



Solar for Schools CBS

Annual General Meeting

19th October 2022

Welcome

Agenda for AGM



- ▶ An introduction to Solar for Schools CBS _____ 3
- ▶ Minutes of 2021 AGM _____ 4
- ▶ Activity and Performance this past year (April 2021 to March 2022) _____ 5
- ▶ Financial Accounts to March 2022 _____ 6
- ▶ Voting - Approval of new School Members, Election of Directors, Approval of Auditors — 15
- ▶ Any other business: Your Questions _____ 24

An Introduction to Solar for Schools CBS

Our national impact so far:



80 sites since 2015;
Academy Trusts, Dioceses,
Maintained & Independent



"Having solar panels installed across our roof will naturally provide financial savings to the school but most importantly we are now able to use this resource to educate our children and the wider community"

Nicola Jones, headteacher
Clifton Green Primary



39,475
students in school with
solar panels



27,100 tonnes of
CO₂ will be removed from
the atmosphere



5.84 MW
Renewable energy
capacity

Minutes of the 2021 AGM

► Approval of 2021 AGM minutes



**Minutes of
ANNUAL GENERAL MEETING
21st October 2021 16.00 – 17.30**

Conducted by video conference with all parties online

Present online:

CBS Directors: Ann Finlayson (Chairman)
Ann Flaherty
Julian Leslie
Peter Roberts
Robert Schrimpf
Marino Charalambous
Nathan Odom

Members representing schools:

Nathan Odom, Discovery Schools
Marino Charalambous – North Star Community Trust schools
Stuart Brady - Headteacher - Bidston Avenue Primary School

Bond Holders:

Gabriel Partos, Colin Spiller, John Laker Tim Gallagher, Lee Paterson, Francis Palmer - bPaul
Hamden Smith Graham Prescott, Ian Smout, Ian Runeckles, Lesley Strutt Elizabeth Stacey -

Observing: Solar Options for Schools

Tom Cardale, Wendy Litherland, Rainer Schmid, Eckart Baum

Apologies for absence: Helen Bates (Director)

AGM

Subject	
Welcome : All Directors, Members, Bondholders, Observers were welcomed. Sufficient directors being present for the meeting to be quorate the AGM was declared open.	Ann Finlayson Chair
Introduction to Solar for Schools CBS : Currently 74 schools have been installed this year, the CBS generates over 5MW of solar power, and over 34,000 students have an opportunity to learn about solar energy. Our systems will avoid 28,000 tonnes of carbon going into the atmosphere.	Ann Finlayson Chair

Solar for Schools CBS Limited is a Community Benefit Society registered with the Financial Conduct Authority under registration no 7364.

Further details on Community Benefit Societies can be found at: <http://www.fca.org.uk/mutuals>

