LOW CARBON HUB
AT A GLANCE

**PLANET**

47 renewable energy installations*
Together they can:

- generate **4.36 GWh** green electricity a year
- power **1,465 typical homes**
- save **1,259 tonnes** of CO₂

**PEOPLE**

1,040 investor members who between them have invested £5.87 million to finance the costs of our projects and whose investments bring energy into community ownership

40 host organisations – the schools, businesses, and community organisations that host our energy projects

26 community shareholders – the low carbon community groups who share our aims and have a stake in us

**PROSPERITY**

£5.87M equity capital invested
£8.35M total capital expended on renewable energy installations

Our portfolio of renewable energy installations is anticipated to deliver the following benefits over their lifetime:

- £3.93M interest to investors
- £1.74M savings on electricity bills by hosts
- £2.59M community benefit income

**PERCEPTION**

We are committed to developing a sustainable energy system for community benefit. And our stakeholders agree...

99% believe we are committed to the creation of a low carbon, locally owned renewable energy system

97% trust our expertise around local, renewable energy and low carbon

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* Including IPS and CIC-owned installations.
Metrics calculated as of 31 March 2020 and reflect the combined work of The Low Carbon Hub IPS Limited and Low Carbon Hub CIC. Lifetime benefits are nominal values modelled over a 20-year project lifetime. Perception statistics based on 217 responses to the “How are we doing?” Low Carbon Hub stakeholder survey April 2020.
Dear Member

Welcome to our annual performance summary for the financial year 2019/20, covering the latest social, environmental, and financial performance of your investment in the Low Carbon Hub.

This year we’ve continued to grow our renewable energy portfolio, with 4 new rooftop solar installations at CTG (extending an existing array), Thames Travel, West Witney Primary School, and Langford Village Community School. These bring our total number of renewable energy generation installations to 47, and add 210 kW to our total installed capacity. We must continue to increase renewable generation if we are to meet our energy demands without relying on fossil fuels. We’ll be continuing to grow this portfolio over the next year, exploring potential ground mount solar sites as part of Project LEO (Local Energy Oxfordshire).

With these new additions we have generated a total of 3.8 GWh of green electricity this year. This represents over 1,000 tonnes of carbon emissions prevented.

As well as this increase in renewable energy generation, we have also seen growth in our ‘powering down’ activities to reduce energy demand. We’ve secured continued funding for Cosy Homes Oxfordshire, our home retrofit programme, and for OxFutures, a programme focused on boosting the low carbon economy in Oxfordshire. We continue our partnership with Ashden to deliver the LESS CO₂ sustainable schools programme, including offering a free energy audit to all local schools who register. We are also excited to be part of a new consortium aiming to de-risk energy efficiency work for SMEs (small and medium enterprises), which includes us creating a brand-new Energy Services Company named Energy Solutions Oxfordshire.

Since financial year end in March 2020, we’ve been absolutely thrilled by the response to our latest Community Energy Fund raise. Particularly given the current situation with COVID-19, this has given us real confidence to continue with our work.

One of the things which makes investing with us unique is how hard we make every pound of investment work to bring our vision of the future energy system to life.

Income from our electricity generation is put towards our community benefit fund which enables further carbon-cutting activity, such as grants for our 26 Community Group Members. Over the past year we’ve donated £38,200 from the Low Carbon Hub IPS as community benefit, bringing the total donated to £435,826.

And it doesn’t stop there. Your investment also enables us to leverage other forms of support. For instance, one of the main reasons we were successful in gaining funding for Project LEO was because of the renewable energy installations we already had installed, which your investment made possible. We believe that it’s especially important for social enterprises like us to be part of innovation projects like Project LEO, ensuring that innovation is done for the common good and that outcomes can be widely shared to maximise impact.

Furthermore, new investment will also unlock matched grant funding from Innovate UK to continue Project LEO, allowing our renewable installations to sit at the heart of innovative real-world trials to understand the role local energy can play in accelerating the transition to a zero carbon energy system.

Our central mission at the Low Carbon Hub is to prove that we can meet our energy needs in a way that’s good for people and for the planet – keeping fossil fuels in the ground. We’re already at the heart of a growing partnership of individuals and groups working towards a low carbon future, but there’s still so much more we want to do to change the way the UK energy system works. And we can’t do that without your investment, so we want to take this opportunity to say a huge thank you for your support.

With warm wishes,

Barbara Hammond
CEO, Low Carbon Hub
Investment in the Low Carbon Hub 2014 share offer allowed the first wave of Low Carbon Hub Solar projects to be built. This report provides a performance summary of that first wave of solar projects for the 2019/20 financial year.

**PERFORMANCE REVIEW**

The Solar 2014 portfolio performed as expected over the year, generating 1.024 GWh, which is just over 100% of the target amount. Two months that saw particularly good generation were September 2019 and March 2020, the latter benefiting from record levels of sunshine for that time of year. Total income from Solar 2014 was £221,128 compared to a target of £221,488.

