



AGM MEETING MINUTES

Meeting Type:	AGM Meeting #009
Attendees:	Participants 21 (7 Board Members, and 14 shareholders)
Board:	Sheila Clark, Chair Samantha Marshall, Company Secretary Peter Thomas, Operations Director Carol Thomas, Project Supervisor Patrick Marshall David Wilkinson Cath Auty, DIG Nominated Director
Others:	Debbie Herron, Foundation Scotland Pam Stansbury, Awesome Energy Administrator 19 ordinary shareholders were present. 3 Corporate shareholders were represented.
Apologies:	Andrew Swann, Treasurer Michael Odumosu, Director Rachel Searle, Foundation Scotland Derek Gardiner, SIS 10 Shareholders sent advance apologies.
Meeting Details:	31 st May 2025, 11:00 am via Zoom.

MINUTES

1) Welcome and Apologies

Before the meeting commenced the housekeeping and controls for the meeting were reviewed by the administrator. Documents for the meeting had previously been made available to members, the link to the secure page was published in the chat facility. The chat facility was open for members to ask questions as required.

Sheila Clark opened the meeting and welcomed those members attending.

Apologies had been received from Andrew Swann, the Treasurer and Michael Odumosu, director who had both been unable to attend. The treasurers report will be delivered by Carol Thomas.

Apologies had also been received from Rachel Searle of Foundation Scotland, Brian Gardiner of Social Investment Scotland, 9 ordinary and 1 corporate shareholder.

2) Approval of the minutes of the Annual General Meeting held 11th May 2024

The minutes of the AGM held on 11th May 2024 were distributed to the members prior to the meeting.



There being no questions arising from the minutes, the minutes were proposed by Cath Auty, seconded by Agnes Fleming and approved by a member poll.

3) **Actions arising from previous minutes, not covered by the Agenda.**

- Item 4d. Finance report, question 3.

This item was addressed by Carol Thomas. This relates to the discussion that was held last year about the need for shareholder policy and procedures, which arose from the then assumption that at some point AED would need to start reducing the number of shareholders.

The Board are still talking to Community Shares Scotland about how these policies and procedures should work. As most of the members will be aware, AED was one of the first community benefit societies to be set up. And as ever, are slightly trailblazing because AED are asking questions about how these things should be done correctly.

The fundamental issues are firstly, it had been assumed by the board that when FIT ended, it would probably be necessary to wind down Awesome Energy. The board now quite collectively understands that's highly unlikely to happen, partly because of cost management, and partly because of the way PPA has risen, together with the unlikely prospect of this falling back to the very low place it was when the hydro was set up.

Secondly, AED is a shareholder-led and shareholder-managed company, therefore shareholders are needed to keep the company going.

AED have a 40-year lease on the land and are not likely to turn anything off until and unless it becomes prohibitively expensive to keep going. The board will come back to the shareholders with policies and procedures when the world at large, FCA included, has actually worked out how this should work. Hopefully the members will understand why the policy and procedures have not been presented this year. The Board will continue to address this and will present to the members as soon as it is feasibly possible.

There were no questions following Carol's answer and no other matters arising.

4a) **Chair's report.**

The Chairs report had been circulated in the Shareholders Report prior to the meeting.

Sheila began by welcoming everyone to the 9th AGM of Awesome Energy (Dalriada) Ltd.

As in previous years, Sheila reminded everyone that AED is a BenCom, (Community Benefit Society), and as such is governed by the rules of the FCA, (Financial Conduct Authority), not company's house. Thus, shareholders are paid interest on their investment, not dividends, and Community Benefit is paid out of AED's unallocated retained reserves.

During the 2023/24 financial year, AED had been able to make both a 4% interest payment to shareholders and a further £100,000 payment to the Community Benefit Fund.

This year, 1st December 2023 to 30th November 2024, covers Awesome Energy's sixth full year of generating electricity, and Sheila was pleased to report on another very good year,

despite the challenges of weather and global uncertainty, which have had a direct impact on energy prices. This will be addressed in more detail during the Finance report.

Fortunately, due to pre-planning by the Board, who had previously secured a two-year purchasing deal, this has had little impact on the results so far. The team continues to work hard to maintain this position. From May 7th to June 8th of last year, there was no generation due to a prolonged spell of remarkably dry and pleasant weather.