Performance: 1st April 2021 to March 31st 2022 - 12 months



12
Schools joined



4,269
Additional students



3,046
Panels installed in
period



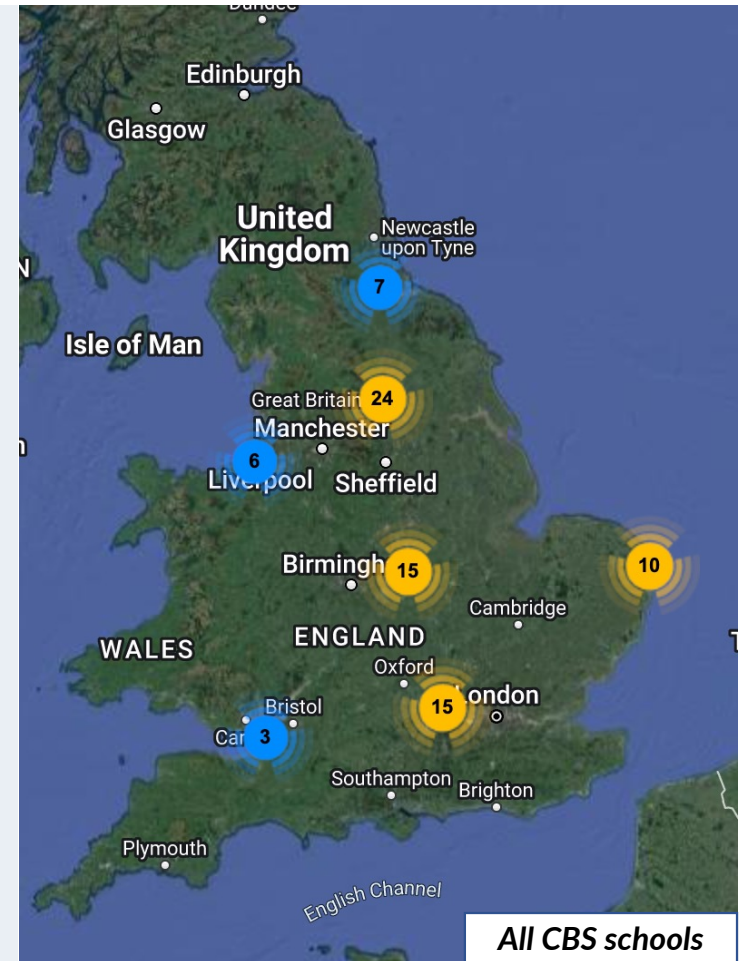
1,037 kWp
Added in period



4,050,703 kWh
Solar electricity from
all CBS schools



924 t
CO₂ avoided
by all CBS schools



Accounts to 31st March 2022: Profit & Loss



	Note	2022 £	2021 £	
Turnover		479,279	386,648	24% increase in electricity revenues
Cost of sales		(125,614)	(105,941)	18% increase in cost of sales
Gross profit		353,665	280,707	26% increase in Gross Profit
Administrative expenses		(170,724)	(146,469)	
Other operating income		-	70	16% increase in Admin costs
Operating profit		182,941	134,308	36% increase in operating profit
Interest payable and expenses		(139,087)	(150,223)	Interest expenses 8% lower due to lower interest rate paid (average 4%)
Profit/(loss) before tax		43,854	(15,915)	Resulting in first profit before taxes
Tax on profit/(loss)		(60,624)	68,895	
(Loss)/profit after tax		(16,770)	52,980	Due to significant grant contributions to systems (£600k, and different treatment of them, deferred tax credit reduced by 60k leading to a non cash loss after taxes.

Draft Accounts to 31st March 2022: Balance sheet



	Note	2022 £	2021 £
Fixed assets			
Tangible assets		3,867,334	3,192,417
		<u>3,867,334</u>	<u>3,192,417</u>
Current assets			
Debtors: amounts falling due after more than one year	6	8,271	68,895
Debtors: amounts falling due within one year	6	276,711	87,633
Cash at bank and in hand	7	82,476	36,973
		<u>367,458</u>	<u>193,501</u>
Creditors: amounts falling due within one year	8	(72,973)	(96,752)
		<u>294,485</u>	<u>96,749</u>
Net current assets		<u>294,485</u>	<u>96,749</u>
Total assets less current liabilities		<u>4,161,819</u>	<u>3,289,166</u>
Creditors: amounts falling due after more than one year		(4,194,763)	(3,305,340)
		<u>(32,944)</u>	<u>(16,174)</u>
Net liabilities		<u>(32,944)</u>	<u>(16,174)</u>
Capital and reserves			
Profit and loss account		(32,944)	(16,174)

21% increase in fixed assets after additions and depreciation.

26% increase in long term liabilities, of which £643k are contributions to systems, which are allocated over the lifetime of the system. Net Bonds of 3.5m

After factoring in changes to deferred tax asset.

Draft Accounts to 31st March 2022: Cash flow



	2022 £	2021 £
Cash flows from operating activities		
Surplus/(deficit) for the year before taxation	44,131	(15,915)
Adjustments to cash flows for non-cash items: Depreciation	138,149	119,212
Finance costs	139,087	150,223
	<u>321,367</u>	<u>253,520</u>
Working capital adjustments:		
(Increase)/decrease in debtors	(109,078)	(87,633)
Increase/(decrease) in creditors	529,852	107,735
Net cash flow from operating activities	<u>742,141</u>	<u>273,622</u>
Cash flows from investing activities		
Acquisition of tangible fixed assets	<u>(813,343)</u>	<u>(396,786)</u>
Cash flows from financing activities		
Interest paid	(139,087)	(150,223)
Issue of bonds	255,792	242,350
Net cash flows from financing activities	<u>116,705</u>	<u>92,127</u>
Net increase/(decrease) in cash and cash equivalents	45,503	(31,037)
Net cash and cash equivalents at beginning of year	36,973	68,010
Net cash and cash equivalents at end of year	<u>82,476</u>	<u>36,973</u>

Significant increase in creditors (contributions to systems owned by CBS treated as pre-payments).

