Lochbroom Community Renewables AGM

September 29, 2025, 5:50PM

Present:

The Directors: Rob Gibson (Chair – online), Alex Cochrane, Sandy Osbourne, Paul Copestake, Seori Burnett, Matthew Holmes

Shelia Duggan (online), Kathleen Donald, Chrissy Boyd, Neil Anderson.

Rob Gibson

Welcome everybody in person or online to the annual general meeting of Lochbroom Community Renewables on the 29th of September 2025 in Ullapool Village Hall.

We have received some apologies, the Board secretary will have these. If there's anyone who has other apologies to offer, then they can do so to Matthew.

And welcome to our AGM, which is 7 years in, shall we say in terms of generation. And it's an interesting time because we had a period of transition due to retirees last year of key office bearers and the recruitment of Matthew to become the board's Secretary. I'm glad to see that everyone seems to have managed to do well with their jobs, our Treasurer and etcetera. And I want to thank everybody for their efforts as volunteers. It takes a lot more time than most people realise. You can see a duck paddling on the surface while underneath the web feet are going furiously to keep it going.

So after seven years, since I have now moved away from the area, I have taken the decision to step down from the board. I made a long speech in the minutes of last meeting. But I want to say a few words just now, in particular, to thank people for their tenacity in certain respects around us. The picture of community organisations has changed and the difficulties that all organisations find in getting the personnel is shared by us as well. We will come back to this when we come to talk about elections to the board.

We'll have to find ways to interest people, especially as two of the Members should be from out with the local post code areas. I was one of them for six years. We need to find people to do these kinds of jobs because the board needs more personnel and it was in that regard which, when we come to the land purchase plans, such as they are, that we'll be able to sort of see there could be an outlet there to attract more people to support LCR. And I hope that there are because there's a big demand in the area for locally produced power. I'd like to thank particularly Matthew and Seori for providing excellent explanations of these opportunities and so on to the Community and to the wider public about the opportunities that our small hydro has created and hope that they can create the skills themselves, could expand the potential of

our hydro into other areas of renewables. It is Lochbroom Community Renewables and these are potentially exciting things for the future and probably very necessary things as well. We've seen that the housing issues which we have highlighted and which LUCT has also highlighted are partly being met by plans for a major development but there is still a lot of demand for people to live in the countryside, and so they should, otherwise it becomes a man-made desert. So our efforts in terms of renewables are things which are essential to the future. They were started off with loads of enthusiasm and I'm glad to see that the enthusiasm continues because people benefit from our work as does the Community benefit fund, as we will see later on.
So with these few words, I just like to say, you know, since I've been a board member since 2016, there have been quite a few changes in the way that we operate.
Because of COVID, we started to do some online as well as in person and these things can be combined and with some experts like Matthew Holmes, it's possible to make them work. And I'm delighted that we have been able to that tonight and that people in face to face and those online will be able to see the work of Broompower over the last year and to celebrate the fact that we move forward with targets which were set seven years ago.
Paul Copestake will explain to us are remarkable in terms of our ability to meet our target or as near to those as is possible with the changing weather patterns that we face. So I'll say nothing else except this will be my last AGM. I will say one or two words when we come to the elections, but in the meantime, thank you all for supporting LCR and let's go forward together. Thank you.

Well, we have the minutes of the meeting of the 24th of 2024, the AGM Minutes which required to be proposed and seconded by people who were present. I have a list in front of me, but I'd appreciate it if somebody in the hall could **propose these minutes as an accurate record**.

Matthew Holmes
Proposed by Seori Burnett. Seconded by Alex Cochrane.

Rob Gibson
Thank you very much for that. These minutes are to now be published.

GENERATION REPORT

Paul Copestake
For those of you who were here last year, this will be very familiar. What I've done is I've just added on the additional year for what is year eight. I know Rob said the year 7, but actually we only have a very little bit of year one because we started in November 2017.

What is important when we look at things in the long term is to recognise that we have access to additional data for long term. First of all, both owned by SEPA, the Inverbroom gauging station and the Loch Droma.

(To be read in conjunction with the Generation Report)

It allows us to make long term comparisons and this is what we've done here. We can see in the light brown the monthly rainfall that we get at Broompower compared against the long the monthly brain pool at Loch Droma and more or less it looks like it's fairly similar between the two.

And so in that respect, we can see that it has in many ways been quite a dry year because the long term average and the range is represented by the crosses and you can see that we only really exceeded what we would expect on a few months, notably December, when we were almost doubled the amount, but for much of the year it was actually very dry.

This year, actually, it ranks as one of the driest years that we've had at Loch Droma. Now I think that there's an anomaly and a problem with the rain gauge at Loch Droma and my colleagues have warned me about this possibility. So, I'm taking that with a pinch of salt until they've got quality control data, but we can see that we did get more rain at Broompower than we did at Loch Droma, which is sort of unusual. Normally it's the other way around, but we can see that both of them were below what we'd normally expect. In fact, about 80% of the long term average, but that I am not totally comfortable with that figure due to the quality control issues.