Our operations team, now increased to six in number, has continued to rise to the assorted challenges of running the hydro in all weather conditions, even when not generating. The turbine requires day-to-day monitoring and routine maintenance. We have welcomed Christopher, Jamie and Wendy to the Ops team, joining Bill, Roger and Sid. The Chair thanked all of them for their invaluable support work.

A new five-year fund management contract has been agreed with Foundation Scotland, which not only sees them continuing to work diligently on AED's behalf, but has also seen a reduction in the management charge. Foundation Scotland continues to operate the River Avich Hydro Community Benefit Fund with both AED's and DIG's Board. The Chair thanked Debbie Heron and Rachel Searle, both Foundation Scotland, and AED Director Carol Thomas for their constant hard work and the progress made on the RAHCBF projects.

Standing for re-election to the AED Board this year, are three long-serving members, Michael Odumosu, Carol Thomas, Peta Thomas. The Chair expressed her hopes that the members approve their re-election and took the opportunity to thank them for their continued work on AED's behalf. She also extended her thanks to the rest of AED's Board of Directors in general for their hard work.

As on previous occasions, particular thanks are due to AED's Treasurer, Andrew Swan, for his continuing outstanding performance in overseeing our current finances, Peta for heading up the operations team, Carol for her work with Foundation Scotland, Sam Marshall as Company Secretary, Pam as our long-suffering Administrator. As ever, further thanks are due also to individuals and organisations supporting AED in achieving its aims and objectives. A full list can be found on the final page of your shareholder report.

And last but not least, the Board thanks our investors, for the continued support and faith in Awesome Energy.

The Chair concluded her report by offering special thanks to Roger Bartholomew, who owing to a relocation, would shortly be leaving the Ops team. Roger has been with the team since AED started generating. The Board were sorry to lose him but wished him and his wife all the best in their new home.

There were no questions related to the Chair's report, and the meeting was passed to Carol Thomas for the Community Benefit Fund Report.

4b) Community Benefit Fund Report.

Carol began by reiterating Sheila's thanks for the tremendous effort and support received from Foundation Scotland.

As has been the case since the Community Benefit Fund commenced, all funds that come out of unallocated retained reserves are ring-fenced for the Dalavich Improvement Group community area. The four fund strands are, the Strategic Grant to DIG, which has the biggest



allocation of funds, the Open Grants programme, the Education and Training Bursaries, and the micro grants scheme.

Debbie is very supportive of both AED and DIG in helping to ensure we are doing the right things in the right way. The board of DIG are eagerly awaiting the results of today's AGM as they have allocated nearly all the money previously awarded. They have been working through a new Community Action Plan (CAP), collectively the Fund Management Strategy is being reviewed, and awards have been allocated across all four strands of the fund.

One of the big things DIG has done is to recruit a Community Development Officer. Elle Steele was recruited last August and already has brought significant benefits and made great moves forward. She has also secured additional funding outside of the River Avich Hydro CBF, which is a tremendous achievement in itself.

At this point Carol invited Debbie Herron (Foundation Scotland) to join the conversation and say a few words about her report.

Debbie highlighted a few points from her report. Essentially, and in particular for the strategic fund, there are two strands to consider. One is capacity building, which is where employing the development officer comes in, and the other is investment in assets and maintenance. It could be said that things had taken a long time to get to where they are today. However, the reality has been building a strong framework to work within.

All the work that has gone on in the background, has now led to the point where we're seeing the fruition of that and the improvement in assets, the development of different projects that DIG want to do, particularly with the development officer project and the work that Elle's doing, I think will increase the capacity and the resilience of the community significantly.

The microgrants programme has been continuing, and is working extremely well, providing small grants for organisations in a very light touch manner, so little things that are needed that can make a significant difference are there.

The Open Grants programme was initially quite slow to get off the ground, but now the Avant Gardeners received funding for a polytunnel last year, and more recently, outside the funds that are in the annual report, we have supported the community housing project for DIG and given a contribution towards urban mountain rescue for their new control vehicle.

The Open Grants fund is nearly exhausted for this year, which is actually the aim so that the funds can have an impact and make a difference. With the Education and Training grants, there has been five grants awarded and there is £609 remaining in the fund. Spending therefore is on track, and the positive impact can be seen in the reports we receive from individual grantees.