Investments in new systems

Cash position a bit too high at the end of the period.

Accounts to 31st March 2022: Summary



- 24% increase in electricity revenues from £386k to £479k. vs. 7% increase in Bonds to finance them.
- Operating and administration costs have increased less than increase in revenues.
- Electricity Income more than enough to pay interest costs, operating costs, administration costs and depreciation.
- First ever overall operating profits, but capital allowances/depreciation means that no taxes due.
- Some projects are now in profitable territory, so will start to accrue payments back to schools to be allocated at next AGM.
- True and fair view of the accounts and a viable going concern.

Solar generation performance monitoring system



System Name	Id	Current Quarter [kWh/kWp]	Current Quarter Performance [%]	Current Quarter Self Consumption [%]	Current Year [kWh/kWp]	Current Year Performance [%]	Lifetime [kWh/kWp]	Lifetime Performance [%]
St James' CE Primary School	1015	1.96	132%	85%	2.43	125%	3.75	125%
Herne Bay Junior School	1033	0.00	163%	50%	0.00	123%	0.00	123%
Northgate Primary School	795	3.04	200%	75%	3.70	132%	3.11	123%
St Mary and St Peter	762	2.78	182%	60%	3.59	130%	2.85	120%
Bardsey Upper	1023	1.93	125%	91%	1.63	119%	3.61	119%
Roundhay School Primary Campus	1030	2.34	148%	85%	0.59	119%	2.89	119%
Farndon Fields	787	2.30	162%	75%	3.24	123%	2.72	119%
Dene Community School-Sports hall	939058	1.78	146%	67%	2.94	120%	2.46	117%
Vane Road Primary School	801	2.09	151%	71%	3.13	120%	2.81	116%
Lancaster Royal Grammar 30kWp	798	1.70	140%	0%	2.94	115%	2.70	115%
Wooburn Green Primary School	784	2.58	179%	65%	3.17	119%	2.65	115%
St Felix	106129	2.66	154%	69%	3.38	119%	2.93	113%
Otley Library	811	2.29	150%	68%	3.13	114%	2.57	113%
Leighfield Primary School	781	2.21	141%	65%	3.24	118%	2.64	112%
Fossebrook Primary	788	2.56	151%	59%	3.35	117%	2.84	112%
St Laurence RC Primary School	741	2.38	144%	82%	3.19	113%	2.74	111%
Biggleswade Kitelands	515	2.52	141%	72%	0.84	110%	3.23	110%
Churwell Primary	1018	1.77	121%	79%	2.81	116%	2.43	110%
Manston Primary	1010	1.98	131%	80%	2.97	119%	2.40	109%
Kibworth	776	2.09	135%	81%	3.10	114%	2.54	109%
Ardley Hill	104650	2.75	153%	79%	3.34	115%	2.89	109%
Hollybush Primary	1007	1.98	142%	50%	2.62	112%	2.26	108%
Total			108					

Solar options for Schools monitors generation for all systems daily.

Non generating systems are inspected and repaired as quickly as possible. Long term slight underperformers are monitored to find possible causes and improvements.

The top 22 generation vs target performers shown here.

Ensuring systems are generating to target is essential, but on its own is not enough to ensure financial success.

Financial performance needs to be looked at also.

