HEART OF ENGLAND COMMUNITY ENERGY

AGM 2026

Wednesday 24th June | 19:30 – 20:30

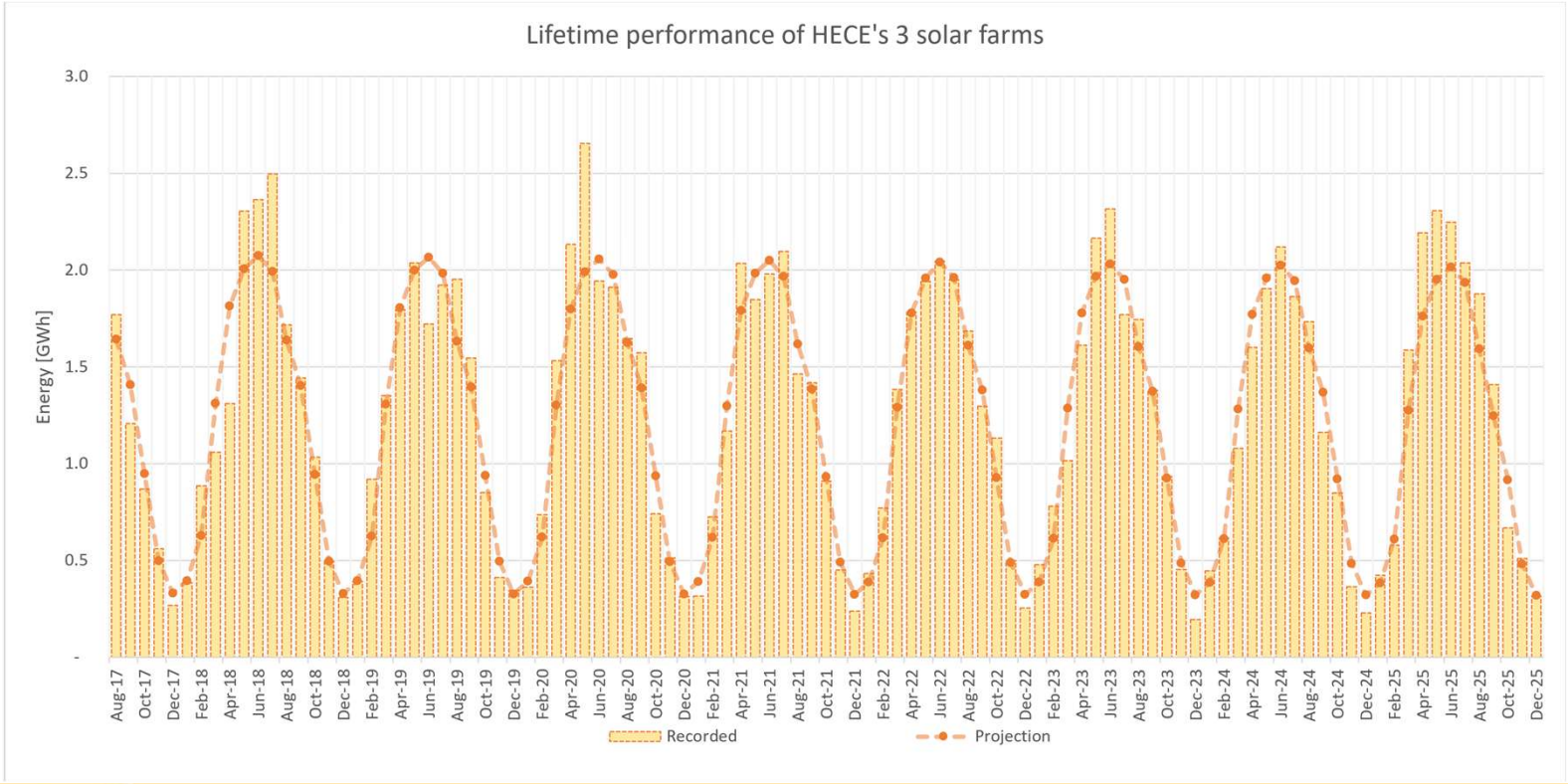
Heart of England
Community Energy

Agenda

1. Welcome
2. Heart of England Community Energy update:
    - *a. Performance of our solar farms*
    - *b. Financial projections*
    - *c. Payment of share and bond interest*
    - *d. Community projects supported*
    - *e. Solar Soft Loans Scheme*
3. Resolutions/ Extraordinary Resolutions:
    - *a. To present Heart of England Community Energy accounts for the year ending 31st December 2025.*
    - *b. To elect the board of directors*
4. AOB
5. Close



Performance – lifetime



<u>Summary of Key Information</u>

- 2.70% up on long-term projections
- 126 GWh generated
- Approximately 24,189 tonnes of CO^2 emissions avoided.*

**Calculated by offsetting the averaged annual grid carbon intensity figures produced [the National Grid](#).*

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Performance – 2025

Summary

In 2025 generation came in 11.5% above P50 projections, this was due to reliable site performance, during the sunniest year in the UK since met office records began in 1910.