There have been some necessary repairs to some of these installations and, continuing from last year, more of the installations have been cleaned to improve performance.

The Feed-in-Tariff is index-linked to the Retail Price Index (RPI) and so this increased by 2.7% on 1 April 2019. Export prices decreased by 14% from the previous year.

**PROJECTS IN THIS PORTFOLIO**

- Banbury Academy (*two installations*)
- Bure Park Primary School
- Charlbury Primary School
- Cheney School
- Chilton County Primary School
- Edward Feild Primary School
- Fir Tree Junior School
- Larkrise Primary School
- Norbar Torque Tools
- Owen Mumford (*four installations*)
- Oxford Bus Company
- Stonesfield Primary School
- The Warriner School
- Thomas Reade Primary School
- West Kidlington Primary School
- Wheatley Park School (*two installations*)

**PERFORMANCE: 2014 PORTFOLIO**

**Electricity generation**

| Total generation this year | 1,023,672 kWh |
| As a percentage of predicted output | 100.2% |
| CO₂ savings | 284 tonnes |

CO₂ savings based on UK electricity CO₂ intensities of 0.2731 kgCO₂/kWh (2019)

**Returns**

**This financial year:**

- Interest declared per £ invested: 5.74p
- Total interest due to investors: £103,916
- Capital released for return: £23,874
- Savings on electricity bills by hosts: £41,657
- Total IPS community benefit donation*: £38,200

**Cumulative to date:**

- Interest to investors: £403,139
- Savings on electricity bills by hosts: £166,222
- Total IPS community benefit donation*: £435,826

* Community benefit donations are based on an IPS operating surplus, rather than at portfolio level. This figure represents the total community benefit donation made by the IPS to Low Carbon Hub CIC, not just the income arising from this portfolio.
### Monthly Generation Results

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### Key Facts

**Projects**

- **Number of installations:** 21
- **Total installed capacity:** 1.215 MW

**Funding**

- **Total number of shareholders:** 356
- **Number of Class A investors:** 346
- **Number of Class B investors:** 10
- **Amount initially invested:** £1,844,000
- **Capital returned to date:** £33,619
- **Remaining investment capital:** £1,810,381
- **Current debt funding towards capital costs:** £0

**Lifetime anticipated benefits**

- **Interest to investors:** £1,490,344
- **Savings on electricity bills by hosts:** £1,122,440
- **Community benefit income from this portfolio:** £1,012,745

Expressed as nominal values and based on current equity levels. Excludes benefits derived from the working capital element.

### About Investment in This Portfolio

Class A shares are in the form of ‘withdrawable’ shares that cannot be sold, traded, or transferred between Members. They cannot increase in value.

There were ten pioneer investors who hold Class B transferable shares to the combined value of £150,000. Their investment was through a private placement in 2013 and enabled us to install our first solar PV array at the Oxford Bus Company. As set out in the 2014 Share Offer Document this installation has been incorporated into the 2014 portfolio and their return has been aligned to the terms set out in the 2014 share offer, so all payments to these investors are made on the same basis as Solar 2014 investors.

### Anticipated Returns

In the first year of their investment, investors eligible for Enterprise Investment Scheme (EIS) were able to claim back 30% of their initial investment as tax relief. Investors eligible for Seed EIS were able to claim back 50% of their initial investment.

Interest was forecast to start to accrue from the end of the second full year of operation, a target that has been successfully met.

As set out in the original Share Offer Document we anticipate that for every £10,000 you invest, you could get back £21,123 after 20 years: your £10,000 initial capital; £3,000 as EIS tax relief; and £8,123 as interest.

### Capital Returns

It was anticipated that capital would be gradually returned to investors from year 4, with a number of shares being bought back each year such that all shares are bought back 20 years after installation. We returned our first tranche of capital to investors in 2019 in line with our original model.

Interest payments and capital repayments are not guaranteed.
Investment in the Low Carbon Hub 2016 share offer funded the Low Carbon Hub’s second major wave of solar PV projects across Oxfordshire. This report summarises the performance of the portfolio over the 2019/20 financial year.

PERFORMANCE REVIEW
The sites in this portfolio showed good performance throughout the year, achieving 1,571 GWh of total generation – 101% of the generation target. Generation was 8% higher than forecast in August and 25% higher in March thanks to excellent weather conditions. This made up for the lower than expected generation in June and July. Total income from Solar 2016 was £260,486 compared to a target of £259,527.

This year has seen repairs to some of the sites, but this has not affected the generation of the portfolio significantly.

The Feed-in-Tariff is index-linked to the Retail Price Index (RPI) and so this increased by 2.7% on 1 April 2019. Export prices decreased by 14% from the previous year.