We are reviewing the fund strategy; the latest draft is now in for review. We are planning to have the review ready for ratification by the AED Board as soon as possible after their next meeting.

It is fair to say that we have seen a great deal of progress this year, and I am looking forward to continuing to work with AED and DIG going forward. Debbie had visited Dalavich a couple of weeks previously, had found it to be a beautiful location and it was really nice to talk to people and catch up about all the things that have been happening.

Carol thanked Debbie for her contribution and opened the floor for questions.

There were no questions from the floor. The meeting was handed back to the Chair, who thanked both Carol and Debbie Heron for the report.

4c) **Company Secretary's Report**

The Chair passed the meeting to Sam Marshall for the Company Secretary's report.

The full report was included in the Shareholders pack, which had been made available prior to the AGM.

Sam welcomed all shareholders and expressed her surprise that, yet another year had passed, She thanked the Chair for her report and commented on how many areas overlapped with her report, which just highlighted the alignment within the board, and how they were all pulling in the same direction and focused on the same goals.

The Hydro continued to turn as normal, with the Ops team swooping in when needed. Peta will give more details of this in his report. We made significant payment to the Community Benefit Fund, as just reported, and we made significant payments to our funders to reduce the amounts owed more quickly. Carol will give more details as she delivers Andrew's report.

This is the AGM to the year ending November 2024. We have 123 shareholders, 118 individuals, including children under 16, and five corporate. Our total shareholding capital is £526,860.

In 2024, we paid out £20,201 in interest for shares that had been held in the 2022-23 year, of which £9,382 was converted to additional shares. So, subject to your approval at this AGM, we'll be arranging to pay interest for the 2023-24 holdings in the same combination of cash and shares as last year. However, if any shareholder wishes to change their method of receiving interest, please email hydrocontact@awesome-energy.com and state your preferred method by 7 June 2025. We'll start to make interest payments in June, based on last year's instruction, unless we have received instruction from you. During 2024, the Board continued to fulfil our obligations to both our lenders and our beneficiaries. My role is to ensure legal compliance of a Community Benefit Society.

To this end, I attended some training hosted by the Co-operative Society, centred on those legal obligations. I learned a great deal, which I've shared with the Board, which will stand us in good stead when my replacement comes on board. What's not in my report, and what was most heartening, was how much I'd already been taught by the existing Board that was all legally compliant.

So let us expand. The Board of Awesome Energy (Dalriada) Limited, or AED as we all know it, would ideally be comprised of 12 members, nine elected directors, and three appointed representatives for the Dalavich Improvement Group, or DIG. Our position at the 2024 AGM was that we had eight elected directors of AED and one appointed representative of DIG.

We called last year for others to join us, and I echo that today. I will add that due to ongoing deteriorating health issues for myself, I will be stepping down when my term comes to an end, which will be 2027 or sooner if an appropriate replacement comes forward. I'm very happy to allow anyone to come and shadow me in the 2025-26 year as a co-opted member who would then stand for election in 2026.

At the same time, I know that other members of the Board are also considering their future, and I would ask all shareholders to consider, can you step up? Can you join us? I knew nothing when I joined the board in 2018. The Board held my hand, educated me, supported me, and I've loved my time with you. If my eyes were not failing, I would be staying. This is not an onerous role.

You don't have to be located in the AED catchment area, as our meetings are carried out by Zoom. I would ask you all to consider what you can offer, because shadowing a person in situ is an awful lot easier than coming to a roll call once they've left. Which brings me nicely to the re-election of directors.

Our rules state that one third have to stand down annually for re-election, and as Sheila has already indicated, this year Michael Odomuso, Peter Thomas and Carol Thomas were the three who stepped down. As ever, I bring my report to a close with a thank you section. Firstly, to the Board for all that they do.

As a team, we support each other in the day-to-day running of a successful community benefit society. We couldn't do it as efficiently without our Administrator Pam, so on behalf of the Board, thanks to Pam for all she does. And finally, as I have done every year since becoming Company Secretary, I want to thank you, the shareholders, for your ongoing faith in our expertise and ability to lead the society forward to the benefit of the local community.