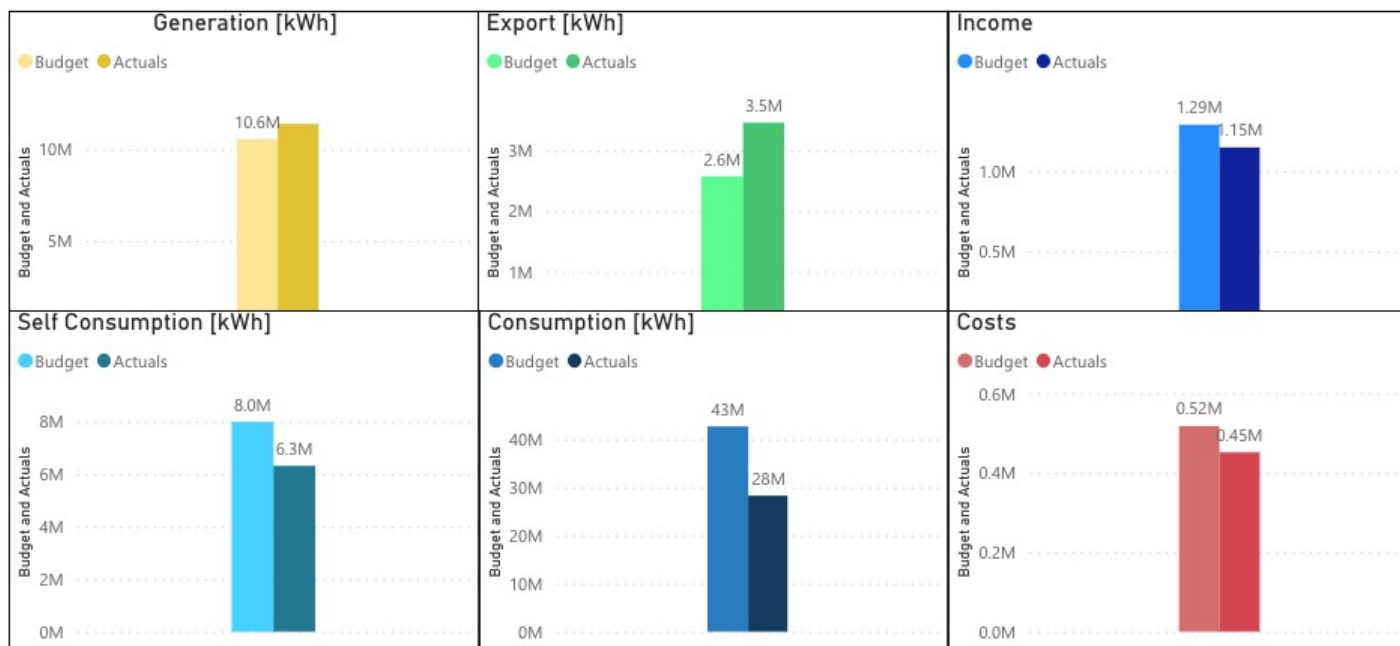
Financial performance report overview to date. (WIP)



Overall lifetime electricity generation is higher than target. (This year was particularly good)

Lifetime self consumption is still too low and has dragged down income. (due mainly to COVID years) but catching up (was -29% a year ago).

Value of any spare, exported electricity has increased dramatically in the last year so working hard on capturing this windfall income over the next couple of years.



Size: 6969.7kWp

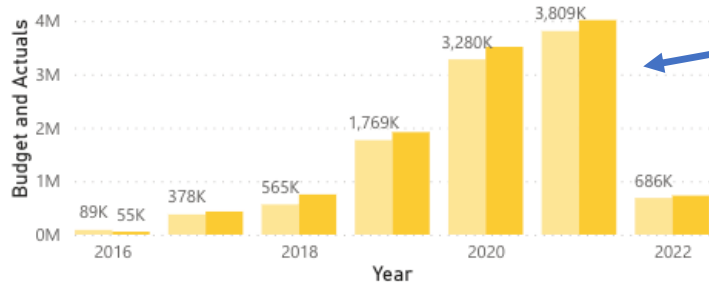
Contracts: 85

Self consumption and export to end of Q1 2022



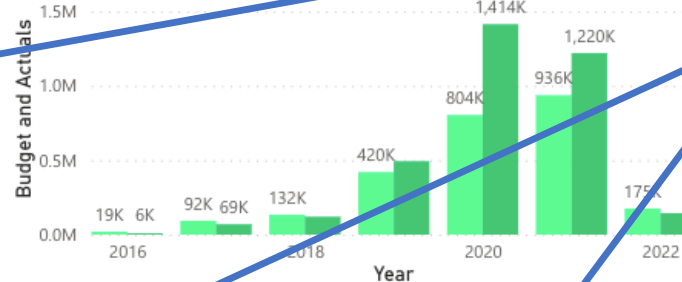
Generation [kWh]

● Budget ● Actuals



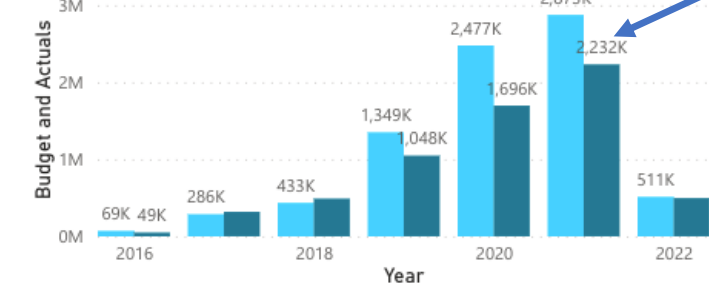
Export [kWh]