PERFORMANCE: 2016 PORTFOLIO
Electricity generation
Total generation this year 1,571,151 kWh
As a percentage of predicted output 101.77%
CO₂ savings 436 tonnes
CO₂ savings based on UK electricity CO₂ intensities of 0.2733 kgCO₂e/kWh (2019)

PROJECTS IN THIS PORTFOLIO
- Botley School
- Crompton Technology Group Ltd
- Didcot Girls’ School
- Langtree School
- Long Furlong Primary School
- Middle Barton Primary School
- Nettlebed Community School
- Orchard Fields Community School
- Prodrive
- Rose Hill Primary School
- Sir William Ramsay School
- Windmill Primary School
- Wood Green School

Returns
This financial year:
Interest declared per £ invested 5.2p
Total interest due to investors £40,789
Capital released for return £7,113
Savings on electricity bills by hosts £41,657
Total IPS community benefit donation* £38,200

Cumulative to date:
Interest to investors £85,825
Savings on electricity bills by hosts £89,787
Total IPS community benefit donation* £435,826

* Community benefit donations are based on an IPS operating surplus, rather than at portfolio level. This figure represents the total community benefit donation made by the IPS to Low Carbon Hub CIC, not just the income arising from this portfolio.
**KEY FACTS**

**Projects**
- Number of installations: 13
- Total installed capacity: 1.868 MW

**Funding**
- Total number of shareholders: 239
- Number of Class A investors: 239
- Amount initially invested: £793,100
- Community Energy Fund investment: £1,305,807
- Capital returned to date: £8,698
- Total equity in this portfolio at year end: £2,090,209
- Current debt funding towards capital costs: £0

**Lifetime anticipated benefits**
- Interest to investors: £605,453
- Savings on electricity bills by hosts: £490,912
- Community benefit income from this portfolio: £596,848

*Expressed as nominal values and based on current equity levels. Excludes benefits derived from the working capital element.*

**ABOUT INVESTMENT IN THIS PORTFOLIO**

Class A shares are in the form of withdrawable shares. They cannot be sold, traded, or transferred between members. They cannot increase in value.

**ANTICIPATED RETURNS**

We are forecasting a 5% internal rate of return on your investment, which includes your capital being paid back over the 20-year life of the investment, and annual interest on the outstanding balance of Retail Price Inflation (RPI) plus 3%.

Interest was forecast to start to accrue from the end of the second full year of operation, a target that has been successfully met.

As set out in the original Share Offer Document we anticipate that for every £10,000 you invest, at the end of the 20-year project lifetime, you will have received back £19,409: your initial capital and £9,409 as interest.

The amount of interest paid will vary depending on the actual rate of RPI for any given year.

**CAPITAL RETURNS**

It is anticipated that capital will be gradually returned to investors from year 4, with a number of shares being bought back each year such that all shares are bought back 20 years after installation. We are returning the first tranche of capital to investors this year, in line with this model.

Interest payments and capital repayments are not guaranteed.
Investment in two Sandford Hydro share offers enabled this project to be built. It was connected to the grid in August 2017, operational in February 2018, and fully commissioned in October 2018. This report summarises the performance of the portfolio for the 2019/20 financial year.

PERFORMANCE REVIEW

This year proved to be a challenging one for Sandford Hydro, with weather playing a significant role. The total generation for the year was 989,577 kWh. This total generation does come within the expected range of our financial model; however, it represents only 63% of our target generation.

The biggest reason that the Hydro didn’t reach its target is due to a drier than expected summer and a very wet winter that led to significant flooding. The flooding prevented us from running all screws for much of the winter, which is usually when we would be expecting to generate the majority of the energy for the year.

Sandford Hydro investors have already received a more detailed analysis of the performance over the past year, as well as information about the steps we are taking to mitigate this in future.

PERFORMANCE: SANDFORD HYDRO PORTFOLIO

Electricity generation
Total generation this year 989,577 kWh
As a percentage of predicted output 63.32%
CO₂ savings 274 tonnes

CO₂ savings based on UK electricity CO₂ intensities of 0.2773 kgCO₂e/kWh (2019)

Returns
This financial year:
Interest declared per £ invested 3.0 p
Total interest due to investors £44,135
Capital released for return £0
Savings on electricity bills by hosts N/A
Total IPS community benefit donation* £38,200

Cumulative to date:
Interest to investors £109,977
Total IPS community benefit donation* £435,826

* Community benefit donations are based on an IPS operating surplus, rather than at portfolio level. This figure represents the total community benefit donation made by the IPS to Low Carbon Hub CIC, not just the income arising from this portfolio.
**Monthly generation results**

![Monthly generation results chart]

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<td>Mar 2020</td>
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**KEY FACTS**

**Projects**
- Number of Archimedes screws: 3
- Total installed capacity: 440 kW

**Funding**
- Total number of shareholders: 468
- Number of Class A investors: 468
- Amount initially invested: £1,474,177
- Capital returned to date: £3,000
- Remaining investment capital: £1,471,177
- Current external debt funding towards capital costs: £2,012,501
- Internal working capital: £200,000

**Lifetime anticipated benefits**
- Interest to investors: £1,524,052
- Savings on electricity bills by hosts: N/A
- Community benefit income from this portfolio: £765,775

*Expressed as nominal values and based on current equity levels. Excludes benefits derived from the working capital element.*

**ABOUT INVESTMENT IN THIS PORTFOLIO**

Class A shares are in the form of withdrawable shares. They cannot be sold, traded, or transferred between members. They cannot increase in value.

