Creating energy we can all feel good about

Low Carbon Hub Joint AGM
Wednesday 10 October 2018, St. Anne’s College, Oxford
**AGENDA**

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<td>Welcome and introductions – Sam Clarke, Chair</td>
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<td>Year in reflection – Barbara Hammond, CEO</td>
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<td>Accounts – Luke Marion, Treasurer</td>
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<td>Delivering Community Benefit – Nina Alphey</td>
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<td>Looking ahead - George Levvy</td>
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<td>Questions for Directors</td>
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<td>Annual General Meeting of Low Carbon Hub IPS Limited (see below)</td>
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Year in reflection
Growth in our potential to generate electricity

We’ve been increasing our potential to generate clean, green electricity every year.

- 3,326 KWH 2011/12
- 13,871 KWH 2012/13
- 136,871 KWH 2013/14
- 741,530 KWH 2014/15
- 1,311,800 KWH 2015/16
- 2,643,140 KWH 2016/17
- 4,187,039 KWH 2017/18
• 98% of modelled generation
• Revenue in line with financial projections
SANDFORD HYDRO
PEOPLE

Our Members

808 INVESTOR MEMBERS
Who help finance the upfront costs of our projects and whose investments bring energy into community ownership.

27 COMMUNITY SHAREHOLDERS
Low carbon community groups who share our aims and have a stake in us.
Our community

The wider community we serve, and the people who share an interest in our work.

- **Helpdesk Users**: 69 (↑ 9)
- **Facebook Followers**: 395 (↑ 78)
- **Twitter Followers**: 2,785 (↑ 510)
- **Newsletter Recipients**: 2,887 (↓ 66)
PROSPERITY

INTEREST TO INVESTORS

£3,639,591

SAVINGS ON ELECTRICITY BILLS BY HOSTS

£44,545

£114,388

£4,624,515

COMMUNITY BENEFIT INCOME

£100,000

£256,626

£2,379,771
PROSPERITY

2017/18
£198,923

£160,849 OxFutures grants and support
£12,061 Helpdesk service
£9,035 Community grants programme
£7,066 People’s Power Station
£3,190 Social enterprise grants
£3,051 Schools’ energy efficiency programme
£2,900 Community benefit management
£770 Eynsham GreenTEA grant
OXFUTURES - PEOPLE

6 PROJECT PARTNERS
have worked together to support

60 SMALL BUSINESSES

By providing practical support, energy saving and innovation grants.
• Turnover grew 87% this year and reached £494k

• In a going average year installations expected to produce income of c.£750k

• Income from FIT and Electricity sales indexes with inflation
• Fixed asset value rose to £7,185k this year (cost £7,676k, depreciation to date £491k) with Sandford Hydro completed and one further solar PV array added.

• Sandford asset completed at cost of £3,864k.

• Post year end 3 x solar PV arrays with book value £176k acquired through ONCORE ToE.
As at year end – total £7.69m capital

- Increased by £1.51m from PY
- Additional £0.65m share equity raised related to Sandford
- £0.60m medium term debt repaid
- £0.32m short term debt repaid and remainder refinanced
- Charity bank long term debt now fully drawn down and first repayment made (PY only £0.30m drawn down)
- Over £700k further equity will be added in 2018/19 through community energy fund – closing 31/10/18

How is the IPS funded?

- Equity share capital £4.10m
- Oxford City Council long term fish pass loan £0.1m
- Long term debt finance £1.98m
- Oxford City Council short term debt £1.31m
- Medium term debt finance £0.2m

Total £7.69m capital
OUR FUNDING POLICY

• Aim over time to eliminate all debt (other than Charity Bank debt in Sandford Hydro)
• New debt or bonds if required should be at less than 5%
• The debt:equity ratio should not be more than 50:50
Operating surplus doubled this year to £353k

In a going average year installations expected to produce cash surpluses of c.£540k

Surpluses used to pay interest to debt providers and investors and to fund community benefit

We record accounting losses due to depreciation on our installations – this is based on the accounting principle of businesses needing to replace assets
THE LOW CARBON HUB CIC

LUKE MARION, TREASURER
HOW IS THE CIC FUNDED?

- Project management fees for IPS projects
- O&M fees for IPS projects
- Community benefit donations from IPS surpluses
- Other grants and project related funding

Staff, office and project delivery costs (e.g. consultants)

Community benefit helpdesk & grants
CIC Financial Results 2017/18

**Turnover £352k**

- (28%)

**Costs £355k**

- (30%)

**Loss (£3k)**

- PY loss £20k

**£236k IPS project related, of which £20k deferred to 2018/19 (PY £432k). Project related income down due to phasing of construction activities**

**£123k Oxfutures ERDF income (PY nil)**

**£13k other grants (PY £59k)**

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**£13k other grants (PY £59k)**

**Project related costs down due to phasing of construction activities**

**Community benefit funding £199k (up from £155k in PY)**

- £161k Oxfutures
- Grants £9k
- Helpdesk £12k
- Peoples’ Power Station £7k

**Retained profit funds £124k at year end**
Community Benefit
To support low carbon community energy activity that:

- cuts Oxfordshire’s carbon footprint
- contributes to the creation of a decentralised and locally owned renewable energy system.
COMMUNITY BENEFIT SPEND

2017/18
£198,923

- £160,849: OxFutures grants and support
- £12,061: Helpdesk service
- £9,035: Community grants programme
- £7,066: People’s Power Station
- £3,190: Social enterprise grants
- £3,051: Schools’ energy efficiency programme
- £2,900: Community benefit management
- £770: Eynsham GreenTEA grant
COMMUNITY GRANTS PROGRAMME

"A great example of community actions groups working together to make a difference”

Alice, CAG Project Oxfordshire

We are delighted with the heaters, which have already contributed to the comfort of hall users!”

Celia, Sustainable Kirtlington
The audit really helped us think clearly and make the case for change & we were delighted to win the funding to make it all happen!”

- Linda Hull, Development Coordinator, The Abbey Sutton Courtenay
Looking Ahead
Looking ahead
Oxfordshire’s 2030 target

- Reduce GHG emissions by 50% by 2030 (from 2008 baseline of 5,700 ktCO₂)
- 58% of total electricity from low carbon sources 40% of heat
- 2,050 GWh generation per annum
- Majority limited to solar...
- Increase in capacity from 300 MW to 1900 MW, > 6 times
- ~145 MW of solar capacity per year.
- ~2.3 kW per person

1. Aether report for OxLEP
Slide courtesy of Scot Wheeler, Oxford University
Questions?
Annual General Meeting of Low Carbon Hub IPS Limited

Annual General Meeting of Low Carbon Hub CIC
Resolution 1 to approve the minutes for 2017/18
Resolution 2 to approve the accounts and the auditor’s report
Resolution 3 to approve Critchleys as auditors for the coming year
Resolution 4 to re-elect Steve Drummond as director
Resolution 5 to re-elect Tom Hoines as director
Resolution 6 to approve the special resolution to change the rules
ANNUAL GENERAL MEETING OF THE
LOW CARBON HUB CIC

Resolution 1 to approve the minutes for 2017/18.

Resolution 2 to appoint Critchleys as reporting accountants.
THANK YOU!

CHANGE STARTS WITH PEOPLE — IS THERE ENOUGH IN YOUR NETWORK?