



Community Energy
Organisation
of the Year

Bath & West Community Energy

Business Plan 2012-2015 Update

September 2014

This document sets out progress towards BWCE's Business Plan targets and provides financial projections based on our existing project portfolio plus the Wilmington Farm Solar Array. For review alongside the Share Offer Document for Wilmington Farm Solar Array.

Bath & West Community Energy



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Executive Summary

The purpose of this document is to present the Bath & West Community Energy ('BWCE') concept to stakeholders, including potential investors (corporate, social and local) and debt funders.

BWCE is a community-owned sustainable energy company in the Bath and West Wiltshire area set up to make a major contribution to local renewable energy targets.

We believe a community-owned structure is the right model to create local support for renewable energy installations, and that local, decentralised supply offers a viable and resilient business model.

We also believe that community energy provides a powerful mechanism for generating a sense of collective purpose around tackling climate change and energy security, by engaging and empowering local people through a closer relationship with local projects.

The introduction of the Feed in Tariff ('FIT') in 2010 and the Renewable Heat Incentive ('RHI') in 2011 provides the economic stimulus to make this business model financially viable. Our management team has demonstrated its ability to build a viable enterprise, and our experience since 2012 demonstrates that our business model is robust, profitable and competitively differentiated.

BWCE's initial focus for its business strategy has centred on identifying, developing, financing and operating community owned renewable energy projects in order to create a financially sustainable, community owned and accountable enterprise.

BWCE draws an income from the Feed in Tariff and selling electricity as well as from supporting other community energy enterprises develop their own projects. BWCE is able to provide skills, experience and funds into the 'at risk' development process, prior to planning approval, and is paid only if and when a project successfully reaches financial close.

We believe that our initial focus on renewable electricity, in particular solar PV, is providing us with a platform from which we will then be able to develop community embedded services supplying renewable heat and energy efficiency, as well as local electricity supply.

This document provides an update on progress towards delivering the goals outlined in BWCE's 2012-2015 Business Plan. It also outlines financial projections for BWCE based on projected performance of

its own projects, including the Wilmington Farm Solar Array.

We now plan to develop up to 14MW of renewables capacity across BWCE and partner community enterprises, if all of this is built we will be generating enough electricity to supply the equivalent annual demand from over 4,500 homes.

To date BWCE has:

- Raised £5 million from its own and community partner share offers.
- Raised £800,000 of debt finance and is in advanced discussions for more.
- Raised £400,000 of development finance.
- Worked with four community enterprises to develop renewable energy projects and helped two of them to set up from scratch.
- Installed 1.7MW of solar PV across its own and community partner projects, enough to meet the average annual electricity demand from 450-500 homes.
- More than 20MW of solar, wind and hydro projects in development.
- Paid members 7% for the last 3 years and has made its first payments totalling £25,000 into its independent community fund.

Our plan is founded on a commitment to providing substantial community benefits that include; generating a significant community fund from surplus profits, offering local people opportunities to invest in local projects and generate good returns, an emphasis on building local supply chains wherever possible, all within the context of a community enterprise offering good governance and local accountability.



Vision & Objectives

We believe it should become the norm for communities to be able to take control of local renewable energy projects, supply electricity to local people and play an active role in energy efficiency and reducing energy demand.

By generating a sense of collective purpose around action to minimise the impact of climate change and fuel poverty we believe community action can power a step change in our response to these urgent and central threats to our children's future.

Our vision for BWCE is to support this process in our area by creating a financially sustainable, community-owned energy enterprise that will deliver renewable energy, energy efficiency and energy supply services, via a strong community model.

This community approach will maximise community benefit, strengthen our local economy and build community resilience.



The objectives outlined in the original business plan, restated below, still remain relevant. While the Green Deal has not been implemented as rapidly or as effectively as originally envisaged, BWCE is a core partner in Bath & North East Somerset Council's Energy@Home programme for local retrofit delivery, and the potential for further development remains strong.