**ANTICIPATED RETURNS**

We are forecasting a 5% internal rate of return on your investment, which includes your capital being paid back over the 20-year life of the investment, and annual interest on the outstanding balance of Retail Price Inflation (RPI) plus 3%.

39 angel investors who invested in the early stage of the project development received interest during the early construction period. Once the site was commissioned, their shares reverted to the same terms as all other investors in the project.

Given the optimisations currently planned to improve generation, we still anticipate achieving the returns set out in the original Share Offer Document, i.e. for every £10,000 you invest, at the end of the 20-year project lifetime, you will have received back £19,409: your initial capital and £9,409 as interest.

The amount of interest paid will vary depending on the actual rate of RPI for any given year.

**CAPITAL RETURNS**

It is anticipated that capital will be gradually returned to investors from year 4, with a number of shares being bought back each year such that all shares are bought back 20 years after installation.

Interest payments and capital repayments are not guaranteed.
In 2011 Low Carbon Oxford North set up Oxford North Community Renewables (ONCORE) to install solar panels on large roofs in North Oxford. The first share raise funded the installation of solar PV panels at The Cherwell School (north site). The second share raise funded a second site at Cherwell School (south site) and an additional installation at St. Barnabas School.

In June 2018, ONCORE transferred its leases over to the Low Carbon Hub and we have been delighted to welcome ONCORE investors to the Low Carbon Hub. This report summarises the performance of ONCORE A and B for the financial year 2019/20.

**ONCORE: PORTFOLIO A**

**PERFORMANCE REVIEW**

The Cherwell School (north site) again showed a strong overperformance compared to the model in the Share Offer Document, with 41,993 kWh generated – 17% above target. The main reason for such a high overperformance is good weather, particularly during late summer and March. In addition, the portfolio was modelled using an old version of the Standards Assessment Procedure (SAP) – the UK government’s recommended system for measuring energy performance – which had more conservative forecasts than the updated Procedure.

Total income was £21,233 compared to the forecast of £18,327. The Feed-in-Tariff is index-linked to the Retail Price Index (RPI) and so increased by 2.7% on 1 April 2019.

**PROJECTS IN THIS PORTFOLIO**

- The Cherwell School (north site)

**PERFORMANCE: ONCORE PORTFOLIO A**

**Electricity generation**

- Total generation this year: 41,993 kWh
- As a percentage of predicted output: 117.14%
- CO₂ savings: 11.6 tonnes

CO₂ savings based on UK electricity CO₂ intensities of 0.2773 kgCO₂e/kWh (2019)

**Returns**

**This financial year:**

- Interest declared per £ invested – ‘Returnable shares’: 3.0p
- Interest declared per £ invested – ‘25-year pledge’ shares: 4.2p
- Total interest due to investors: £5,759
- Capital released for return: £3,205
- Savings on electricity bills by hosts: £590
- Total IPS community benefit donation*: £38,200

**Cumulative to date:**

- Interest to investors: £51,142

* Community benefit donations are based on an IPS operating surplus, rather than at portfolio level. This figure represents the total community benefit donation made by the IPS to Low Carbon Hub CIC, not just the income arising from this portfolio.
Monthly generation results

Key Facts

Projects
- Number of installations: 1
- Total installed capacity: 46.4 kWp

Funding
- Total number of shareholders: 76
- Number of ‘Returnable’ shareholders: 13
- Number of ‘25-year pledge’ shareholders: 63
- Amount initially invested: £154,600
- Capital returned to date: £10,603
- Remaining investment capital: £143,997

Lifetime anticipated benefits
- Interest to investors: £81,705
- Savings on electricity bills by hosts: £11,603
- Community benefit income from this portfolio: £75,982

About Investment in this Portfolio

This share portfolio had two classes of shares: ‘Returnable’ shares and ‘25-year pledge shares’.

Returnable shares allowed shareholders to apply to have all of their capital returned to them at any time following year 3, and thereby completely exit their investment before the end of 25 years. The 25-year pledge shareholders, on the other hand, opted to have their capital repaid gradually over 25 years and they waived their rights to ask for it all back at once. In both cases, investors receive the same amount back over 25 years, but at different rates.

Anticipated Returns

As laid out in the original Share Offer Document, the anticipated interest rates on shares is different.

For the 25-year pledge, investors are anticipated to receive a forecast average of 4.2% annual interest rate, though the actual interest rate will vary from year to year. From year 4 onwards, annual payments will comprise both interest and capital payments.

For ‘returnable shares’ it is anticipated that investors will be paid a forecast average 3.0% annual interest rate on their capital (assuming they do not withdraw their capital), though the actual rate will vary from year to year.

Capital Returns

All capital returns are subject to the availability of funds, ONCORE Rules, the conditions in Appendix 1 of the original Share Offer Document, and the discretion of the Low Carbon Hub Board.