Sam thanked the members for listening and opened the floor for questions. There were no questions, and Sam handed the meeting back to the Chair.

The Chair thanked Sam for her report, and echoed Sam's suggestion regarding shadowing the Company Secretary for the year before stepping into the role.

4d) **Finance Report**

The Chair handed the meeting to Carol, who would present Andrew's report. She began by stating this was probably one of the most challenging things she had done, however she had extensive notes so hoped everything would go smoothly. She asked that members save their questions for the end of the report, at which time she would endeavour to answer those she could, but advised that if the question was beyond her financial understanding the question would be passed to Andrew who would reply to the entire shareholder group, within the next 10 days. Questions could be placed in chat during the report.

Andrew's full report had been circulated to the members ahead of the meeting; however, Andrew had requested certain sections were highlighted.

As has been mentioned, and as shown on the first slide, relatively normal levels of rainfall during the year resulted in power generation coming in around 100% of the budgeted level. But although we continue to benefit from the very advantageous power sale contract covering the first two months of the financial year, during the remainder of the year, sales of power were at much lower, although still attractive rate. Overall, therefore, turnover fell by some 22% compared to the previous year to 377,500. This is well ahead of the figures assumed in our original business plan of some 300,000.

Cost of sales and our administrative expenses were some 3% higher than in the previous year, but interest costs continued to fall to just over £39,000, reflecting the continued actions taken by the board to seek to reduce the debt with the aim of fully eliminating this by 2030. An ambition that we are now fairly confident of achieving.

The overall effect of all of the above was a profit before tax of 216,808, well below last year's record figure, but well ahead of the level assumed in our business plan. Turnover is, of course, principally determined by rainfall, although the board can also influence this by ensuring that the scheme is always maintained so that generation can occur whenever sufficient river flow exists, and that we manage our sales contracts in such a way to maximise the income. 23-24



year also benefited to an extent from the high priced sales contract secured in November 2022, and from the two year sales contract secured in November 23.

The board does have more control over costs, and these are addressed in more detail on the next slide. Administrative expenses increased by some 3,700 to just over 3% compared to the previous year. Depreciation and amortisation of the upfront fees for the arrangement of our main funding both remained unchanged and are likely to remain at this level for several years.

Operating lease payments to the Forestry Commission, which are set at 5% of sales, also remain substantially unchanged, which does not fully reflect the different level of turnover in the two years, but reflects the fact that these payments are calculated some months in arrears, and so year to year comparisons are never precise. Our other administrative costs, which effectively can be considered as the actual running costs, were some 10% higher than the previous year and are analysed in the next slide.

As can be seen, administrative support costs increased by some 11%, but at 3% of turnover are still very low for a company of our complexity. Insurance costs continue to increase, but operational expenses, cost of maintaining the pipeline, about which Peta will tell you more in his report, were at an even lower level than in previous years.

Overall, the net result of keeping total running costs to under £40,000 is a very creditable outcome. As Andrew has mentioned in previous presentations, despite being a community benefit society, the company does have a liability to pay tax, particularly given that a substantial proportion of the expenditure on the construction of the hydro scheme did not qualify for tax allowances, and accordingly the debt and in due case the shares raised to finance this has been repaid out of after tax income. Unlike a normal company, we are however able to reduce our tax liability by offsetting payments both to the community benefit fund and to shareholders, and we have also brought forward losses from the construction period.

This has meant that actual payments of tax in previous years have largely been deferred, but we have been making provision for these payments as profits have been realised. As shown on the next slide, during the 23-24 year we made a further provision of some £22,123 for tax, but our brought forward losses are now completely exhausted, and all of this amount will become a tax payment in September 2025, together with a further £7,000 reflecting a reduction in our deferred tax liability. Going forward we will now incur further real tax liabilities each year.

As shown on this slide, after making this provision, after tax profit for the year is 194,685. As shown on the next slide, this profit after tax is added to the £244,128 reserves brought forward from last year, giving a total of almost £440,000. Of this we made £100,000 community benefit payment and a 4% interest rate to shareholders, amounting to £21,074 as agreed at last year's AGM.