BWCE's plans in relation to energy supply to local consumers (beyond site owners) are still under development. They remain a longer term aspiration and are dependent on regulatory changes in the energy market

PLAN OBJECTIVES 2012-2015

- BWCE will seek to generate at least 25% of the local renewable electricity by 2026. BWCE will also assess the contribution it can make to the local renewable heat target, as soon as is practical
- BWCE will offer opportunities to local people to invest and generate a good return from BWCE and its projects.
- BWCE will generate a community fund

that will recycle surplus profits back into projects addressing fuel poverty and further local low carbon projects covering for example energy efficiency, sustainable transport or local food initiatives.

- BWCE will strengthen local supply chains and support local businesses wherever possible.
- BWCE will establish itself as a key partner within the delivery of energy efficiency measures through the Green Deal.
- BWCE will develop opportunities to supply (as well as generate) heat and electricity and establish itself as a community-owned energy service company or ESCo.

As an Industrial and Provident Society set up for the benefit of the community (or 'Community Benefit Society'), BWCE has a democratic governance structure, with one member one vote regardless of size of shareholding thereby maximising local accountability and control



A Changing Market

The original business plan highlighted the introduction of the Feed in Tariff and the Renewable Heat Incentive as the major mechanisms for driving the organisation's business strategy during its early years.

Additional drivers included the Government's Localism agenda, the developing Green Deal, the potential for community renewables to add value within the development of renewable energy at the sub 5MW scale where there was less commercial interest and within the planning process, the potential for individual investment opportunities to strike a chord with those looking for ethical investment and an increasing desire to take action amongst people at a local level.

The Feed in Tariff remains a core driver, certainly for this business plan period. Key changes to the policy environment since the publication of the last business plan however include:

- A reduction in political priority placed on the Localism agenda by Central Government.
- This has been offset by publication of Government's first ever UK Community Energy Strategy. BWCE played its part as a member of the ministerial Community Energy Contact Group that advised the Department of Energy and Climate Change during the strategy development.
- The Community Energy Strategy has put in place a number of working groups to address the most pressing problems around financing, grid connection, planning, hydro and shared ownership with commercial developers. These working groups are currently reporting to Secretary of State for Energy & Climate Change, Ed Davey, who has committed to ensuring that tangible improvements are implemented as a result.

- Significant reductions have been implemented in Feed in Tariffs since 2012, in particular for solar PV. Despite significant reductions in technology prices, it is now more difficult to make the smaller roof mounted schemes financially viable.
- Increased political resistance to onshore wind and large scale solar PV has introduced some uncertainty.
- Significant further reductions for larger scale solar PV may well be implemented from April 2015.

While the situation remains fairly steady for the rest of this business plan period and for the projects currently being developed, there is uncertainty for future projects which BWCE needs to manage and respond to.

All of this places increased emphasis on the outcome of the general election in May 2015 and the priority the new government places on community energy policies.

A response to the policy outlook for community energy post the election in 2015 will be addressed in the next business plan 2016-2019.



BWCE's Business Strategy and Group Structure

BWCE's initial business strategy has proven to be robust with a focus on:

- Developing community renewable energy projects through local partnerships
- Securing investment via local share offers and matching debt finance, institutional investment and/or co-investment
- Securing income via the Feed in Tariff and the Renewable Heat Incentive and sales of electricity exported
- Operating and maintaining its own assets.
- Re-investing surplus profits in a Community Fund.