Interest payments and capital repayments are not guaranteed.
PERFORMANCE REVIEW

The two projects in Oncore B showed very good performance this year, generating 54,990 kWh of renewable energy, and thereby exceeding the generation target by over 4%. As with ONCORE portfolio A, the main reason for such a high overperformance is good weather (particularly during late summer and March) and because the portfolio was modelled using an old version of the Standards Assessment Procedure (SAP) – the UK government's recommended system for measuring energy performance – which had more conservative forecasts than the updated Procedure.

In addition, The Cherwell School (south site) is now included in our export contract, meaning that we are now getting additional revenue from the energy that the school is not using on their own site. As a result, we expect that the annual revenue for this site will be improved for the remainder of the project lifetime.

Total income for the portfolio was £11,347. This is slightly lower than the forecast of £12,587, due to a delay in setting up the export metering on The Cherwell School south site. The Feed-in-Tariff is index-linked to the Retail Price Index (RPI) and so this increased by 2.7% on 1 April 2019.

PROJECTS IN THIS PORTFOLIO
- The Cherwell School (south side)
- St. Barnabas Primary School

PERFORMANCE: ONCORE PORTFOLIO B

Electricity generation

| Total generation this year | 54,990 kWh |
| As a percentage of predicted output | 104.78% |
| CO₂ savings | 15.2 tonnes |

CO₂ savings based on UK electricity CO₂ intensities of 0.2773 kgCO₂e/kWh (2019)

Returns

| This financial year: |
| Interest declared per £ invested | 4.2p |
| Total interest due to investors | £3,784 |
| Capital released for return | £2,963 |
| Savings on electricity bills by hosts | £491 |
| Total IPS community benefit donation* | £38,200 |

Cumulative to date:

| Interest to investors | £24,344 |

* Community benefit donations are based on an IPS operating surplus, rather than at portfolio level. This figure represents the total community benefit donation made by the IPS to Low Carbon Hub CIC, not just the income arising from this portfolio.
Monthly generation results

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**KEY FACTS**

**Projects**
- Number of installations: 2
- Total installed capacity: 62.5 kWp

**Funding**
- Total number of shareholders: 36
- Amount initially invested: £93,750
- Capital returned to date: £3,649
- Remaining investment capital: £90,101
- Current debt funding towards capital costs: £0

**Lifetime anticipated benefits**
- Interest to investors: £53,045
- Savings on electricity bills by hosts: £8,868
- Community benefit income from this portfolio: £42,831

**ABOUT INVESTMENT IN THIS PORTFOLIO**
This second ONCORE portfolio offered 20-year pledge shares in which investors waive their right to withdraw their capital at will.

**ANTICIPATED RETURNS**
ONCORE intended for interest on investment to be paid from the first full year of operation. The portfolio offers projected returns to investors of 4.2%, plus any Enterprise Investment Scheme (EIS) benefits investors are entitled to.

**CAPITAL RETURNS**
Capital will be returned to investors over the 20-year period of the project, beginning in year 4.
The Community Energy Fund is the Low Carbon Hub’s new investment portfolio, created to enable investors to support a range of ventures to strengthen and grow our community energy projects.

Since its launch in July 2018, the fund has attracted £1.5m of investment. This enabled us to grow our portfolio of rooftop solar PV arrays and pay back the Low Carbon Hub’s entire outstanding short-term loan from Oxford City Council which had funded a significant part of the Solar 2016 portfolio.

**PERFORMANCE REVIEW**

The Community Energy Fund (CEF) portfolio has significantly increased in size this year with the addition of solar PV rooftop installations at Thames Travel, West Witney Primary School, and Langford Village Primary School, in addition to an extension of the existing installation at Crompton Technology Group (CTG) Ltd. These new sites have increased the size of the portfolio from 111.51 kWp to 320.78 kWp.

In total, the portfolio generated 105% of its target – 134,376 kWh. The large increase in generation was in March 2020 and was due to the installation of the arrays at Langford Village Primary and West Witney Primary Schools. This, coupled with extremely good weather and lots of sunlight throughout March, led to exceeding generation targets.

The sites built this year do not receive Feed-in-Tariff as they are partially grant-funded, but the tariff is still received on the first three CEF sites (Sonning Common, Longfields, and Brookside Schools). This is index-linked to the Retail Price Index (RPI) and so this increased by 2.7% on 1 April 2019.