		Generation versus Projections			
Year	Irraditation*	Leys	Poplars	Willows	Total
2018	**5.0%**	5.2%	5.3%	4.9%	5.1%
2019	**0.7%**	1.8%	1.9%	1.9%	1.9%
2020	**6.6%**	7.7%	7.4%	8.0%	7.7%
2021	**-1.6%**	-0.7%	-2.1%	-1.3%	-1.4%
2022	**7.0%**	3.7%	0.7%	4.1%	2.8%
2023	**0.0%**	0.8%	-0.2%	1.8%	0.7%
2024	**-5.8%**	-5.2%	-4.3%	-4.8%	-4.8%
2025	**8.2%**	12.3%	11.0%	11.0%	11.5%

** Irradiance based off Willows data for 2018-2021, Poplars 2022-2023, HECE Average 2024-2025*

Operational Items

The inverters on site are no longer manufactured or sold, as Huawei has withdrawn from the UK market and no warranty extensions are available.

To secure a reliable supply of like-for-like replacements, 35 Huawei inverters (*which were still in stock*) of a similar capacity were pro actively purchased. These will be reconfigured to match the output of the existing units and installed in September, along with an application to amend OFGEM and DNO accreditation.

The units removed during installation will become the working spares, which can be swapped in as like-for-like replacements without further regulatory sign-off.

This builds a working spares reserve that protects the long-term reliability of a key component on site.



Financial Projections



Historic funds allocated to community spend

Year	Opening balance	Community funds allocated	Community fund expenditure from HECE	Closing balance
2019	£0	£30,000	-£18,782	£11,218
2020	£11,218	£30,000	-£23,646	£17,572
2021	£17,572	£30,000	-£13,379	£34,193
2022	£34,193	£45,900	-£43,129	£36,964
2023	£36,964	£120,000	-£123,753	£33,212
2024	£33,212	£151,303	-£74,991	£109,525
2025	£109,525	£1,457,460	-£184,121	£1,382,863
Total		**£1,864,663**	**-£481,800**	

From the 2019 refinance up to the end of the 2024 financial year £1.86m has been allocated to community expenditure and £481,800 of that allocation spent.

HECE Group projected surplus cash generation

Year	Cash available for community funds and new projects
2025 unspent balance	£1,382,863
2026	£852,000
2027	£138,840
2028	£113,840
2029	£188,840
2030	£163,840
2031	£138,840
2032	£178,840
2033	£178,840
2034	£313,840
2035	£963,840
2036	£1,088,840
Total to end subsidy term	**£5,288,307**

This table shows the surpluses projected to be generated by the group after operating and finance costs each year through to 2036, when the solar farm subsidies expire.

Community Impact

HECE's **Community Benefit Fund** supports local organisations working to alleviate poverty, hardship, and social deprivation. . . from foodbanks and dementia cafés to mental health services and community hubs.

The **Carbon Reduction Fund** helps community groups and local organisations install solar panels and other low-carbon measures, cutting their energy bills and emissions.









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New projects funded, ongoing projects delivered over the last 12 months

Act on Energy

£35,000 (2024- December 2025)

- Supported 67 vulnerable households with fuel payment credits, prepayment meter vouchers, and energy debt assistance.
- Provided practical energy-saving measures - heated blankets and radiator reflector packs to cut bills long-term.
- Follows £26,000 crisis funding (2023/24) and the £70,000 Complex Caseworker initiative (2022-24).

Stratford Samaritans

£18,950 (2026)

- Funds a third of staff costs for Tyler House Community Hub supporting 1,000+ people/month across 30+ organisations.
- Sustains 17,000+ annual listening hours from 120 volunteers and outreach to 3,000 people across South Warwickshire.

Warwickshire Reminiscence Action Project

£3,000 (2025-2026)

- Funded the weekly WRAP café, LAALO programme, and Memory Box Loan scheme for people living with dementia and their carers.
- Members rebuild confidence through peer support; bereaved carers return to play an active role in the community.

1st Harbury Scouts

£10,618 (Carbon Reduction Fund)

- Solar PV installation on the scout hut, reducing carbon emissions and energy costs.
- Meets HECE's Carbon Reduction Fund criteria; final amount subject to revised installer quote.

New projects funded, ongoing projects delivered over the last 12 months

Stratford-upon-Avon Foodbank

£320,000 (2024-27)

Reporting from December 2025 to 30 April 2026

- Expanded across 4 satellite locations, running 105 sessions and distributing 2,071 parcels in just 5 months 23.5 tonnes of food to 1,414 adults and 657 children.
- Seven partner organisations deliver wraparound support at satellites; 98 direct referrals made to energy, housing, and mental health services.

SolarAid

£20,000 (2024-25)

- Empowered 432 women across 17 Mayi Wala groups to become solar entrepreneurs in rural Malawi, reaching 3,928 people with clean energy.
- Supported the Kasakula community to achieve 100% energy access across all 8,813 homes via the Energy-as-a-Service model.

