

**MINUTE OF ISLAY ENERGY COMMUNITY BENEFIT SOCIETY LIMITED  
ANNUAL GENERAL MEETING HELD ON 27<sup>th</sup> APRIL 2016**

**AT THE LIBRARY, ISLAY HIGH SCHOOL at 7pm**

**IECBS Directors**

**Present:**

Izzy Coughlin, Scott Currie, George Dean, Richard Jagger, Ken McLean, Jenni Minto, Glen Roberts

**IECBS Members:**

Jack Adamson, Tony Archibald, Izzy Coughlin, Scott Currie, George Dean, John Findlay, Richard Jagger, Briar Maxwell, Ken McLean, Christine McPhie, Jenni Minto, Malcolm Ogilvie, Geunda Palmer, Ann Pilley, Marian Senior, Mike Senior, Billy Sinclair

**Non-Members:**

Glen Roberts, Gary Scott, Mike Young

**Apologies:**

Bronwen Currie, Evan Cuthbertson, Donald Ewan Darroch, Harry Fitzalan Howard, Jean Knowles, Jean MacKay, Mairead MacKechnie, Fiona MacLeod, Iain MacPherson, Aiden Meade, Margaret Rozga, Jurg Oliver Straub, John Trawber, Marie Trawber, Kitty Watt, Alan Watt, Les Wilson

**Guest:**

*Action*

- 1. WELCOME and APOLOGIES** – Izzy Coughlin welcomed everyone to the meeting and indicated that the formal part of the meeting would be completed at Agenda point 8 and Dr Billy Sinclair would then do a presentation on the work he has been doing on establishing the procedures around the Community Benefit Fund. Jenni Minto read out the apologies as listed above.
- 2. MINUTE OF AGM HELD ON 20<sup>TH</sup> APRIL 2015** – There being no changes the Minute was approved. Proposed by George Dean; Seconded by Malcolm Ogilvie
- 3. MATTERS ARISING** – There were no matters arising.
- 4. CHAIR’S REPORT** – Izzy Coughlin summarised her report previously circulated. She highlighted that the Board had successfully achieved its three major objectives in the year: 1. IECBS took over responsibility for the turbine on 28<sup>th</sup> April 2015; 2. Final accreditation was received from Ofgem in December 2015; 3. IECBS will make its first annual payment to the Community Benefit fund of £60k and interest payment to investors of 4%. Izzy also thanked Geunda Young for her diligence over the year, George Dean for his work on the Community Investment Plan and all the other Directors for their contributions to the continual running of the Society.
- 5. EXTRAORDINARY RESOLUTIONS** – Amendment of Rules
  - 5.1. Rule 28a** – Clarification of the circumstances when withdrawal s can be made.

Proposed by Izzy Coughlin; Seconded by George Dean.

**5.2. Rule 97** – Change required to match the Society Rules with the Deed of Covenant determining the payments to the Community Benefit Fund.

Proposed by Izzy Coughlin; Seconded by George Dean.

## **6. TREASURER'S REPORT**

**6.1. Approval of Annual Accounts** – Scott Currie explained the summary and detailed Profit and Loss account and the Balance Sheet for the year. He confirmed the payment of £60k to the Community Benefit Fund and a 4% interest payment to investors. Malcolm Ogilvie asked for clarification on the distribution charge and if it was likely to increase. George Dean said that this was part of the contract with the network operator and as we expect the turbine to generate around 1mKWh per year it is unlikely to change materially each year. Izzy Coughlin asked, on behalf of Fiona MacLeod, why the administrative costs were high as a % of turnover. Scott said that the heading “Administrative Costs” was a slight misnomer as they were really operating costs but this was the required description for statutory accounts. He said they were in line with the prospectus and included depreciation of the fixed assets. The accounts were approved. Proposed by Richard Jagger; Seconded by Tony Archibald.

**6.2. Approval of 4% interest payment to investors** – Passed by acclaim.

**6.3. Approval of £60k payment to Community Benefit Fund** – Passed by acclaim.

**6.4. Appointment of Auditors** – Scott Currie proposed that Wylie & Bisset be reappointed as Auditors. Seconded by Mike Senior

**6.5. Thanks** – Scott Currie thanked George Dean, Geunda Young and Jenni Minto on their work throughout the year.

**6.6. The Turbine's Final Cost** – The installation of the Turbine cost £138k more than had been originally estimated, around 10%. This was due to three main changes: the cost of the due diligence for the SIB loan; additional aggregate required for the foundations; and, the project over-running due to bad weather. However, the Community Benefit Fund is estimated to be £2.25m over the 20 year length of the project.

## **7. ELECTION OF BOARD MEMBERS**

Donald Ewen Darroch and Margaret Rozga will retire by rotation and have decided not to stand for re-election. This means there are two vacancies. Jenni Minto's co-option to the Board ends, but she has agreed to stand. Jenni Minto is therefore elected unopposed. Jack Armstrong nominated Tony Archibald but as this fell out of the appointment of Directors process it was agreed that Tony Archibald speak to Izzy Coughlin at the end of the meeting.

## **8. ANY OTHER COMPETENT BUSINESS –**

**8.1.** John Findlay asked about the turbine stoppages and faults and who comes to fix it: Geunda Young explained that it is Enercon staff who come to fix any problems, the turbine is accessible across the internet and they see any issues straight away. Scott Currie said that the IECBS includes a summary of the availability of the Turbine. George Dean also noted that IECBS has a Service Level Agreement with Enercon and it is in their interest to ensure the turbine is fixed quickly as

there are penalty payments if availability of the turbine falls below a certain %. Briar Maxwell suggested these figures should be printed in the lease.

8.2. Gary Scott asked about the life expectancy of the project. George Dean said that the project was based on a 20 year period but as the turbine gets older it will enter a repowering phase where it could be upgraded, probably around the 10 year mark. There was then a discussion as to whether more turbines should be installed but it was agreed that this would require a bit of analysis due to the reduction in Feed-in-Tariffs.

8.3. Mike Senior asked what % of the income was generated from the Feed-in-Tariff. The split is 20% wholesale and 80% FIT.

8.4. Izzy Coughlin reiterated her thanks to all Board members past and present, and also Geunda Young for her continuing support. Izzy intimated her intention to stand down as Chair but would remain on the Board.

8.5. Mike Senior noted his and members thanks to Izzy for her diligence in the role of Chair.

8.6. There being no further business, the meeting was completed at 19:42.