



Udny Community Trust Company Limited

Minutes of Annual General Meeting
Wednesday 9th November 2022
The Medan Centre, Quarry Room,
14 Oldmeldrum Road, Pitmedden,
at 7.30pm

Attendees	Brian McDougall (Chair), Julian Slater (Treasurer), Lynne Cartledge (Director), Marion Jamieson (Director), Matt Kaye (Director)
Members	A Grant, G Allan, E Murray, A Stemp, G Reavley
Non-members	Vikki Jannetta (Trust Community Engagement Officer), Tracy Gibb (Trust Facilities Manager, Cafe48 Manager), Jill Watt (Trust Project Administrator), P Johnston, R Fyfe-Johnston, B Benzie,
Apologies	David Murray (Director), Garth Entwistle (Director)
Appendix	Presentation Slides

List of Actions / Decisions

	Heading	Details	Action
	Welcome	<p>Brian McDougall, Chair, welcomed everyone to the 12th Annual General Meeting of the Udny Community Trust Company Limited (UCTC).</p> <p>Brian ran through the housekeeping for the Quarry Room and stated that there were no attendees via Zoom.</p> <p>Brian then ran through the AGM agenda.</p> <p>Brian explained that after the AGM there would then be a further short slide presentation on the progress of the Trust and Café from February 2022 to the present day.</p>	
1	Previous Minutes	<p>Brian asked if there were any matters arising, questions or comments regarding the previous minutes. There were none.</p> <p>M Kaye proposed to adopt the previous minutes.</p> <p>This was seconded by L Cartledge.</p> <p>There was no opposition.</p>	
2	Report of the Trustees and	<p>Brian handed over to Julian Slater, Treasurer.</p>	

Financial Statement

Julian explained that the accounts had been examined by Bain Henry Reid. Julian further explained that an audit may have to be carried out next year due to income going over the threshold.

Julian highlighted the benefits of the Trust being a charity but stated that Cafe48 was a business which had made a profit last financial year.

Julian explained the consolidated statement of financial activities and the consolidated balance sheet, highlighting the following.

- income from Government Covid Grants.
- income from successful grant applications.
- income from the Turbine.
- expenditure on Turbine maintenance.
- expenditure on running costs of Café 48.
- expenditure on upgrading The Medan Centre.
- expenditure on small and large grants.

Julian highlighted that both income and expenditure had increased from the previous year due to various factors.

Julian explained that the investments had increased slightly from the previous year.

Julian asked if there were any questions.

Question from the floor. Is the value of The Medan Centre included within the accounts. Julian replied yes and added that 3 Oldmeldrum Road was still owned by the Trust and was currently rented out to tenants was included also.

Question from the floor. Does the Trust have a provision for liabilities or reserves. Julian replied that the Trust has a Reserves Policy which would allow it to continue to operate as normal for approximately six months.

Question from the floor. How would the current cost of living crisis affect the Trust. Julian replied that the Trust was no different in seeing the cost of everything increase, from electricity to Café supplies. BM stepped in and explained that the Turbine had signed a new Power Purchase Agreement which was a lot higher than the previous one and this would help a lot.

3 Wind Turbine Update

Julian handed over to Matt Kaye, Director.

Matt ran through the wind turbine update slides.

Slide 1

Presented the month-by-month output of the turbine in MWh for last year and compared this to the monthly averages for the years since commissioning. The variation in output through the year reflects the variation in wind speeds and weather patterns (windy months of autumn and winter versus the quiet months of spring and summer).

The general target is to operate at an average of 30% of full capacity over the year, giving 2102 MWh for the year and an average monthly output of 175 MWh. Last year's output (1,943 MWh, 27.9% of full capacity, average monthly output 162 MWh) was significantly lower than the target values due to unusually low wind speeds in December and through the quiet summer months.

Slide 2

Last year's output compared to previous year's performance was at the lower end of a reasonably narrow range around the 2102 MWh mark (27.5-33.9%). However, overall, the turbine output has, to all intent and purposes, achieved its target.

Slide 3

An overview of the financial aspects of the turbine since commissioning shows three main elements: income, expenditure, and Gift Aid payments to the Trust.

