate surveys using our standard methods. These surveys highlight how the botany and invertebrate life on site is increasing each year, and the bird diversity remains very high. More detailed survey results will be shared at the AGM.

**Photo 1. Volunteers replant hedge whips and tidy up the entrance area.**



**Photo 3. South meadow**



### The beehives

We were thrilled to have been awarded a grant by our insurers, Natursave, for two more thermosolar beehives. These will sit alongside the original 'UK's first' Thermosolar beehive donated by our lovely

**Photo 2. Wild flowers in the field margins.**



**Photo 4. Wild bird seed mix in September**



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beekeeper, Tom Worsley. And each one of them painted a delicious shade of blue – the bees' favourite colour.

Where there are beehives, there are bees. And where there are bees, there is honey. Those attending the 2019 AGM may be lucky enough to go home with one of our first 30 jars! Apparently our hives have higher yields compared to standard hives on other sites.

### **Community benefit**

In these first few years we have an obligation under our s106 agreement to help fund energy-efficiency improvements to the new community centre in Charlbury and then also to assist the Corner House in Charlbury with a retrofit programme of energy-efficient building improvements. We will also be making annual contributions to the Cotswold Conservation Board that will be utilised within its own landscaping management plans.

We were delighted in only the second year of operation to be able to make a grant of £68k to the Thomas Gifford Trust to cover the cost of making the new community centre a more energy-efficient building. This is a wonderful example of how the surpluses from a community owned renewable energy project can be recycled into other low-energy community initiatives.

### **Sustainable Charlbury**

We expect to be able to build up a community benefit fund over the next few years, certainly once our s106 obligations allow us to, which will then become available for other low-carbon and energy efficient initiatives to apply into. To this end, Sustainable Charlbury has been converted from a Community Interest Company to a charity so that Southill Community Energy can transfer funds without being subject to tax. Take a look at the new Sustainable Charlbury website to see the activities it has launched recently.

Each year, the charity will be required to submit a business plan for the following year's activities to Southill Community Energy, and that West Oxfordshire District Council will also see it. Sustainable Charlbury will develop its own activities, as well as providing grants to other organizations with aligned objectives.

### **Showing visitors around**

We have also very pleased to be able to host educational visits to the site, to share learning more about how community-owned renewable projects work and the benefits they bring to reducing carbon and improving biodiversity.

We were delighted to welcome back to the site for their second visits both the MSc students from the Environmental Change Institute, University of Oxford, and the pupils from the Lycée Eugene Livet school in Nantes. This is becoming an annual event as they will both have visited again in January and February this year.

We also welcomed the North Oxford Organic Gardeners to the site. Our resident ecologist, Guy Parker, who is responsible for all our landscaping plans, very kindly showed the group around the site,

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explaining the particular methodology we are using to remove weeds and re-sow with native grasses and wildflower.

We are now planning to record the Sustainable Charlbury/ Southill story so that more people can join the team to share it with visitors. So if you would like to join our 'visitor team', please get in touch.

### **Member Share Interest**

The business continues to be adequately funded and being cash positive can continue to meet its obligations to funders, members and community benefit. The Board is comfortable that the business is a going concern. On that basis, it is proposing to make an interest payment to members.

The Board has decided to recommend a 3% share interest payment to members this year. We are on track to meet the 5% average interest projected in the Share Offer Document over the project period, with lower interest payments in early years compensated by higher payments in later years when our loans are paid off.



# SOUTHILL COMMUNITY ENERGY LTD

## NOMINATIONS TO THE BOARD

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The Rules of the Society state that there must be a minimum of three Board Members. There is no maximum. The Rules require one third of the Board Members to retire each year in rotation (they may seek re-election if they wish). Tom Johnstone and Chris Barras will be stepping down and will stand for re-election.