**PERFORMANCE: COMMUNITY ENERGY FUND**

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Installed capacity</th>
<th>kWh generated</th>
<th>% of predicted</th>
<th>CO₂ savings (tonnes)</th>
<th>Savings on bills by hosts</th>
<th>Owned by CEF (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solar 2016</td>
<td>1,868 kWp</td>
<td>1,571,151</td>
<td>101.8</td>
<td>436</td>
<td>£41,657</td>
<td>62.5</td>
</tr>
<tr>
<td>2017 installations</td>
<td>23 kWp</td>
<td>22,436</td>
<td>111.1</td>
<td>6.2</td>
<td>£541</td>
<td>100</td>
</tr>
<tr>
<td>2018 installations</td>
<td>89 kWp</td>
<td>74,645</td>
<td>97.2</td>
<td>20.7</td>
<td>£1,573</td>
<td>100</td>
</tr>
<tr>
<td>2019 installations</td>
<td>209 kWp</td>
<td>21,095</td>
<td>126.9</td>
<td>5.8</td>
<td>£939</td>
<td>100</td>
</tr>
</tbody>
</table>

**INVESTMENTS HELD**

100% CEF-owned installations

**Name**

**2017 solar installations**
Sonning Common Primary School

**2018 solar installations**
Longfields Primary and Nursery School
Brookside Primary School

**2019 solar installations**
West Witney Primary School
Langford Village Primary School
CTG extension
Thames Travel

**Investments**

Solar 2016 Portfolio £1,305,807
Capital for pipeline £0
KEY FACTS

Investors
New investors this year 3
Total shareholders at year end 369

Investment
New investment this year £0
Capital withdrawn this year £0
Total investment in fund at year end £1,508,985

Financial results
Interest this year declared 4 P
Interest declared per £ invested (post 4th anniversary) N/A
Total interest due to investors £62,350
Cumulative interest to date £82,176
Total IPS community benefit donation* £38,200

* Community benefit donations are based on an IPS operating surplus, rather than at portfolio level. This figure represents the total community benefit donation made by the IPS to Low Carbon Hub CIC, not just the income arising from this portfolio.

ABOUT INVESTMENT IN THIS PORTFOLIO

Class A shares are in the form of withdrawable shares. They cannot be sold, traded, or transferred between members. They cannot increase in value.

ANTICIPATED RETURNS

The Community Energy Fund is targeting an annual interest rate of 4% for investment in their first four years, going up to 5% per year in year five and beyond. Interest started accruing from day one of investments being accepted.

CAPITAL RETURNS

The Community Energy Fund does not automatically return capital, rather, it gives our Members greater control as to when their equity is returned.

There will be an annual opportunity for investors to apply to request the return of their capital after the fourth anniversary of their investment. Our ability to fulfil requests to withdraw capital is entirely dependent on the availability of sufficient funds at the time and is in no way guaranteed.

Interest payments and capital repayments are not guaranteed.

100% CEF-OWNED INSTALLATIONS

Monthly generation results

Forecast generation Actual generation Actual exports

Number of Total installed Lifetime anticipated benefits
installations capacity kWp

| 2017 Installations | 1 | 23 | £19,742 |
| 2018 Installations | 2 | 89 | £76,575 |
| 2019 Installations | 4 | 209 | £77,696 |

| 2019 Installations | £38,200 | £34,752 |
| 2020 Installations | £60,629 | £20,396 |

Interest to investors
Savings on electricity bills to host
Community benefit income from this portfolio

TOTAL INVESTMENT 2019

City Council which had funded a significant part of the Solar 2016 portfolio.

This enabled us to grow our portfolio of rooftop solar PV arrays and pay back the Low Carbon Hub’s entire outstanding short-term loan from Oxford.

Since its launch in July 2018, the fund has attracted £1.5m of investment.

Investment Portfolio

2020 Installations

The Community Energy Fund is the Low Carbon Hub’s new investment portfolio, created to enable investors to support a range of ventures to strengthen and grow our community energy projects.

Technology Group (CTG) Ltd. These new sites have extension of the existing installation at Crompton Langford Village Primary School, in addition to an extension at Thames Travel, West Witney Primary School, and the addition of solar PV rooftop installations at Sonning Common, Longfields, and Brookside Schools.

This, coupled with extremely good weather and lots of sunlight throughout March, led to exceeding generation targets.

In March 2020 and was due to the installation of the 134,376 kWh. The large increase in generation was to 320.78 kWp.

The sites built this year do not receive Feed-in-Tariff as they are partially grant-funded, but the tariff is index-linked to the Retail Price Index (RPI)

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2019 Installations

100% CEF-owned installations

2018 Installations

2017 Installations

Capital for pipeline £0

Investments

Thames Travel
CTG extension
Langford Village Primary School
West Witney Primary School
2019 solar installations

Brookside Primary School
Longfields Primary and Nursery School
2018 solar installations

Sonning Common Primary School
2017 solar installations

Primary Schools. This, coupled with extremely good weather and lots of sunlight throughout March, led to exceeding generation targets.

In total, the portfolio generated 105% of its target –

This is index-linked to the Retail Price Index (RPI)

Common, Longfields, and Brookside Schools).

The sites built this year do not receive Feed-in-Tariff as they are partially grant-funded, but the tariff is index-linked to the Retail Price Index (RPI)

2019 installations 209 kWp 21,095 126.9 5.8 £939 100

2018 installations 89 kWp 74,645 97.2 20.7 £1,573 100

2017 installations 23 kWp 22,436 111.1 6.2 £541 100

14

15

14

15
In accordance with the Low Carbon Hub IPS Limited’s aims and objectives, surpluses from projects that have been live for at least one year are passed to the Low Carbon Hub CIC in the form of community benefit donations.