The structure has facilitated BWCE's ability to attract and utilise both development finance and asset capital:

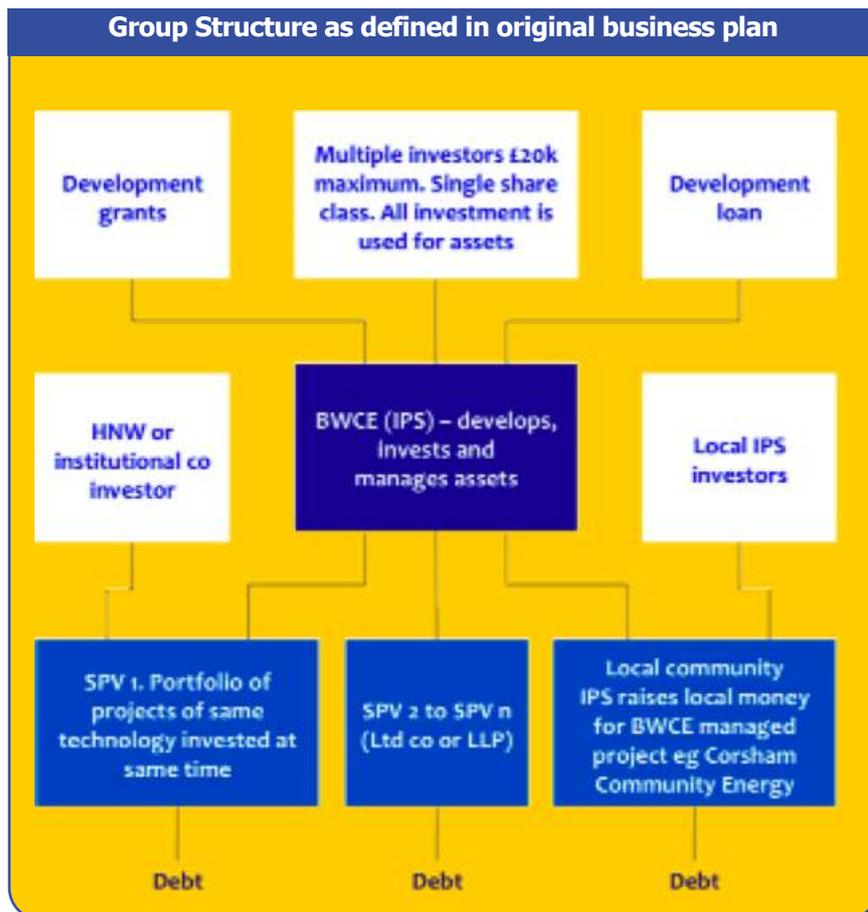
- Development finance has been raised in the form of both contingent loan (loan repaid with bonus if project successful or written off if not) and grant.
- Investment in BWCE has successfully been secured from local member/shareholders up to a maximum of £20,000 originally and now maximum of £100,000 (following changes in regulations).
- Projects have been grouped into a number of portfolios using Special Purpose Vehicles (SPVs). The finance raised from members/shareholders has been used purely to fund the capital assets within the SPVs.
- Share offer launches to attract members have focused on the relevant local area to maximise local ownership and accountability. Whilst members from further afield are not excluded, the geographical balance of membership is monitored to ensure membership remains predominantly local.
- BWCE has secured co-investment from one site owner of up to 10% of equity in the SPV. BWCE has to retain a minimum of 90% ownership of individual SPVs to retain eligibility for EIS tax relief.

KEY TO GRAPHIC:

IPS: Industrial & Provident Society

HNW: High Net Worth individuals

SPV: Special Purpose Vehicle



BWCE has also significantly developed its approach to working with other community enterprises. See page 11.

As a result of the demand for development services and in order to retain clarity of focus between BWCE's operations and the development activity, BWCE is considering creating a separate community energy project development business, as outlined in the section on Organisation and Governance below.



BWCE Short Term Goals 2012-2013

COMMENTARY

Following several sharp cuts in the solar PV Feed in Tariff the focus has shifted to larger scale solar PV projects. This has included the development of an innovative partnership with Wiltshire Wildlife Trust that led to the establishment of Wiltshire Wildlife Community Energy (WWCE). WWCE, with support from BWCE, secured planning approval for a 1MW solar PV array next to Wiltshire Wildlife Trust's Blakehill nature reserve at Chelworth.

Alongside this activity BWCE secured a number of hydro and wind sites in the Bath and surrounding area.