Stour Health and Wellbeing Partnership

£10,000 per year for 3 years (2025-28)

- Volunteer-led charity with 40+ partners supporting 400 beneficiaries/week through free activities, a Community Warm Hub, and 17+ sessions per week across Shipston and surrounding villages.
- 'Growing the Future' funding enables the first paid staff, a Charity Manager and two Community Builders - to sustain growth and lead SHWP's role in the new Shipston Health and Wellbeing Hub.

Norton Lindsey Community Pub

£5,000 - 2026

- Funding the shortfall for a solar installation on the New Inn Pub a community-owned village asset of community value, following the cosure of the former pub on the site.
- Reduces energy costs and carbon footprint, supporting the pub's long-term viability.

Member payments

Members / shareholders

- Target interest 6%
- Board has approved 8th year's interest at 6% (to end Dec '25) to be paid by 31st July 2026.

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Formal AGM Business

a. To present Heart of England Community Energy accounts for the year ending 31st December 2025.

b. To re-elect retiring directors.

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Consolidated Group Accounts

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	*2024 £*
Turnover		**4,044,681**	*2,201,580*
Gross profit		**4,044,681**	*2,201,580*
Administrative expenses		**(1,222,506)**	*(1,148,844)*
Community fund		**(367,589)**	*(74,991)*
Operating profit		**2,454,586**	*977,745*
Interest receivable and similar income		**979**	*1,076*
Interest payable and similar expenses		**(448,086)**	*(475,947)*
Profit before taxation		**2,007,479**	*502,874*
Tax on profit		**(440,032)**	*(66,745)*
Profit for the financial year		**1,567,447**	*436,129*
Total comprehensive income for the year		**1,567,447**	*436,129*
Profit for the year attributable to:			
Owners of the Parent Company		**1,567,447**	*436,129*
		1,567,447	*436,129*

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note		2025 £		2024 £
Fixed assets					
Intangible assets	5		**334,739**		*354,924*
Tangible assets	6		**9,255,467**		*9,856,256*
			9,590,206		*10,211,180*
Current assets					
Debtors: amounts falling due within one year	8	**248,258**		*523,343*	
Cash at bank and in hand		**2,529,111**		*1,295,348*	
		2,777,369		*1,818,691*	
Creditors: amounts falling due within one year	9	**(1,307,390)**		*(1,040,890)*	
Net current assets			**1,469,979**		*777,801*
Total assets less current liabilities			**11,060,185**		*10,988,981*
Creditors: amounts falling due after more than one year	10		**(9,369,185)**		*(10,952,984)*
Provisions for liabilities					
Deferred taxation	12	**(90,554)**		-	
			(90,554)		-
Net assets excluding pension asset			**1,600,446**		*35,997*
Net assets			**1,600,446**		*35,997*
Capital and reserves					
Called up share capital			**262,503**		*265,501*
Capital redemption reserve			**4,500**		*1,500*
Profit and loss account			**1,333,443**		*(231,004)*
Equity attributable to owners of the Parent Company			**1,600,446**		*35,997*
			1,600,446		*35,997*

HECE Accounts commentary

- Energy production by the solar farms was 11% above the expected long-term average.
- The solar farms also benefitted from high power prices secured during the 2022 energy crisis making 2025 an exceptional year for the group, with **income £1.8m higher than 2024**.
- Operating costs excluding community expenditure increased by £74,000 on the previous year due to inflationary increases on services contracts, an increase in business rates and the release of capitalised fundraising costs associated with the community bonds following their repayment.
- The financial plan for the year included the increased power prices for electricity sold, but due to the strong technical performance of the sites and an abundance of sunshine, **revenue was £583,000 over the plan.**
- Net profit in 2025 was c. £600,000 ahead of the projection for the year.
- Borrowing reduced in the year to £10.26m from £11.78m in 2023.
- **Community benefit expenditure increased to £368,000** in 2025.
- **Revenue projections for 2026 are reduced to £2.3m, closer to the 2024 value of £2.2m.**

HECE board of directors

John Stott (Chair)
Susan Juned
Tony Guy
Dave Passingham
Eric Appleton
Rebecca Hampson
Paul Fairburn

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Election of directors

Two HECE directors are stepping down and standing for re-election:

- Tony Guy
- Paul Fairburn

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Thank you

For regular updates please keep an eye on:

www.hecommunityenergy.org/news

Heart of England Community Energy

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@Heart of England Community Energy

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Heart of England Community Energy Limited

- Regulated by the FCA and Co-operatives and Community Benefit Societies Act.
- Governed by board of local volunteer directors.
- Operates for the benefit of the communities of the Heart of England region. We generate low carbon electricity to earn surplus income to support local community projects.
- Shareholders are one member one vote, regardless of number of shares.
- Managed by Communities for Renewables CIC (CfR)

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HECE Structure