● Budget ● Actuals



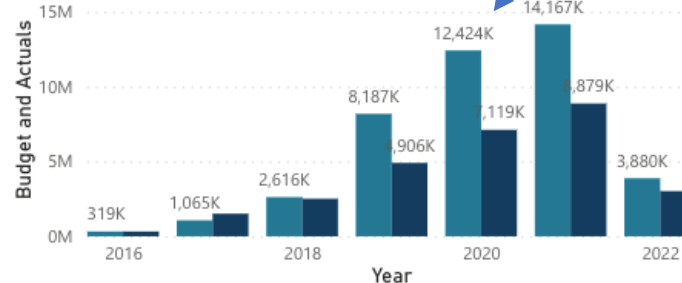
Self Consumption [kWh]

● Budget ● Actuals



Consumption [kWh]

● Budget ● Actuals



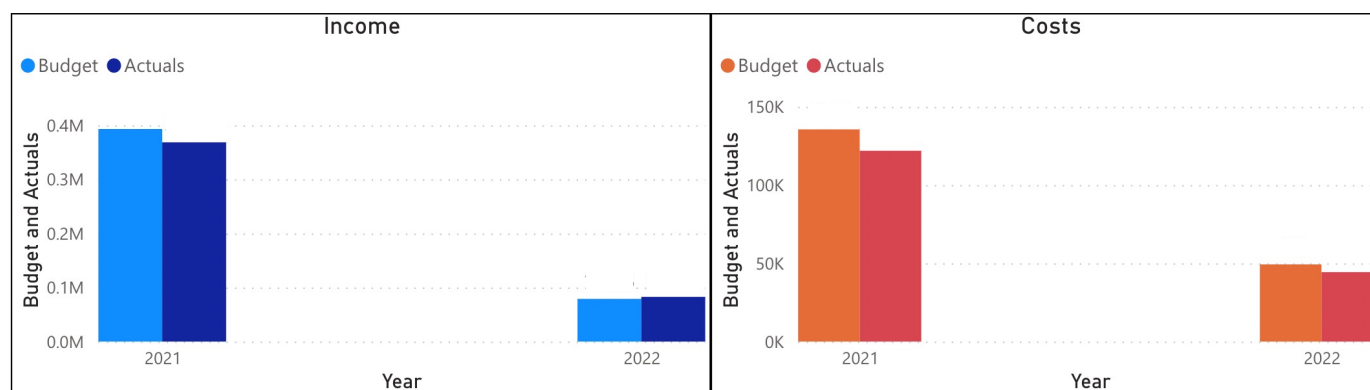
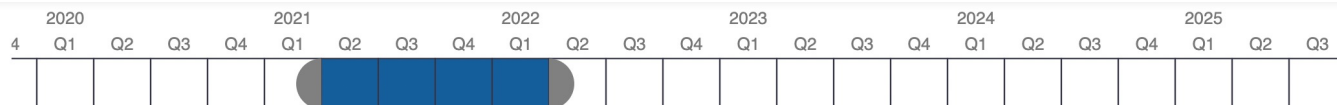
Generation ahead of targets

Self consumption lower than plan from 2020 onwards driven by lower overall school consumption since then. (Partly COVID).

Electricity Export was not worth nearly as much as sales of electricity to schools, hence why revenues lower than budget.

Export now worth up to 10-15x more than before, so have been working hard to implement export contracts on more school sites where it did not make economic sense before.

Financial performance – Year to end 31/03/2022



This year, the EBITDA (Revenues minus operational costs) has performed 96% to the budget. This is because most sites commissioned in that period had not yet started receiving export revenues.

With export revenue, this number will move much closer to what was originally forecast.

Some of the earlier projects are now in profit share territory and expect to start sharing some surpluses next year.