This development activity was eased by securing £400,000 of development finance from both private and public sources. This enabled BWCE to invest funds 'at risk' in its own and partner projects up to and beyond planning, this has been an important element of BWCE's success to date.

Short Term Goals 2012-2013	Achievements
<ul style="list-style-type: none"> ● Further 500kW of solar PV to be installed. 	<ul style="list-style-type: none"> ● Ground Mounted 250kW solar PV array installed connected to Hartham Business Park near Corsham.
<ul style="list-style-type: none"> ● Share offer Launch of second BWCE share offer with a target of £500k 	<ul style="list-style-type: none"> ● Second share offer was closed having raised £385,000 against a target of £350,000.
<ul style="list-style-type: none"> ● Development finance In parallel BWCE will build its organisational capacity and invest in project development financed via grants and development loan. BWCE will identify and secure options on wind and hydro sites and do the survey work and community consultation necessary to get projects ready for planning. 	<ul style="list-style-type: none"> ● £400,000 of development finance was raised including £300,000 on a contingent loan basis from private sector sources and a £100,000 grant from Bath & North East Somerset Council. Where projects are successful, the loan is repaid with a bonus, where projects fail the loan is written off. ● Planning was secured for 1MW solar PV array on behalf of Wiltshire Wildlife Community Energy. ● Options were secured for two hydro sites and two wind sites.



BWCE Medium Term Goals 2013-2015

COMMENTARY

Key factors that have affected BWCE's goals to end 2015 include:

- Cuts in the solar PV Feed in Tariff that have generated a shift from small to larger scale solar PV projects.
- Significant delays in the wind projects due to objections from Bristol Airport.
- Reduction in scale of ambition on wind due also to prohibitive planning policy in Wiltshire for wind energy.
- A strong take-up of development services by other community energy enterprises.

Work with community enterprise partners (as outlined on page 11) has moved quickly. This has enabled BWCE itself to remain closer to the communities it serves directly and not grow too large. This approach of supporting others to grow has proved popular with many communities looking to make their first steps into this sector.

With respect to the goals, the original £10.5 million invested goal was set at a level that was felt to be sufficient to generate enough surplus to become financially sustainable. Not just operationally, but also in terms of generating enough surplus from the development process to not need external development finance.

The original business plan didn't distinguish how much development would be through community partner projects and how much on BWCE projects. This relationship has become much clearer as the business plan has been implemented and is summarised in the following pages.

With the support of Bath & North East Somerset Council some of the objections from Bristol Airport have been addressed and there is a plan going forward for some smaller scale wind projects as a result. The situation in Wiltshire is unclear as to if and when the planning environment will make community wind energy development more likely.

The move to larger scale solar PV projects has been enabled through an approach that involves working in partnership with commercial developers. The developer takes the project through planning with a commitment to sell the project to BWCE or one of its community partners. This approach, together with a successful £2.2 million local share offer, has delivered a 1.87MW solar PV array for Low Carbon Gordano. Similar arrangements are in place for a further 9.3MW of community owned solar PV on projects with planning already secured and fundraising about to start. As a result BWCE is able to move to scale more quickly without having to invest significant funds at risk pre planning.

This ability to tackle larger projects has increased the overall installed capacity projection for end 2015/2016 beyond the original projection. It will also increase the levels of community funds available for re-investment back into local communities.

However because there is now a greater focus on solar PV as opposed to wind, the overall generation of clean electricity per MW installed will be lower. This is because wind energy projects generate more units of electricity for every kW of capacity installed than solar PV.

Wind energy will also generate more project surplus and significantly larger community funds for every MW installed than will solar PV, though they are more difficult to establish.

As a result the forecast community funds available if all 14MW of projects are installed, as outlined in the table below, are heavily dependent on successful wind energy projects.

Most recently, BWCE's achievements have been recognised when it received the Community Energy Organisation of the Year award at the 2014 UK Community Energy Awards.



