



AGM

Time/Date: 1800, Thursday 23rd February, 2017

Venue: The Embankment, 282-284 Arkwright Street, Trent Bridge, Fraser Rd,
Nottingham, NG2 2GR

Attendees

Board	Philip Angus Richard Posner Kevin Hard John Lancaster	Chair Company Secretary Director Director
Apologies	Miranda Cumberbatch David Hallett	Director Director
Also present	Rob Rabinowitz	Mongoose Energy representative

Agenda

1. Welcome and introduction
2. NCE Limited: overview
3. Langar Lane Community Solar CIC
4. EIS Tax Relief
5. Langar Lane performance
6. Financial report
7. Resolutions
 - a. Approval of NCE Accounts
 - b. Appointment of Directors
 - c. Appointment of Auditors
 - d. Approval of Member Interest
 - e. Approval of Community Fund payments
8. Future of NCE
9. AOB

Welcome and Introduction

Apologies	Miranda Cumberbatch David Hallett	Director Director
-----------	--------------------------------------	----------------------

Welcome from Phil Angus (PA), Chair of NCE, to shareholders. It was the day of Storm Doris and quite a few people had struggled to get there, with some arriving later, including Rob Rabinowitz (RR), our Mongoose Energy representative.

PA gave an introduction to the proceedings and some of the issues that we would be covering in the AGM as per the Agenda, including the issues of the lateness of the Financial Closure i.e. when we actually transferred over the funds and bought the solar farm. Plus the issue of the Interest Rate, and the Community Fund.

NCE Limited: overview

Timeline

PA started by showing a series of photographs of the development from marking out the ground on bare fields in the summer of 2015, through the construction phase and to the final completion in the summer of 2016.

He then reminded shareholders of the timeline;

First Share Issue.....November 2015
Second Share Issue.....February 2016
Development on site complete.....May 2016
Langer Lane 'energised'June 2016
NCE income from FiTsJuly 2016

This was followed by a 6 month period of what turned out to be intensive financial and legal negotiation. The main problem was that the developer (OPDE of Spain) was initially eager to sell and decided to sell the commercial part of the solar farm (adjacent to ours) to an investment company with no track record in renewables. This caused lengthy delays particularly around agreements over the shared grid connection. The legal documentation was enormous but it reflected the complexity with funding from a bank, a pension fund, a charitable shareholder, general shareholders, plus a shared grid connection, a developer, pre agreed payments and £5.5m of renewables.

We finally became the 'owners' of Langar Lane solar farm in December 2016, more than a year after the first share offer closed.

Management Agreement / Relationships

PA thanked Mongoose Energy for their dedicated work; it was only because of their financial and legal expertise, their contacts and past experience that enabled us to reach financial closure. NCE has a Management Agreement with Mongoose Energy for pre and post completion services. The Agreement is subject to periodic reviews.

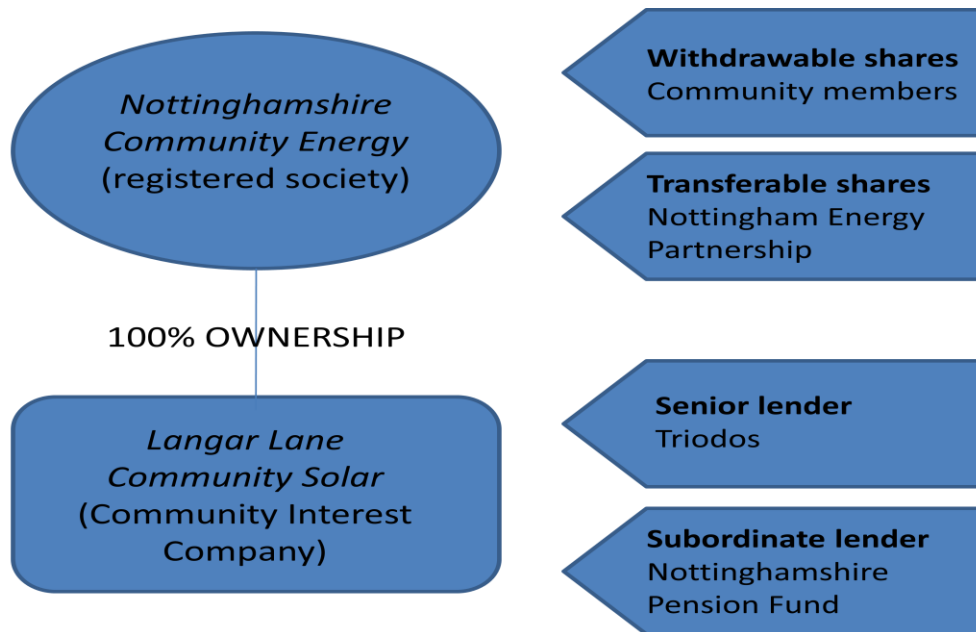
Mongoose Energy grew out of the Bath Community Energy benefit society. It has enabled the establishment of 10 Community Benefit Societies that together own and operate 64MW of solar farms across the country, with NCE being the most northerly.

