



**Bath & West
Community Energy**
Generating local energy



BWCE Finances

Pete Capener

Bath & West Community Energy



Balance Sheet



BWCE Assets	2020-21	Notes to 2020-21 summary	2019-20
Project Fixed Assets	15,931,040	Renewable energy asset value	16,270,972
Debtors less Creditors	111,934	Fall in creditors & increase in accrued income	452,807
Cash at Bank	1,952,632	Includes reserve accounts and unused capital	1,106,371
Net Current Assets	2,064,566		1,559,178
Total Assets Less Current Liabilities	17,995,606		17,830,150
Less Long Term Liabilities	(10,385,519)	Reduction due to debt repayment	(10,679,151)
Net Assets at Year End	7,610,087		7,150,999
BWCE Capital & Reserves			
Share Capital	6,181,500	Member shareholding	5,814,200
Reserves less P&L account	1,428,587		1,336,799
Total Group Funds	7,610,087		7,150,999



Balance Sheet

BWCE Assets	2020-21	Notes to 2020-21 summary	2019-20
Project Fixed Assets	15,931,040		17,272,000
Debtors less Creditors	111,934		7,000
Cash at Bank	1,952,632		1,063,799
Net Current Assets	2,064,566		8,371,000
Total Assets Less Current Liabilities	17,995,606		25,643,000
Less Long Term Liabilities	(10,385,519)		(1,000,000)
Net Assets at Year End	7,610,087		24,643,000
BWCE Capital & Reserves			
Share Capital	6,181,500		6,181,500
Reserves less P&L account	1,428,587		1,336,799
Total Group Funds	7,610,087		7,518,299

Cash at Bank	March 31 st 2021	March 31 st 2020
Debt Service Reserve Account	387,424	353,051
Maintenance Reserve Account	263,844	207,724
Current Account	1,301,364	545,596
Reserved funds (EU)	£275,000	-
Capital funds	£781,895	342,560
Total	1,952,632	1,106,371

Trading Performance



	2020-21	Notes to 2020-21 summary	2019-20
Electricity Generation Income	1,741,884	Feed in tariff plus export income	1,684,433
Other income	207,945	Primarily grant income	75,885
Total Income	1,949,829		1,760,318
Cost of sales	(408,481)	Project costs, not inc. cost of capital	(310,328)
Administrative expenses	(302,016)	BWCE overheads, including finance fees. & fund	(235,516)
Interest on loans and bonds	(461,235)	Interest on debt raised	(472,899)
Surplus Before Members' Interest	781,550		741,808
Members' Interest	(317,440)	Share interest paid to members in year	(349,006)
Surplus After Members' Interest	464,110		392,802
Depreciation	(555,908)	Includes positive impact of additional impairment	(564,732)
P&L	(91,798)		(171,930)
Revaluation of assets	183,583		341,448
Total Comprehensive Income	91,785	Impact of lower revaluation	169,518

Issues raised during online voting



- Should be paying 7% not 4.7% (3.5% plus RPI)
- Wholesale prices are high so should be paying 7%
- Can pain be distributed between 2 share classes
- What evidence for ability to pay 4% interest?
- No detail on whether community fund is affordable
- Should reduce fund to provide buffer for future years
- Insufficient detail on how BWCE is managing its debt
- Auditor is expensive
- Agreed at last year's AGM to change the policy for setting target interest
- If long term price forecasts rise, then we will review the policy
- There is no interest reduction, just a different approach
- 4% is the hurdle rate for new projects so they will only be built if this can be paid
- Long term modelling and annual test of annual cash generated shows affordability
- We have reduced fund target from £70k to £40k – we are a community benefit society not a private co.
- Debt service reserve, covenant tests & bank oversight of inter co transfers, long term modelling
- We do not think so, they are doing accounts for 7 subsidiaries, top co and consolidation



QUESTIONS?

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