*VTB – Variance to Budget

Contract	Revenue (Budget)	Revenue (Actuals)	VTB % Income	Costs (Budget)	Costs (Actuals)	VTB % Costs	EBITDA (Budget)	EBITDA (Actuals)	VTB % EbitDA
Shenley Brook End - West	10,844	11,366	5%	4,097	4,458	9%	6,747	6,908	2%
Whitworth Park School	16,396	15,119	-8%	5,972	4,365	-27%	10,424	10,754	3%
Otley Prince Henrys Grammar	14,512	15,770	9%	5,239	6,108	17%	9,272	9,663	4%
Ribbon Academy	13,994	13,855	-1%	5,028	4,220	-16%	8,967	9,635	7%
St Louis Catholic Primary	3,193	3,303	3%	1,337	1,280	-4%	1,856	2,023	9%
St Felix Catholic Primary School	3,888	4,022	3%	1,593	1,503	-6%	2,295	2,519	10%
Ardley Hill	4,053	4,208	4%	1,603	1,507	-6%	2,450	2,701	10%
Captains Close Primary	3,375	3,546	5%	1,441	1,379	-4%	1,934	2,166	12%
Notre Dame St. Peter - St. Julian	4,014	4,236	6%	1,596	1,515	-5%	2,418	2,721	13%
Irbv Primary School	3,881	4,087	5%	1,594	1,503	-6%	2,286	2,584	13%

Total Revenue Budget	Total Revenue Actual	VTB% Income	Total Costs Budget	Total Costs Actuals	VTB% Costs	EBITDA Budget	EBITDA Actuals	VTB%
472,339.00	451,319.00	-4%	184,902.00	174,211.00	-6%	287,437.00	277,108.00	-4%



Confirmation of interest & repayments

- Given increase in RPI, all bonds will now receive the maximum interest rate of 5% (vs 3.2% previously for bonds issued last year)
- The higher rate of interest will apply from 1st November 2022.
- Currently over £500k of cash, vs about £140k of interest payments.

Next:

- Bondholders will be notified and reminded to update payment details.

Voting: Approval of new school members

To be accepted as one

- **Hollybush Primary School – Bridgitte Causer**
- **Adel Primary School– Amy Roberts**
- **Manston Primary School – James Clay**
- **Kerr Mackie Primary School – Heather Proctor**
- **Seacroft Grange Primary School - Julie Hinchliff**
- **Farsley Primary School - Peter Harris**
- **St James CofE Primary School – Sue Quirk**
- **Churwell Primary School – Janine Burnill**
- **Valley View Community Primary School - Suzanne Clancy**
- **Rosebank Primary School – Gary Blakeley**
- **Bardsey Primary School – Camala Marsh**
- **Roundhay School Primary Campus - Chris Oldfield**
- **Roundhay School Secondary Campus - Chris Oldfield**
- **Herne Bay Junior School – Karen Hall**
- **Clifton Green Primary School – Jess Galley**

- **Spinfield School - Jayne Spreadbury**
(which benefited from the £1400 donation from Bondholders)



Ciaran one of the installers who works with the CBS, explaining that the rated output power of a module is measured in Watts.

Our Directors: Society Rules: up to 9 Directors



Nathan Odom



Peter Roberts
Treasurer



Robert Schrimppff
Secretary & acting Chair



Marino Charalambous



Ann Flaherty
Business & Project Director



Julian Leslie

Voting : Election of Directors

Election of new members: Rotation of directors: One third must retire at AGM: longest retiring first. A retiring director can be eligible for re-election. Robert, Nathan and Julian to retire and stand for re-election.

Election of Chair: Marino.

Nominations:

Wendy Litherland: Solar for Schools App and award winning sustainability teacher.

Sian Herschel: Spinfield School Champion.