BWCE Medium Term Goals 2013-2015 (cont)

Medium Term Goals 2013-2015	Progress to September 2014	Forecast to end 2015/16
<ul style="list-style-type: none"> 6 MW of renewable energy capacity installed, approximately 3000kW wind, 1800kW solar PV; 400 kW hydro; 800 kW heat 	<ul style="list-style-type: none"> 1.7MW solar PV installed in BWCE and Wiltshire Wildlife Community Energy. Further 11MW of solar PV with planning approval and due for installation by end 2015 subject to fundraising. 315kW of hydro with landowner lease signed due for installation in 2015 subject to fundraise and planning/EA approval. 1MW of wind with landowner lease signed and due for installation subject to fundraise and planning. 	<ul style="list-style-type: none"> By end of the 2015-16 financial year, BWCE and its community enterprise partners will have built 14MW of renewables capacity, made up of: 12.7 MW of solar PV, 315kW of hydro and 1MW of wind. If all 14MW of capacity as outlined above is built, it will generate enough electricity to meet the equivalent annual demand from over 4,500 homes. Of this 4MW will be owned by BWCE and 10MW will be owned by partner community enterprises.
<ul style="list-style-type: none"> £10.5m capital raised for asset investment, £3.5m equity and £7m debt and/or co-investment. 	<ul style="list-style-type: none"> 5 million of equity raised in BWCE, Wiltshire Wildlife Community Energy and Low Carbon Gordano. £1.8 million of debt secured or nearly secured. £600,000 of share offer underwriting secured. 	<ul style="list-style-type: none"> To build the 14 MW of renewables capacity will require a further £15 million. To build the 14 MW of renewables capacity will require a further £14 million on top of the £5 million equity and £1.8 million debt already raised. This will require in the region of £8 million of debt and a further £7 million of debt. The equity will be raised in four or five share offers depending on timing. Two will be through BWCE and two or three through BWCE community energy enterprise partners.
<ul style="list-style-type: none"> Interest paid to members of 7% though this figure may change over time in the light of changes to RPI and will be subject to the performance of our projects. 	<ul style="list-style-type: none"> 7% paid to members in each of last three years since start of trading. 	<ul style="list-style-type: none"> BWCE continues to target 7% interest to members. This is considered a reasonable and fair return when compared with commercial debt at around 6.5% for 15 years, with guaranteed returns and security over assets.

BWCE Medium Term Goals 2013-2015 (cont)

Medium Term Goals 2013-2015	Progress to September 2014	Forecast to end 2015/16
<ul style="list-style-type: none"> Forecasted income over project life enabling nearly £6m to be invested in a community fund, an average of £250,000 per year. 	<ul style="list-style-type: none"> Independent community fund (for BWCE) set up with first payments totalling £25,000 made. Current portfolio of projects (12.7 MW of solar PV installed and with planning across all partners) will deliver over £6 million into the community fund over project life or an average of £250,000 per year, lower in early years and higher in later years. 	<ul style="list-style-type: none"> If all 14 MW of renewables capacity are included then the community funds generated would be more like £11.5 million over 25 years or over £450,000 per year on average, lower in early years and higher in later years. Use of community funds will vary across the community partners. For BWCE, community funds (around £5 million of the £11.5 million referred to above) will be used to invest in community led low carbon projects (e.g. energy efficiency, local food, sustainable transport etc) and fuel poverty projects.
<ul style="list-style-type: none"> Building a financially sustainable community enterprise supporting a permanent staff team and appropriate organisational overheads. By 2015, BWCE will be generating an annual turnover of between £1.5m and £2m, not including capital investment. 	<ul style="list-style-type: none"> BWCE currently employs between 3.5 - 4 full time equivalent staff on 1 year contracts. Working as a virtual team with office base. BWCE is financially sustainable operationally. Its development activities are still dependent on sourcing external development finance. 	<ul style="list-style-type: none"> Will be employing staff on permanent contracts. Operating out of central office space, though still relying on homeworking. Financially sustainable development business able to generate sufficient surplus to finance its own 'at risk' investment. Though this sustainability is likely to still require external development finance. The operational turnover is forecast to grow to £450,000 by end of 2015-16 based on just BWCE's existing projects and the proposed Wilmington Solar Farm Array.
<ul style="list-style-type: none"> This forecast covers both operational and project development activities. 	<ul style="list-style-type: none"> During 2013-14 BWCE generated an operational turnover of £175,000 from electricity generation with a total turnover of nearly £400,000 including project development. 	<ul style="list-style-type: none"> If the 14 MW of projects delivered by BWCE and it's community energy enterprise partners that is forecast to be online by end 2015-16 is taken into account then the additional operational turnover generated would be over £1.3 million. Total operational turnover across the group of community energy enterprises is forecast to be around £1.8 million. In addition development activities in 2015 will generate additional turnover of £0.5m.