Income from the sale of electricity through our Power Purchase Agreement (PPA) comprises $\frac{1}{3}$ of our total revenue whilst the Feed-in-Tariff comprises $\frac{2}{3}$. Last year's income amounted to £375,000. Expenditure consists of operating costs (£50k) to run the turbine company, and finance costs (£150k) paying back the capital and interest on the third and final bank loan. £130,000 of Gift Aid was paid to the Trust during the year, bringing the total Gift Aid to £1.5 million.

One important feature highlighted by this slide is that without the FiT income our PPA income would not be sufficient to repay our bank loan costs.

Slide 4

Slide 4 gave an overview of the turbine company Power Purchase Agreement prices since commissioning through to winter 2023. We sell our electricity to a Company called SmartestEnergy through Power Purchase Agreements or PPAs. There are separate prices for summer (Apr-Sep) and winter (Oct-Mar) periods and for week day peak times (7am to midnight) versus off-peak times (midnight to 7am).

Previous years show a relatively narrow range of prices (<£100 per MWh of electricity generated) whereas our new PPA prices for Feb 2023 to end Mar 2024 show an increase of x5 to x8 over current prices (2021-2022). Not surprisingly, we expect next year to be a very successful year if all goes well.

Slide 5

Slide-5 discovers some suspected long-term trends in our turbine's output since commissioning in 2011 that could be interpreted as signs of gradual mechanical wear and tear within the turbine or possibly along the leading edges of the turbine blades.

This encourages us to look ahead to our future and to start considering other possible sources of income once the turbine comes to the end of its useful life (decommissioning in 2037). We are approaching the end of our 15-year warranty period and the end 3rd of our final bank loan repayment period (Oct 2026) which gives us 10 more years of hopefully trouble-free turbine output.

This is a good time for us to start planning ahead with a view to securing a further period of income that will support the Trust Company activities and community-based projects. In these early stages we are considering allocating the additional funds we will have available once the bank loan is repaid (£120,000 per year) towards investment in a new project in or before 2037. This would accrue to £1.2 million. Community private funding could be another option.

Potential projects being considered include:

- extending the life of the current turbine,
- purchasing a new turbine and continuing on

- the same basis, and
- looking towards other projects and technologies such as solar array or a solar village.

Slide 6

Slide-6 presented a summary of the Accounts to end Feb 2022 as drawn up by Bain Henry Reid (CA).

Matt asked if there were any questions.

Question from the floor. It was asked what would happen at the end of the Government Feed-in Tariff (FIT) and loan payments. Matt replied that the loan will finish well before the FIT. A small discussion was held on this.

Question from the floor. What will happen to the Turbine at the end of its life span. Matt replied that it could be de-commissioned or replaced. A small discussion was held on this.

Question from the floor. Is there a timeline for making decisions about what will happen to the Turbine at the end of its life span. Matt replied that two years was adequate, and the bank loan ceases in 2026. Brian re-iterated this.

A small general discussion was held on future planning with it being noted that it is very hard to predict where technology will be and other factors.

Question from the floor. If there was a possibility of investing in a local green opportunity would there be involvement. A small discussion was held on this which included selling electricity direct to the community which BM replied that it had it's pitfalls and was quite risky.

A small discussion was held on a current green legislation bill that was currently being put forward and supported by a lot of MPs.

Comment from the floor. People in the community are going to struggle this winter with the thought process of just being able to survive to spring and for the Trust should be mindful of this and do whatever they can. Both Matt and Brian fully agreed with this, but Brian stated that due to charity regulations the Trust cannot fund private individuals but would do whatever it can.

- 4 Election of Directors** Matt then handed back to Brian.
- In accordance with the Trust's Memorandum and Articles of Association, Lynne Cartledge and Marion Jamieson retired from the Board.
- By agreement of the meeting and by way of a show of hands, Lynne and Marion were re-elected back onto the Board.
- It was noted that there were no objections.
- It was noted that the closing date for Director nominations had been Monday the 31st of October but none had been received.
- Brian then ran through the rest of the Board.
- 5 Questions** Brian asked if there were any questions but there was none.

Brian thanked everyone for their attendance and brought the AGM to a close.