Approval of auditors



ALANBROOKES

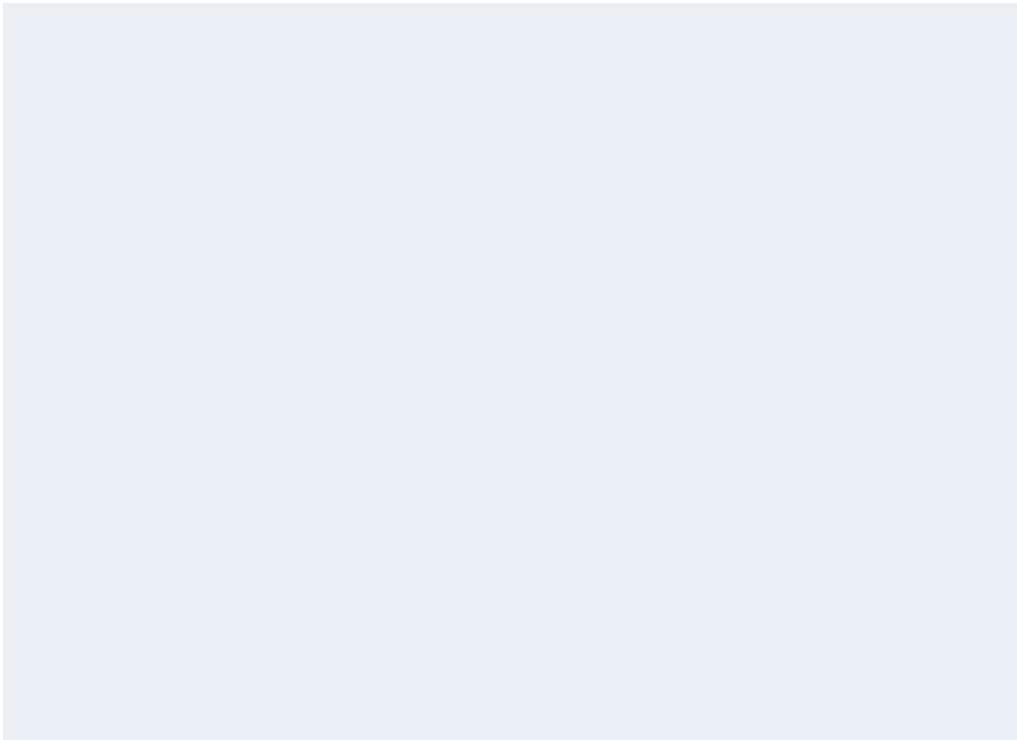
JS WEEKS & Co
CHARTERED ACCOUNTANTS

The Alanbrookes Group Ltd

24 The Glove Factory

Wiltshire

BA14 6RL



Other Updates



- ▶ Bond Offer VII _____ 20
- ▶ Energy Prices and Solar Market _____ 19
- ▶ Education update _____ 21
- ▶ Thank You from Churwell _____ 23



Energy Prices to schools and the solar market

- ▶ Price of wholesale electricity prices for schools have been capped by the government at £211/MWh (21.1 p/kWh) from October 2022. (Historically they were about £50/MWh or 5p/kWh).
- ▶ Extrapolating the numbers, along with expected non-commodity costs suggests that the prices for next year could range from 31 to 35 p/kWh for mains price electricity to schools.
- ▶ The cost of solar equipment and install has risen by 20-25% and this has resulted in increased CBS PPA prices of 20 to 25 p/kWh for smaller systems (up to 60 kWp) and 17 to 20 p/kWh for larger systems (60 kWp and higher). Note: The CBS financial model still considers export prices of 3.5 p/kWh.
- ▶ The value of exported electricity is likely to increase by > 3x soon, potentially making it more viable to maximise solar capacity in schools, as more revenue can be earned from exported energy during summer. This increased revenue could allow us to reduce PPAs but caution is needed.
- ▶ The number of user registrations from schools through the Solar for Schools website has been growing fast and doubled in the months of September and October 2022 while compared to the monthly average previously. Now at over 20 school registrations a week during term time.

Bond Offer VII

Solar for Schools
Inflation Linked Unsecured Five Year Bonds

78% raised

2-5% Forecast return	Investors 184	Days left 15	Raised so far £776,101
-------------------------	------------------	-----------------	---------------------------

Solar for Schools is a pioneering solar energy organisation that works with schools and communities to provide decarbonisation and energy education powered by the sun.

IFISA Clean energy

Login to invest Register

Min investment: £500

£760k out of £2m to fund new projects in 2022 and 2023 raised so far.

- Raised first £250k in a couple of weeks and we then stopped promoting it as projects being delayed. Drew down 500k in September and holding off next drawdown as long as possible.
- The bonds pay 5% interest, starting to accrue 3 months after funds are drawn down and bond certificates issued.
- Forecasted interest costs for period starting 1st Nov 2022 for following 12 months for all the bonds raised by the CBS to date will be about £240k
- If we continue to experience delays in deploying funds, we will return some of the unused funds to reduce interest burden to the CBS.

Education Update: The solar panels as the educational instrument



Ciaran one of the installers who works with the CBS, showing young students how a solar panel is fixed to a roof rail.