The 10 Community Benefit Societies have formed a company known as Mongoose Community Energy Members (MCEM). Together we own 51% of Mongoose Energy, which means we have an interest in the success of Mongoose Energy and its ambitious targets of doubling the current community ownership of energy in the UK.

Corporate Structure

Kevin Hard (KH) explained the structure of Nottinghamshire Community Energy, with the banks and pension fund lending to Langar Lane Community Solar (a Community

Interest Company wholly owned by NCE).



Langar Lane Solar Farm

KH gave some of the detail on Langar Lane Solar Farm :

- 4.99 MW Solar Farm at Langar Lane, near Colston Bassett, Nottinghamshire, NG12 3FS
- Generates enough electricity to power 1,524 average sized homes annually
- Ofgem status: Feed In Tariff approved on 13th September 2016
- FIT Licensee status: FIT terms confirmed on 13th February 2017
- First FIT payment due by 1st June 2017

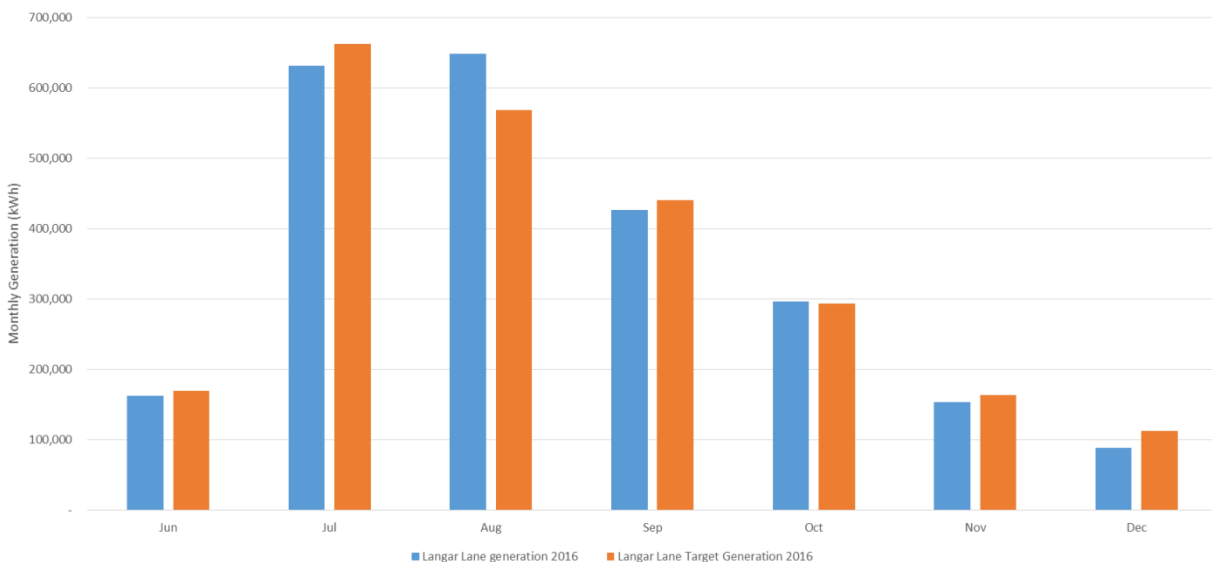
EIS Tax Relief

Rob Rabinowitz (RR) from Mongoose Energy joined the meeting, and discussed the issue of EIS registration.

