

ENERGY PROSPECTS CO-OPERATIVE LIMITED (Reg 30879R)
Minutes of the Annual General Meeting
Held at The Storey Creative Centre, Meeting House Lane, Lancaster, LA1 1TH
On Saturday 5th July 2014

- Present:** **Directors:** Rod Blunden and Mike Smyth.
 Company Secretary: Annette Heslop
 Members: Marna McMillin (CEO Energy4All), Tammy Calvert and Jack Heslop (Energy4All),
 9 Members and 2 guests.
- Apologies:** Nick Jones (Director) and 11 members.
- Voting:** Postal (including electronic) votes were received from 73 members, including 32 appointing
 the Chairman to vote on their behalf.

1. Introductions and welcome.

Rod Blunden (RB), Chairman of Energy Prospects Co-op (EP), welcomed members to the meeting and introduced Mike Smyth, Director, Annette Heslop, the Company Secretary and Marna McMillin and Tammy Calvert of Energy4All (E4A). Rod declared the meeting quorate.

2. Background

RB gave an overview of the background to EP and reminded members that £1 million was raised in 2010 to develop a portfolio of projects. 458 members in the co-op. A success fee will be charged to projects with planning consent that go on to create a new co-op. No share interest pay out to members for the first three years to allow time to develop projects with a projected pay out in year 4. EP received funding from Keyfund to develop further projects.

3. Projects

RB explained EP moved towards developing a portfolio of FiT projects with Bernard Matthews and Harworth Estates. RB provided an update on the following projects:

- Drumlin Wind Energy Co-op second share offer raised £1.2 million to develop 2 additional sites in Northern Ireland with a single 250kW turbine at each site. This will provide a small fee back to EP.
- Bernard Matthews ~ 1 site consented but grid restriction until 2017. 2 withdrawn and the remaining 3 have delays at planning and MOD issues.
- Haworth Estates ~ 2 sites with planning consent allowing a share offer through Four Winds Energy Co-op. 1 failed and will go to appeal. Currently progressing remaining 1 site.

Four Winds has currently raised £1.3 million with a target of £3.7 million to build two sites each with 500kW turbine with income through the Feed in Tariff. Four Winds on a tight timescale to build the first site before 9 December to achieve the current Feed in Tariff. If Four Winds share offer is successful the success fee to EP could be as high as £680,000. This would enable EP to pay members a return of capital in the region of 10%. Repaying capital would not be taxable unlike share interest.

Annette Heslop provided a brief summary of the Profit & Loss account and Balance Sheet.

Income for the year amounted to £15,000 for developing the fourth Drumlin site. Work in progress amounts to £523,735 made up of Bernard Matthews and Harworth Estate portfolio of projects.

Energy4All is supporting EP for no money hence the low admin fees for the year.

Losses for the year amount to £42,466. As a result of the loss no share interest will be paid this year. At the end of the year cash funds amounted to £42,486 compared to £126,337 the previous year. Creditors include £150,000 loan from Keyfund.

4. Motion 1: To approve the minutes of the annual general meeting held on 22nd June 2013. (circulated December 2013).

Proposed by George Conchie, seconded by Kathy Smyth and the Motion was carried unanimously by those present. Postal votes totalled 37 for, 1 against, 3 abstentions and the Chair had 32 proxy votes in favour of the Motion.

- 3. Motion 2:** In accordance with Section 4A(2) of the Friendly and Industrial and Provident Societies Act 1968, a resolution not to undertake a full professional audit of the co-operative for the year.

Proposed by George Conchie, seconded by Rodney Tillotson and the Motion was carried unanimously by those present. Postal votes totalled 38, 1 against, 2 abstentions and the Chair had 32 proxy votes in favour of the Motion.

- 4. Motion 3:** To receive and adopt the Report of the Directors and the annual Accounts for the year ended 31st January 2014.

Proposed by Rodney Tillotson, seconded by Peter Moore and the Motion was carried unanimously by those present. Postal votes totalled 41 for and the Chair had 32 proxy votes in favour of the Motion.

- 5. Motion 4:** Election of Directors

In accordance with the Rules of the co-op one third of directors shall retire in rotation. Mike Smyth retired in rotation and seeks re-election.

Proposed by Malcom Moss and seconded by Annette Heslop.

The Motion was carried unanimously by those present. Postal votes totalled 40 for, 1 against and the Chair had 32 proxy votes in favour of the Motion.

Members asked the following questions:

Q – Is the proposed 10% pay back related to what we put in?

A – Yes. It is not share interest as this would be taxable.

Q – Do you intend to pay share interest?

A – Probably not. The plan is to repay all equity.

Q – How much is left in the bank account?

A – Approximately £20,000. The projected fee from Four Winds will pay 10% equity, repay Keyfund loan and the balance to be used on developing future projects.

Q - Has anyone invested in Four Winds with the lower amount of £100?

A – No.

Q – Have you asked Central England and Mid Counties co-operatives to invest in Four Winds?

A – No but we shall approach them.

Q – Will Handelsbanken provide loan finance?

A – We have already approached the bank and the answer is No.

Q – Have you approached Charity Bank and Unity Bank?

A – Yes. We are currently awaiting their response.

Q – Have turbine costs come down?

A – No.

There was a general discussion around the unhelpful mixed messages coming from Government and the impending further reduction expected in the Feed in Tariff.

Rodney Tillotson proposed a vote of thanks to Energy4All for supporting EP for no remuneration.

The meeting closed at 2.35 p.m.

Signed as a true record of the meeting.



Rod Blunden
Chairman Energy Prospects Co-operative