

Heart of England Community Energy Limited (HECE)

Minutes of the 2022 Annual General Meeting

The third Annual General Meeting of Heart of England Community Energy Ltd was held on Tuesday 28th June 2022 at 19:00 via Zoom online webinar. 9 shareholders and 13 bondholders attended the meeting.

Please see the AGM presentation for further details on the points in the minutes below.

Minutes

1. John Stott (Chair) welcomed the members and guests.
2. John Stott (Chair) gave an update on:
 - a. Performance of solar farms,
 - b. Other operational issues, including;
 - i. Winter HV Maintenance
 - ii. Wildlife/Wildflower Signage
 - c. Completion of long-term refinance and financial projections
 - d. Payment of full 5% bond interest which was made on 30th April 2022.
 - e. Plan to pay full 6% share interest on the 31st July 2022.
 - f. Community projects supported by HECE.
 - i. Citizens Advice South Warwickshire: *£8,400 in funding granted.*
 - ii. Solar Aid Africa: *£2,500 in funding granted.*
 - iii. Act on Energy: *Funding for £36,836 per year, beginning in 2022.*
 - iv. Stratford upon Avon Foodbank: *£1729.79 in funding granted.*
3. John Stott (Chair) then presented the following financial information:
 - a. A comparison of how the long-term cashflow projections for the Heart of England group of companies have changed due to:
 - i. November 2021: Launch of bond offer.
Projected community fund, £4.2 million
 - ii. February 2022: High value electricity sale contracts locked in for all the sites until 2025.
Projected community fund, £5.6 million
 - iii. May 2022: Inflation for subsidies in 2023 modelled at 7.5%. Bond capital projected to be repaid in full by 2026
Projected community fund, £6.6 million
 - b. That the group long-term refinance was completed in April 2022 through a retail bond offer which raised £750,000. The proceeds of this were used for the repayment of short-term bond capital and part of the SASC loan.
 - c. Heart of England Community Energy accounts for the year ending 31st December 2021.
4. John Stott (Chair) then presented the Formal AGM items:
 - a. Heart of England Community Energy accounts for the year ending 31st December 2021.
 - i. Consolidated statement of comprehensive income for the year ended 31st December 2021
 - ii. Consolidated balance sheet as of the 31st December 2021

1. Turnover increased in the previous year by £28,000 mainly due to average prices for power sales being higher. This meant turnover was £8,000 above the long-term average target.
 - b. Members present voted unanimously to re-elect both Susan Juned and Tony McNally to the board of directors.
 - c. Amendment to the rules of the society concerning the redemption of member share capital, this would ensure that share capital can be redeemed at the discretion of the board and in the absence of a request to do so from the members.
 - i. Members present voted unanimously in favour of this amendment to the Rules of the Society.
5. Guest speaker: Act on energy provided an update on the complex caseworker project funded by HECE.
6. Areas of other business
 - a. Member queried whether the rule change would mean that those requested by the board to have their capital re-paid would cease to be members. John Stott suggested that the board was open to offering members the option of retaining a £1 share so that they could remain an active member of the Society.
7. The meeting was closed.