- Government withdrew EIS tax relief on community energy projects in November 2015
- As such we could not obtain advanced assurance of EIS eligibility
- Will be applying to HMRC in April 2017; can only apply 4 months after acquisition
- Expect a response by the end of May 2017
- Will issue an update to members as soon as possible on the outcome

Langar Lane performance

RR presented figures for the last 6 months showing actual performance compared with the target. The figures for June 2016 are only partial. A really good August balanced out the slight losses on some other months; overall Langar Lane generated 2,407,784kWh which was 99.94% of the target. These are reassuring performance figures.



The blue bars are actual, and orange is the target.

Shareholders interest payments

- Members invested in withdrawable shares at 7% interest per annum
- Delays in reaching financial close & receiving income means that the funds are not yet
- Funds are not yet available to pay member interest and community fund
- Proposal to pay members 7% interest per annum for financial year 2015-16, which will be calculated pro rata from member investment date (November 2015-September 2016)
- Payment will be made after the following milestones have been achieved:
 - First income received (expected in May 2017)
 - Project passes Triodos covenant tests (September 2017 at the latest)
- Future payments will be made within 5 months of financial year end.

Since performance was as expected the consensus was that we should pay shareholders 7% interest. It is accepted that the delays are inconvenient to shareholders and the best efforts would be made to bring forward the payment dates over the next few years.

Community Fund

The projection is that NCE can pay £20,000 per annum for the first 3 years of the project into its Community Fund.

The aim is to increase that figure over time. Indeed the projection shows substantial sums of £250k per annum towards the end of the project when debts have been paid off.

There was a discussion on what kind of activity we should support; local, educational, renewable, activity on the site.

The conclusion was that;

- A Community fund plan to be agreed by June including
 - Terms of reference
 - Eligibility criteria
 - Publicity / engagement

ACTION

Financial Report

At this stage one would expect a lengthy explanation of the accounts for the previous financial year. However since we had not yet acquired Langar Lane solar farm during the year in question there was no trading and very few payments other than for VAT registration and Benefit Society registration. Copies of the accountants were made available to shareholders.

Resolutions

The following resolutions were put forward by the Company Secretary, Richard Posner and were proposed, seconded and unanimously passed;

- To approve and adopt the annual accounts of the Society for the year ended 30th September 2016 – Proposed by Richard Mallender, seconded Joe Pidgeon - the accounts were approved and adopted
- To appoint directors of the Society – all Directors stood down and were re elected – proposed Helen Ross, seconded Richard Mallendar
- To appoint auditors of the Society – the accounts to September 2016 were not audited as there was no activity but we will need Auditors for the next set of accounts. The Auditors were proposed by Martin Loxton, seconded by Joe Pidgeon
- To approve a payment of 7% interest per annum to members in respect of financial year 2015-16. Proposed by Philip Angus, Seconded Helen Ross
- To approve a payment of £20,000 to the NCE Community Fund. Proposed by Kevin Hard, seconded by Joe Pidgeon

The Future

A number of issues were discussed. PA pointed out areas which need to be improved, namely communications with shareholders and a need to create a local identity. Without a strong presence in Nottinghamshire we will not be able to take advantage of future opportunities – we need to build a relationship with individuals and communities who are interested in Community Benefit ownership and renewable energy.

Good communications requires planning and time. The Management Agreement with Mongoose Energy needs to be able to accommodate a local structure with a small level of finance (say £4k per annum) to maintain and build a local presence.

Another issue discussed was the use of the land at Langar Lane solar farm. One criticism of solar farms is that they take land out of food production. One MCEM is Wiltshire Wildlife Trust. They use the land for rare breed sheep grazing, and initially we talked with Notts Wildlife Trust about using the land for grazing. Unfortunately Langar Lane is not sheep proof. We discussed wild flowers and bee keeping. Martin Loxton, the land owner, was at the meeting. He was very much in favour of bee keeping. RR added that we would have to look at the Maintenance contract to see when it ended so that we make the changes required. We will aim to start Bee keeping as soon as we can.