Again, looking at this, this is just more clear where you look at the real report, but you can see if we look at the over all of the years, we haven't really experienced what I would call a very wet year.

Across the average, a brown is essentially drier than average, and blue is wetter than average. And really it was only in the 2020 generation period that we really approached almost average conditions and we can see that we did have some wet periods, notably last summer. If you remember 2024 it was pretty miserable. And the interesting thing there, as you can see, that was a very distinct W East Coast split. The rain and the weather came from dominant westerlies in the in the summer last year, which probably is one of the things that accounts for the difference between Broompower and Loch Droma, which is, as I say, halfway across the Dury, dry through September or November. And although it shows December, January and February as being dry, actually we got OK generation through that and November we also had some rain and quite a lot of snow in November that is actually good for generation when it melts slowly.

The red on this graph shows the generation. When it butts along the top of the graph that's us going full power and you can see the periods where that shows a bit more clearly. These are compiled from the data that I produce each month so we can see different graphs individually in more detail and there again we see that anomaly which would suggest that the ranks is quite

low for April and May this year, and for quite a lot of the months we were at the high number indicates very dry. We had very dry periods, particularly in April and May.
Now this is the performance, this is what we're looking at, what we call the load factor and if we were generating 100% of the time, we would have a load factor of 100%. Obviously we don't always achieve this. There are periods when there's no rainfall and a periods when we're generating less than turbine capacity, so this is a very good way to see how the actual water through the penstock turns into electricity, because ideally you don't want really heavy rainfall because that just spills over and we can't, you can only take the low part of that, but when we get consistent, drizzly and wet days, that maintains a steady flow, we get a much better load and it shows how well we did in December, where we got equally our wettest in terms of our best Generation as a load factor on record, we did have it in 2020 and overall because of the wet summer, the red line is the cumulative output as a percentage of the target, we got 90% of what we would expect over the year. I was hoping we'd get 100%, but we bombed out in April and May wasn't much better. The wettest year was year 2019 to 20 when we did actually achieve our target and the worst was the year before when we only got 70% of our target next picture.
Of course, this shows where we get our money from. We get it essentially from two sources. The feed in tariff is an index-linked subsidy per kWh given to us by the.
The government has a means of actually promoting the schemes when they were first launched. That's index linked, so you can see that it's progressively increased from 2017 to the 2000 and 2025.
The red line is the power purchase agreement, which is the amount we can sell our electricity to a buyer and initially we weren't getting a huge amount. Then in 2021 it started increasing.
The big jump was because of the start of the Ukraine war, where all prices were increased and electricity is linked to the gas price. So we've had a massive, great, great price increase there. That dropped back to June this last year and then, thanks to Sandy, negotiating a deal for us, we got quite a, you know, better than we've had before. So you can see that's how much we get from each amount of kWh.
That final slide, which sort of is the same information, but breaking down year by year and we can see the total generation in the in the in the top one.
The blue is our annual income. The Brown is the PPA income and the grey is the feed in tariff income and the annual generation is the Brown line, the blue and the green lines are the projection.
That is based on our two different forecasts, the green was the one that we got calculated through my theoretical flow availability and the business plan. Sandy took a precautionary approach for the financial model to see which is which is actually standard practise, which is the blue line. So you can see from that we look at the blue bars against the two blue and green

lines. We have only failed to reach the blue line at the very first year, but we've done well above that in many other years, particularly in 23-24.
And this year we have also achieved that. So our generation, we got our sums right enough in actually anticipating what we would make from our scheme, which is good news when it comes to the long term repayment.
We broke our communications via satellite this year because the two way system essentially failed and it was essentially beyond repair because they're just not available, so we have contracted another company called Hydrocom to re-establish communications. This is a company supports a lot of small hybrid schemes throughout Scotland and they've specialised in providing a service for us, which we've contracted into and I think it's more or less the same costs, isn't it, Alex and we were before and what they can do is they can service and maintain and provide a Helpline as we require it, which is more than we got with the previous people. So that's in fact a much it's a big improvement.
And the final picture. This is exactly the same as last year and the projection is that we should have wetter winters going forward and we should be getting drier summers but actually doesn't seem to be working that way at the moment, but these are long term trends and we would expect to get quite a bit of variation around that. So that's a very quick summary and you can e-mail me at Broompower if you want any more questions.

Or those are here can ask me questions too.

Matthew Holmes
No questions here in the room

Rob Gibson
OK. If that's the case, I see no questions then. Thank you very much, Paul for that explanation. That's very heartening indeed. So we move on from a generation report to the Treasurer's report. Alex, would you care to?