Community Energy Enterprise Partners

As planned we have developed a strong partnership approach with other community enterprises that has enabled BWCE to share its experience, and support others to develop and own their projects.

This approach enables BWCE to retain a community scale for its own project activities, whilst still supporting the wider sector to grow.

BWCE has working relationships based on development and service agreements with four community enterprises, Wiltshire Wildlife Community Energy (WWCE), Low Carbon Gordano (LCG), Kennet Community Energy (KES) and Frome Renewable Energy Cooperative (FRECo).

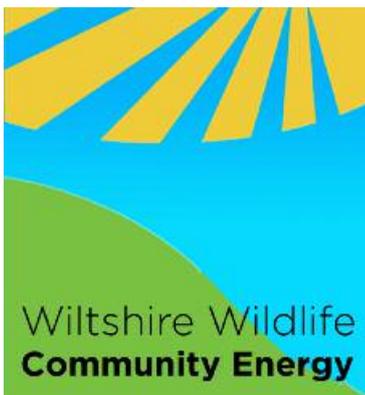
In addition BWCE is in discussions with a number of other communities at an earlier stage.

To date our team has:

- Supported WWCE and FRECo to set up as Community Benefit Societies.
- Developed and financed a £1.3 million, 1MW solar PV project with WWCE and a 45kW solar PV project with KES
- Raised 2.2 million with LCG for a 1.87MW solar PV project.
- Carried out a site search for FRECo with grant funding from the Rural Community Energy Fund.

Community
Kennet Energy


FRECO
FROME RENEWABLE ENERGY CO-OP



Low Carbon Gordano



Strategic Partners



At a national level BWCE has strengthened its partnerships with bodies such as Coops UK and Pure Leapfrog and more recently with the Community Shares Unit and Community Energy England.

We have been selected to be an expert mentor within the Coops UK peer mentoring programme to support early stage community groups, as well being chosen by the Community Shares Unit to become one of the first licensed practitioners that, following an assessment process, will be able to award quality marks for community share offers. Both opportunities recognise BWCE's track record to date and will strengthen our ability to offer development services to other community partners going forward.

Locally our partnership with Bath & North East Somerset Council has deepened. Our cooperation agreement is to be renewed and strengthened. Most recent examples of active support include the provision of a £100,000 grant for 'at risk' project development activities, intervention with Bristol Airport to ease discussions around

wind energy in the Council area, installation of solar PV on council offices and currently advanced discussions around a £500,000 loan into the Wilmington Farm Solar Array.

Work with commercial partners has also developed significantly. As well as securing good partnerships with installation and O&M contractors like TH White Energy, IDDEA and Ethical Power, BWCE is now working with commercial developers like Orta Solar, TGC Renewables and 3C Energy on the purchase of fully permitted solar sites. For the larger sites this reduces the significant up front costs that BWCE would otherwise have to incur.



Organisation and Governance

BWCE's organisational structure as envisaged in 2012 and outlined below is similar in function to that in place now, with a successfully functioning board and an MD and FD in place. The Commercial Director and Operations Manager roles are still carried out by the MD as the organisation is not quite at a scale to justify separate functions.