Robert one of the CBS directors meeting students at Herne Bay School and talking about what 1kWh of electricity actually means.

Education update

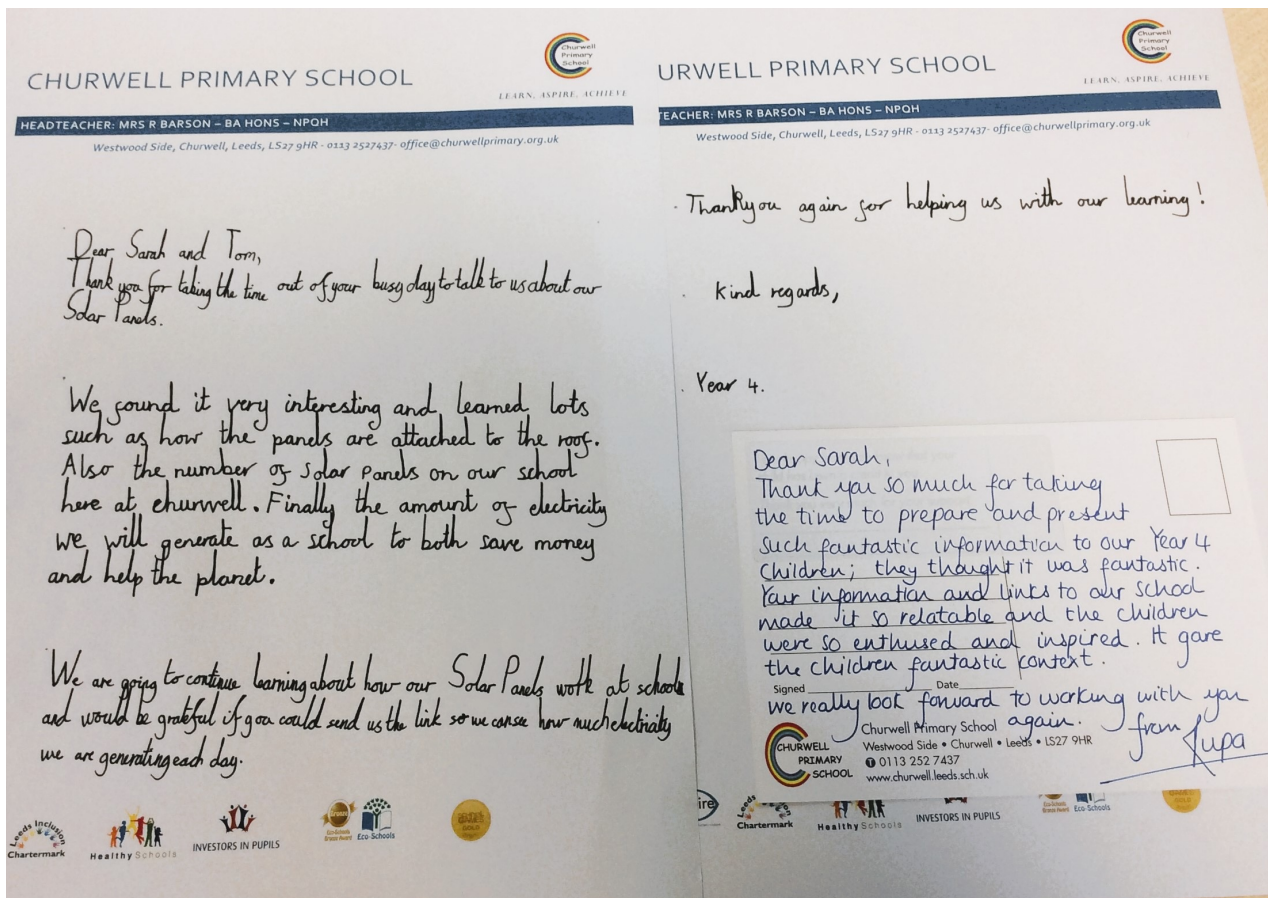


Christina completing a visual site inspection while doing an interactive livestream video to a school class beneath.



Iason setting up the new solar experiment kit he helped develop for secondary schools.

Thank You from Churwell



Sample thank you letters following a day with the students of Churwell Primary speaking to them about the panels on their roof and how to generate electricity.

Q&A

▶ Your Questions





*Thank you to all our members and bondholders.
YOU make this all possible*