### **Retiring Directors Seeking Re-election**

#### **Tom Johnstone, Director**

Tom Johnstone is a CIMA qualified accountant with over 35 years' experience working in industry in various different sectors. Over that time, he has been able to gain a wide range of accountancy experience from day to day running of business, acquisitions and disposals, financing and refinancing of business. Though not having any direct experience in renewable energy, Tom is a member of Southill Community Energy and has a personal interest in solar energy. Tom became involved in the project and was nominated as a director in September of 2016. Tom has found that the skills gained in the commercial world have transferred across into the renewable energy sector and should continue to do so as the project develops.

#### **Chris Barras, Director**

I have been a Charlbury resident for 24 years. I am 53 years of age. I am a British national and am divorced with two adult children.

I am keen to remain the board of Southill Community Energy and feel that my practical experience of dealing with the legal issues that can arise in developing and operating renewable energy projects may be of use to the society.

I qualified as a solicitor in 1991 and am a member of the Law Society with a valid practising certificate. I have over 20 years of continuous employment with a large multi-national utility company now known as Innogy (part of the RWE Group). I have worked in renewables division for 14 years and am head of Innogy Renewables' legal team in the UK. My main focus of work is the development and operation of onshore and offshore wind farms and hydro-electric schemes.



# SOUTHILL COMMUNITY ENERGY LTD

## MINUTES OF ANNUAL GENERAL MEETING

HELD ON 22 FEBRUARY 2018

The Annual General Meeting of members was held on Thursday 22<sup>nd</sup> February 2018 at 20.00 at The Memorial Hall, Brown's Lane, Charlbury, OX7 3QW.

**Members Attending:** Marcus Davies, Hilary Stacey, Geoffrey Walton, Elizabeth Walton, Bob Douglas, Linda Mowat, Irene Crisp, Helen Bessemer Clark, Joan Belshaw, Steve Cavell, Rosie Pearson, Geoffrey Starchan, Roger Naumann, Christine Brinel, Paul Brinel, Tony Hirtenstein, Elizabeth Blount, Marion Coates, Tim Crisp, Tom Johnstone, Chris Barras, Rick Slark, Liz Reason, Als Parker, Kersti Worsley, Tom Worsley, Paul Betteridge, Naomi Bowen, Peter Kenrick, Frances Short, Annemarie Taylor, Declan O'Hara, Christine Elliott, Kathy Broughton, Richard Lewis, Eric Windsor, Nicholas Way, Meryl Smith, Rosaline Scott, Roy Scott, Matthew Kapinski, Dan Raymond Barker, Janet Sly, Malcolm Blackmore, Anne Miller. Shahrin Bekhradnia.

Attendance was 45. 11 proxy voting forms were received. The quorum is 37 and the meeting was therefore quorate.

**Apologies were received from:** Heather Leonard, Liz Leffman, Chris Tatton, Kathrin Luddecke, Richard Broughton, Alan Barlow, Hugh Brodie, Anna Wigley, James Holah, Peter Watson, David Cannell, Brigid Avison, Elaine Newbold, Kay Colyer, Katherine Fleet, Mike Harper, William Marshall, Elizabeth Poskitt, Mary Cross and Trevor Cross.

Motion	Proposer	Seconder	Motion Carried
8. To agree the minutes from the last meeting	Rosalind Scott	Eric Windsor	Y
9. To receive and adopt the Report of the Directors, the Annual Accounts and the Auditor's report for the year ended 30th September 2017	Kathy Broughton	Tom Johnstone	Y
10. To re- elect Tim Crisp as a Director of the Society	Hilary Stacey	Nick Way	Y
11. To re-elect Liz Reason as a Director of the Society	Helen Bessemer Clark	Peter Kenrick	Y
12. To re-appoint Third Sector Accountancy as Auditors for this year	Diane Miller	Meryl Smith	Y

The members wished to thank the Board for their hard work over the year. The members and Board extended particular thanks to Als Parker for her outstanding contribution to the Society.

By order of the Board,



Jon Halle, Company Secretary, 23 February 2018