The bulk of organisational capacity is built around the core project development functions.

Over time, this project development capacity is being utilised by other community enterprises as much as by BWCE for its own projects. There is the potential for the support to other communities to grow.

The BWCE board is therefore considering proposals to create a new separate entity that will take forward BWCE's current project development activity. The intention is to create the new body as a multi stakeholder cooperative that will be in part owned by the community enterprises (including BWCE) that utilise its services.

If this re-structuring occurs, BWCE itself will focus on renewable energy project ownership, financing of future projects, maximising community benefit, developing community energy efficiency and demand management programmes, opportunities for energy supply and deepening community links within the Bath and surrounding area.

BWCE's next business plan 2016-2019, currently under development, will outline the organisational impact of these changes in more detail.

BWCE CORE TEAM STRUCTURE (as envisaged in original business plan)



Background to Financial Projections

BASIS OF FINANCIAL PROJECTIONS

This business plan update has been produced for review alongside the share offer document for the Wilmington Farm Solar Array. As a result these financial projections have been produced to demonstrate how the Wilmington Farm project affects BWCE's operational performance and its subsequent ability to continue to offer the target returns to members and the community benefits central to BWCE's business model.

These projections are therefore based on BWCE's existing project portfolio plus the Wilmington Farm Solar Array, see *box*.

PROJECT PORTFOLIO

BWCE'S OPERATIONAL SOLAR PV PROJECTS

The Mead School, Trowbridge	49 kW
Corsham School, Corsham	50 kW
St Martin's Garden School, Bath	10 kW
Oldfield Park Infants School, Bath	7 kW
Linleys Farm, Corsham	50 kW
Oldfield School, Bath	46 kW
Walcot Rugby Club, Bath	30 kW
Newbridge Primary School, Bath	37 kW
Peasedown St John Primary School	38 kW
Ralph Allen School, Bath	45 kW
Hartham Park, Corsham	250 kW

BWCE'S PROPOSED SOLAR PV PROJECT

Wilmington Farm Solar Array	2340 kW
As outlined in associated Share Offer Document	

It is the performance of these projects that will be relevant to investment in BWCE for the Wilmington Farm Solar Array.

Income from community partner projects is not included as the operational income is generated into independent community benefit societies.

The development and service income generated by these projects goes into BWCE's development business, which is not relevant to investment performance in BWCE. The income and expenditure on development has a different risk profile to that associated with investment in the project build and is ring fenced within a currently wholly owned subsidiary of BWCE. Whilst figures are incorporated into annual consolidated accounts, development activities do not influence the operational performance on which investment returns are judged. Member investment is not used for project development activities. BWCE is currently looking at ways to accentuate this separation including splitting out development activities into a separate independent community enterprise.

The income and expenditure on the future projects outlined within this business plan update, to be delivered by BWCE, are also not included. These include the hydro and one of the 500kW wind projects. The other projects will be delivered through BWCE's community partners. The additional BWCE projects are not included here as the detailed finances are not yet known. Full financial projections will however be included within an updated version of this document and published alongside future BWCE share offer documents.

Future projects will only be pursued if they meet hurdle rates of return that will not negatively affect existing members investment, the organisations ability to meet its target return for future investors and BWCE's ability to generate significant community funds for re-investment into local communities.



Background to Financial Projections (cont)

ASSUMPTIONS

The key assumptions behind the financial projections include:

RPI: 3%

Electricity Price Rise: 1% above RPI (well below National Grid's base case forecast for electricity price increase)

Panel performance: Range from 780kWh/kWp to 950kWh/kWp depending on project

Solar Panel Degradation: Up to 0.8%/yr (though industry experience suggests 0.5%/yr)

Solar FIT: Varies from 37.8 p/kWh for smallest of roof mounted schemes to 6.61 p/kWh for largest ground mounted scheme

Insurance: 0.2-0.3% of capex/yr

O&M: £10/kW/yr - £20/kW/yr

Loan terms: 6.5% over 15 years

Forecast members' interest: 7%

Rent: Varies from £0 for schemes where site owner is receiving free electricity to over £5,000/yr per MW for ground mounted schemes.