We were also able to make a further £13,800 addition to the major sinking fund reserve, increasing this to £78,950. This major sinking fund reserve will be reviewed annually but will be expected to increase by way of regular annual additions and then be utilised as major expenditure is required on the scheme, in particular regarding the turbine and generation equipment.

After making these deductions, the retained earnings at the end of the year are £303,939 and so subject to agreement at this meeting, we are in a position to recommend a further full 4% interest payment to members in respect of the year.

As discussed at previous AGMs, in deciding how much of the remaining reserves the board can recommend be distributed to the community benefit fund, it needs to take into account the forecast cashflow of the company, the need to maintain reserves for unforeseen eventualities, the intention to fully repay our loan facility by its maturity date of 2030, and thereafter the need

to repay some of our share capital. As mentioned at last year's AGM, your board believes that the current level of our normal quarterly loan repayments will be sufficient to fully amortise the SIS loan by 30th of June, 2029, a full 12 months before the contract will end date, and so eliminate the refinance risk at that date with which we were previously faced, and no further prepayments are proposed at this time.

At this point, Carol went off script to comment that when we first took out the loan, the repayment amount on 30th of June would have been £900,000, so I would like to say Andrew particularly has made a massive difference and we will now clear it a year ahead of time, which is spectacular.

As regards repayment of share capital, our financial model forecasts that this can be achieved during the period between the final repayment of the SIS loans and the end of the tariff agreement with the Scottish Government in 2038. As promised at last year's AGM, your board is taking advice on constructing an appropriate policy to manage share redemption over this period.

In considering the level of the Community Benefit Fund payment, the board can also take into account the relatively good start of the current year, and in particular the attractive two-year contract agreed for the sale of energy for the period through to January 2026. The recent low levels of rainfall and continuing turmoil in world markets and the impact of this on energy prices are of course of concern but given our current level of reserves and cash in hand, remaining 13 years of our feed-in tariff from the Scottish Government, your board is recommending, subject to shareholders' consent at our meeting today, that a payment to the Community Benefit Fund should be made of a further £150,000.

That concludes Andrew's report and before I take any questions that you may have, I need to advise of an expected significant increase in administration costs in that our BT costs are increasing from £1,100 per annum to £1,000 per month. This is because our data collection currently relies on an analogue broadband which will be switched off by DBT at the end of 2025, and we only have the option to put in a high-fibre dedicated line with 24-7 guaranteed access, and we need this in order to be able to provide the half-hour data to the various entities that make sure that we actually get paid for our PPA and get paid for our FIT.

Carol concluded Andrew's report and opened the floor to questions. There were none, except for a requested confirmation of the increased BT costs.

Carol thanked the members for their understanding and moved to approval of the Resolutions.

I. To receive the accounts for year ending 30/11/24

Resolution to formally receive the Financial Statements for the year ending 30/11/24 was proposed by Tony Harvey, seconded by Cath Auty, and approved by all members present.

II. Resolution to make Shareholder interest payment of 4%

The resolution was proposed by Agnes Fleming, seconded by Cath Auty, and approved by a majority member poll.

III. Resolution to make Community Benefit Payment of £150,000

The resolution was proposed by David Wilkinson, seconded by Cath Auty, and approved by a majority member poll.

Carol thanked everyone for their participation, thanked the shareholders for their gentleness with her, and handed the meeting back to the chair.

The Chair thanked Carol for her report, the members and admin for the polls and voting system.

4e) **Operations report.**

The Chair passed the meeting to Peta Thomas for the Operations report. The operations report had been issued in the shareholders pack prior to the meeting.

Peta reported that the year had been very similar operationally to previous years. The weather continues to affect us, but the availability of the plant has been kept very high. Which means that when there's opportunity to run, we are getting as much electricity as is possible. We have maintained maximum output.

Looking at the slides we can see we hit target despite dry weather, floods, and other challenges. As reported by Andrew, the operational costs have been kept low, and we take every opportunity to keep those costs down. The hydro is serviced annually, and the plant is well maintained. At our first pigging, which is the other major service event carried out, we identified that the pipe is good for a five-year term.

Pigging will next be scheduled in 2028, which is the other big operational cost, as the plant has to be taken out of operation for three days. The challenge therefore is about keeping operational days available and maintenance to a minimum.