**Community benefit income 2019/20**

This year, the income from our IPS-owned renewables has been boosted thanks to the additional contribution of income generated by the solar PV arrays transferred from ONCORE in June 2018. The Low Carbon Hub CIC also received additional income from a number of other funding streams including the two CIC-owned renewable energy installations in Eynsham, generous support from Westmill Solar Co-operative supporting energy efficiency audits for schools and community buildings, and a number of other grants and contracts.

During 2019/20 our work to foster the development of community-led solutions to tackle climate change was supported by the following programmes:

- Innovate UK funding for Project LEO (Local Energy Oxfordshire), a £40 million, multi-stakeholder partnership carrying out real-world energy system trials.
- European Regional Development Fund support of OxFutures, a £3.2 million partnership to boost Oxfordshire’s low carbon economy.
- Department for Business, Energy & Industrial Strategy (BEIS) funding to develop Cosy Homes Oxfordshire, a one-stop home retrofit service.
- BEIS funding to support the development and launch of Energy Solutions Oxfordshire, a partnership project creating a complete energy efficiency service for SMEs.
- Power to Change Next Generation Programme, an expert consortium, led by the Centre for Sustainable Energy, supporting a nationwide programme to develop new community-led energy business models.

All five of these projects will continue to run in 2020/21, and we are grateful to all our funders for their continued support of our work.

**LOW CARBON HUB CIC COMMUNITY BENEFIT INCOME**

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Renewables generated income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IPS Community benefit donation</td>
<td>£38,200</td>
<td>£141,000*</td>
</tr>
<tr>
<td>CIC Eynsham village Solar PVs income</td>
<td>£1,710</td>
<td>£2,117</td>
</tr>
<tr>
<td><strong>Donations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted donations</td>
<td>£50</td>
<td>£1</td>
</tr>
<tr>
<td>Restricted donations</td>
<td>£45,881</td>
<td>£25,229</td>
</tr>
<tr>
<td><strong>Programme Grants</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Innovate UK – Project LEO</td>
<td>£507,188*</td>
<td>£0</td>
</tr>
<tr>
<td>European Regional Development Fund</td>
<td>£396,355</td>
<td>£307,809</td>
</tr>
<tr>
<td>BEIS – Building a market for retrofit</td>
<td>£117,712</td>
<td>£114,682</td>
</tr>
<tr>
<td><strong>Service Contracts</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BEIS – BASEE</td>
<td>£24,264</td>
<td>£0</td>
</tr>
<tr>
<td>Power to Change – Next Generation</td>
<td>£18,852</td>
<td>£13,347</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£1,150,212</td>
<td>£604,185</td>
</tr>
</tbody>
</table>

* £64,799 of the £141,000 IPS community donation received in 2018/19 was deferred into the 2019/20 financial year to be used as match funding for Project LEO. This gave a total income of £1,215,011 available to spend in 2019/20.

* The Project LEO income includes £306,170 which is passed through the CIC and recognised as grant income in other Low Carbon Hub entities.
Community benefit expenditure for 2019/20

We use our community benefit income to deliver:

- grants and loans to community energy enterprises
- funding, help, and advice to support community action on climate change
- energy efficiency support to reduce our county’s energy demands
- support to innovative initiatives, by providing seed funding for the development of new products and services that encourage carbon-cutting action.

LOW CARBON CIC COMMUNITY BENEFIT EXPENDITURE

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community grant programme</td>
<td>£30,805</td>
<td>£38,788</td>
</tr>
<tr>
<td>Local energy programme</td>
<td>£1,375,047</td>
<td>£495,259</td>
</tr>
<tr>
<td>Community benefit management</td>
<td>£2,900</td>
<td>£2,900</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£1,408,752</td>
<td>£536,947</td>
</tr>
</tbody>
</table>

Community grant programme — £30,805

Ten of our Low Carbon Hub community group shareholders were supported through our community grants programme this financial year. Grants were awarded for a wide range of projects including both ‘powering up’ local community energy generation projects and ‘powering down’ through a range of domestic energy efficiency pilots. We were particularly delighted to receive a number of joint applications for grants, with groups working together to pool resources and deliver projects to the benefit of their communities. For instance, we continue to support the Coalition for Healthy Streets and Active Travel project to tackle air pollution and encourage low carbon travel.

Grants awarded covered a range of work, from Transition Eynsham Area (Green TEA) advising communities on low carbon development to Sustainable Didcot’s town-wide audit to Osney Lock Hydro landscaping to enable public access.

Local energy programme — £1,375,047

Our Local Energy Programme has two key themes. First, we provide advice and practical and financial support to encourage the flourishing of community energy in Oxfordshire and beyond. Secondly, we support innovation, either through undertaking research and pilots ourselves, or funding the work of others to help explore new business models for community energy.

This year we’ve continued a focus on ‘powering down’, including the inception of Energy Solutions Oxfordshire to trial the provision of energy efficiency services to SMEs.