COMMENTARY ON FIGURES

The figures show a strong cashflow with cash generation of nearly £8.5m, which is used to pay members' interest, members' capital and the community fund. Some cash is retained as working capital.

Projections assume annual 7% payment to members and all member capital invested returned over 20 years.

Actual repayments into the community fund and to members will be dependent on performance of the projects and the amount of cash that needs to be retained for working capital.

The cash outflow and P&L loss in the last five years are what would be expected, as reserves are drawn down and cash paid out to contribute to the community fund and so move towards a zero balance

However here we are only projecting the finances for our existing projects and the Wilmington Farm Solar Array, which will be wound down in the period concerned. In practice new investments will come on stream so we will be showing positive profits and cash flow.



Financial Projections

Cash flow (£k)	FY14-18	FY19-23	FY24-28	FY29-33	FY34-38	Total
Capital expenditure	-2691	0	0	0	0	-2691
Members equity	2267					
Feed in Tariff Income	1464	1876	2121	2398	1155	9013
Electricity sales	653	932	1102	1303	1441	5431
Insurance	-69	-80	-93	-108	-105	-455
Operation & Maintenance	-146	-234	-271	-314	-325	-1290
Rent	-98	-140	-165	-192	-191	-786
Project Loan capital & repayments	274	-312	-427	-299	0	-763
Project Loan Interest	-312	-299	-184	-43	0	-838
Operational Overhead	-229	-242	-281	-325	-323	-1401
Cash Generation in Period	1113	1502	1803	2420	1650	8489
Use of cash generated:						
Members Interest	-880	-969	-810	-565	-135	-3358
Community Fund	-92	-102	-355	-593	-716	-1857
Repay equity/reinvest	-129	-329	-589	-1005	-951	-3002
Final Cash inflow/outflow	12	102	50	258	-151	271
Cash at Bank	58	160	210	467	316	

Note: The Project Loan capital & repayments line includes £500,000 of loan but reduced to the figure shown by repayments during the 2014-18 period.'



Financial Projections (cont)

Profit & Loss (£k)	FY14-18	FY19-23	FY24-28	FY29-33	FY34-38
Revenue	2180	2828	3246	3727	2476
Costs					
Insurance	-65	-81	-94	-109	-102
O&M	-162	-236	-274	-318	-321
Rent	-99	-142	-167	-194	-186
Overhead	-196	-245	-284	-330	-316
	-523	-704	-820	-950	-926
EBITDA	1657	2123	2426	2777	1551
Loan Interest	-312	-299	-184	-43	0
Members Interest	-880	-969	-810	-565	-135
Community Fund	-92	-102	-355	-593	-716
Depreciation	-761	-807	-730	-543	-206
Revaluation	553	533	31	-847	-1043
Profit Before Tax	166	479	379	185	-550

Note: EBITDA stands for Earnings before Interest, Tax, Depreciation and Amortization. The high proportion of the revenue represented by these figures offers a positive indicator for the organisation's finances.



Financial Projections (cont)

Balance Sheet (£k)	2018	2023	2028	2033	2038
Fixed Assets	4096	3873	3202	1799	327
Current Assets					
Cash at Bank	58	160	210	467	316
Debtors	99	119	142	168	49
	157	279	351	635	365
Current Liabilities					
Creditors	-24	-33	-43	-55	-44
Loan due in 12 months	-55	-75	-119	0	0
	-79	-108	-162	-55	-44
Net Current Assets	78	171	189	580	321
Long Term Liabilities					
Loan	-983	-651	-180	0	0
Net Assets	3192	3393	3211	2379	648
Represented by:					
Member's Equity	2873	2544	1955	951	0
Reserves	318	849	1256	1428	648
	3192	3393	3211	2378	648





Bath & West Community Energy

For more information contact info@bwce.coop or
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