The annual service and training was carried out as normal, and the Ops team has been strengthened in numbers. One of the team has been out of the area for a long period owing to a landslide during a storm causing damage to his home. It is hoped he will soon return and will rejoin the team when possible.

As already mentioned, Roger is leaving the team. He has been with the Op's team from the beginning and has contributed strongly to our success. Peta thanked him on behalf of all the members and board, for the effect he has had in generating what has been over the last six or seven years since we started nearly half a million pounds worth of benefit to the local community. So that's a good effort, and Roger deserves our thanks because he has been there all the time and has been a major contributor within the team.

Storm Eowyn had impacted us earlier this year. The storm came in, and the power went out very quickly. This was entirely outside of our control, the storm quite simply took out the grid supply to the whole valley, and our power generation won't run without power from the grid.

We were unable to restore our grid connection for three or four days, primarily because of the volume of work they had to do to reconnect people's homes and essential services. The village itself was without power for between 24 and 36 hours. During which time we ran a generator in the village hall and checked on our neighbours to make sure everyone was safe.

Once the SSEN engineer could get out to us the transformer, which is next to the powerhouse, was able to be reset and restarted, allowing the local ops team to bring the generator back online.

Another issue that affects the operation of the hydro are dry spells. Recently we've had a really long dry spell, unusually long, when the river has dropped very, very low, and the hydro has stopped running. When the hydro runs, we get three cubic meters per second of flow through

the sump that feeds both the hydro and the village water supply. This means the sump is kept meticulously clean just by the turbulence of that water churning through there.

When the water stops for any length of time, the support team manually scour to make sure the bottom of the tank is always kept flush clean and is not accumulating sediment or debris. In the past this has led to a thing called trihydrochlorides in the water supplies, which we no longer see because we have the cleanest possible water coming from the river to the water treatment plant and that's contributed by this team monitoring and making sure it works.

It also means that when the water became very, low and started to run down, the team was able to respond quickly before there was any effect on the village water supply.

As you can see there is always something going on even when the hydro is not running. The team are always working behind the scenes, and Peta gave thanks to Bill, Chris, Sid, Wendy, Roger, Jamie and of course CINK, and Stephen Kennedy from DA Macdonald.

This concluded Peta's report and he opened the floor to questions.

The first question was from Martin Roger, who asked "Can we improve grid resilience by investing in generators or solar.

Peta explained this was not possible as the transformer that was affected allows us to export into the grid; even if the turbine could be kept running on generators, which would be difficult, we would not be able to export any of the electricity we were generating.

The second question was from Tony Harvey who asked, "Would Peta say it had been another very strange year overall weatherwise, as you said last year, or not as much as last year".

Peta responded that we seemed to be seeing very long spells of dry and equally long spells of very wet conditions. The problem with long dry spells and unusually heavy wet spells is that we get long periods with no generation at all, yet during the very wet spells we can only output at our maximum 350 kilowatts, so the excess water simply runs through with no benefit to our generation levels. The targets for this year have been weighted to take into account the previous five year's performances, which should give us a more accurately weighted phasing of our budget.

There were no further questions, Peta thanked the members for their interest and passed the meeting back to the Chair. Sheila thanked Peta for his report and handed the meeting to Sam as Company Secretary for the Directors Ballot.

5) **Directors Nominations and results of the ballot.**

Sam thanked the Chair and reminded the members of the nominations.

The directors standing for re-election were Peter Thomas, Carol Thomas and Michael Odumosu. 26 ballot papers had been received in total, with a unanimous vote in favour of all three directors.

Sam welcomed Peta, Carol and Michael back to the board.

6) **Any Other Business**

The meeting was opened for any other business or questions from the members.

There were no additional questions from the members.

Agnes Fleming, Tony Harvey, Debbie Herron and Hugh Campbell thanked the board and congratulated them on the performance.

Close of Meeting

Sheila thanked everyone who had contributed and concluded the 2025 AGM.

She thanked the shareholders for attending and thanked the team for presenting and organising.

Sheila also thanked Pam for the admin and running of the Zoom meeting and closed the meeting.

Sheila wished everyone a good day and closed the meeting at 12:05

Meeting Held: 31st May 2025

Minutes Accepted by the Board: 29th April 2026

Minutes Approved by AGM: 9th May 2026

Signed:



Date: 9th May 2026