2019/20 spend

This year our local energy programme delivered:

- Helpdesk service supporting further community energy projects — £93,199
- Next Generation funding to support new community energy projects nationally — £18,852
- Community building energy audit grants scheme — £12,200
- LESS CO₂ school energy efficiency programme support — £12,450
- OxFutures project supporting energy efficiency and innovation for SMEs — £426,119
- BEIS retrofit Cosy Homes Oxfordshire project — £117,712
- People’s Power Station, an online interactive map showcasing Oxfordshire’s efforts to reduce use of fossil fuels — £352
- Project LEO (Local Energy Oxfordshire) smart-grid trials — £752,876
- Energy Solutions Oxfordshire developing a new business model to encourage take up of energy efficiency amongst SMEs — £24,264

Community benefit management — £2,900

We believe that investing in good management of our community benefit spend is important to ensure its effective use. This cost includes strategy development, monitoring, reporting, and internal project costs.
**BACKGROUND NOTES**

**ABOUT THE LOW CARBON HUB**

The Low Carbon Hub is two organisations working together: The Low Carbon Hub IPS Limited is a Registered Society that operates for the benefit of the community. It generates income from the Feed-in tariff and by selling renewable energy. It aims to make a surplus which is invested in the Low Carbon Hub Community Interest Company (CIC) which supports local communities in taking further action to cut carbon emissions and reduce energy demand. Sandford Hydro is held in a wholly owned subsidiary of Low Carbon Hub IPS Limited, Sandford Hydro Limited.

**LOW CARBON HUB INVESTMENT PORTFOLIOS**

Investment is held in the Low Carbon Hub IPS Limited. It has run four successful share offers enabling it to build renewable energy projects across Oxfordshire at schools, businesses, organisations and a hydro scheme on the Thames. 100% of its surplus go to supporting local communities working to further cut carbon emissions. You can learn more about the projects we manage and those we’ve helped support through community benefit on our website.

In June 2018 Oxford North Community Renewables (ONCORE) transferred the leases of their generation projects to the Low Carbon Hub IPS Limited, and their investor Members are now Members of the Low Carbon Hub. Their investment is managed through two portfolios: Portfolio A: invested in solar PV situated at The Cherwell School, north site; and Portfolio B with solar PV at The Cherwell School south site and at St Barnabas Primary School.

**UNDERSTANDING SHARE CLASSES OF THE LOW CARBON HUB IPS LIMITED**

The Low Carbon Hub IPS Limited has two share classes: ‘A’ and ‘B’. They are shown in the table below.

**OUR IPS SHARE CLASSES**

<table>
<thead>
<tr>
<th>CLASS A</th>
<th>CLASS B</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Solar 2014</td>
<td>Original 10</td>
</tr>
<tr>
<td>• Solar 2016</td>
<td>‘pioneer’</td>
</tr>
<tr>
<td>• Sandford Hydro</td>
<td>investors</td>
</tr>
<tr>
<td>• ONCORE</td>
<td></td>
</tr>
<tr>
<td>• Community Energy Fund</td>
<td></td>
</tr>
</tbody>
</table>

Visit the investor pages at [lowcarbonhub.org](http://lowcarbonhub.org) for more information about investment in the Low Carbon Hub IPS Limited.

**INTEREST PAYMENTS**

Decisions relating to annual interest payments will be based on a portfolio’s performance during a financial year and will also take into account the Low Carbon Hub IPS Limited’s overall financial situation. We aim to notify members of interest payments due by the August after financial year close, and to make interest payments within 60 days of notification.

Income from investment in Registered Societies is treated as interest payments, not dividends, for tax purposes.

**CAPITAL REPAYMENTS**

Interest payments and capital repayments are not guaranteed and the decision to return capital will be made by the Directors.

Investors are reminded that any investment they make is an acknowledgement of their support for the development of renewable energy and, accordingly, a subscription for shares in the Low Carbon Hub IPS Limited should primarily be regarded as an investment for social and environmental purposes rather than one that will produce a significant financial return.

**ABOUT THESE FIGURES**

The results published in this document are based on our draft financial accounts and are the most accurate figures available at the time of going to print. Any changes relating to our finalised accounts or the availability of updated generation data or modelling will be reflected in subsequent years’ reports.

**MANAGING YOUR INVESTMENT**

For any queries related to your investment, please contact us on:

**Email:** members@lowcarbonhub.org  
**Telephone:** 01865 546452

Please get in touch to:

- Notify us of any change in address, name, email address or bank details
- Request a nomination of shares on death form

Further information for investors can be found on our website: [www.lowcarbonhub.org](http://www.lowcarbonhub.org)
Do you own a renewable energy installation or energy efficiency project in Oxfordshire?

Plug into the People’s Power Station

www.peoplespowerstation.org
Sign up to keep up to date with our news

Would you like to receive details of our community share offers, renewable project updates and news, and updates on community benefit projects? Sign up to receive the Low Carbon Hub newsletter on our website: www.lowcarbonhub.org