TREASURER'S REPORT
(To be read in conjunction with the Treasurer's Report and Statement of Accounts)
Alex Cochrane
Hello, people online and here. For the financial report, I'll just go through the accountants report just highlighting parts that might be of interest and might and the things that are different from last year.
This is the report of the directors and financial statements which is produced by our accountant

for the year up to the end of May 2025. Our year goes from the beginning of June to the end of May so the income will go to income statement initially which is on Page 3.
The income statement shows initially the overall profit for the year was £33,000, which is quite a lot less compared to £135,000 the previous year. And this is really because of the large decrease in the amount that we can sell our electricity for. So it's expected that it will be a lot lower.
Just below the Turnover you will see Administrative Expenses which it gives us £58,000, this may seem high but it actually includes all running costs for the Hydro. We'll go through that a bit more in one of the later pages.
So I'll go through to the balance sheet, which is the next page. Our fixed assets that it gives there at £676,000, that's the worth of Broompower hydro itself, and it depreciates. So it's a little bit less than it was last year. And then the Current Assets it describes are effectively money in the bank and this has dropped again compared to last year. The current assets was £216,000 last and is £100,000 about now, and that's because we've bought back a lot of share capital from our shareholders, which is something that we aim to do in order to pay everyone back during the period when we have the FIT payments, which I'll mention a bit more later.
I won't go through the Capital and Reserves figures because I'll describe those in the next page. So we'll just go to the changes statement on changes in equity.
So this the sort of most important figure here to my mind, is the called up share capital, which stands at £506,000 approximately. So that's yeah, the first column and this is the amount of share capital that we still hold within.
And LCR so that's like the total amount that was initially invested, so around £900,000 minus the amount that we've paid back. So that's the amount that we still aiming to pay back over the period when we have the FIT payments and that's a period up until 2038. So overall we are ahead of our target in terms of the of paying back that capital and that's because of the kind of extra income we had with the high levels of electricity prices, which allowed us to pay back extra. Last year we paid back £162,000 in share capital, which was more than the £125,000 that we'd projected, but that was because of our large income that year.
To pay back the remaining £506,000 and over the period until 2038, we'd have to pay back about £40,000 a year. But if we pay it back quicker, then we end up spending less of the overall money generated by the project on share interest and then we've got more to pay to community benefits. So we'll still aim to pay it back as quickly as we kind of can while retaining enough cash in the bank for contingencies.
Retained earnings is the total assets minus the current liabilities and also minus the starting capital and it's negative at the moment and our accountants have raised a query about whether we maybe shouldn't be paying back any share capital. While it's negative, we've questioned that because while that's a rule relating to for-profit companies, we don't really feel that it's like it

should be a rule for a community benefit society. And so they're looking into that but it seems likely that we'll still be able to pay off share capital. While that's negative, which is what our initial business plan projected.
And so we just go on to the detailed profit and loss account.
So this is the bit which actually tells us figures that mean something to us. So the sales for the previous year was about £30,000 and then the feed in tariff £85,000. So that as you can see the feed in tariff gives us more income than the sale of the electricity and then the other income was just interest on our account and then in terms of expenditure the biggest amount of expenditure was our Community benefit donation of £17,500.
And then the other quite large amounts of expenditure, while insurance at nearly £7000 lease of land about £6000, but that the amount we paid for the lease of the land is a proportion of the previous year's profits. So it's quite high.
It was quite high that year, but it should go down for next year and then the one that upsets me the most is the light and heat price, because that's just for the tiny amount of electricity we use to run our metres.
We don't generate continuously, so we are forced to buy in electricity to run our metres and almost all of that is fixed charges. I will try and look around and see if we can get a better deal on that because nearly £3000 on that seems unnecessarily expensive.
Community benefit admin cost was actually £900 just like last year but it was paid late and so didn't come onto the accounts.
This amount of expenditure includes things that we don't necessarily have to do each year. I was quite interested to see how much we have to be making to cover our basic annual running costs and that is £23,000. If we look at what we actually get just from selling the electricity, without the feed in tariff, we're getting £30,000. So you know there isn't a huge amount between there.
And electricity costs, what we pay and what we sell it for seems to be so volatile.
You know, I think you know, our security comes from the feed in tariffs. So when that's gone it will be a lot harder to make profit every year.
In terms of plans for the next interest payment, so the directors we agreed to recommend 3.5% for the for the next interest payment, which usually comes out in the autumn.
That is slightly below the current Bank of England base rate of 4%. In our company rules, we're allowed to vary 2% above or 2% below the base rate and.
We thought it struck the right balance because our profits are obviously going to be down at the level of £30,000 for the electricity sales. It struck the right balance between community benefits and paying our shareholders.
But very happy to hear if there are any questions about that and obviously that will have to be passed by the AGM.

In conclusion, broom power continues to make a steady profit, allowing a substantial donation to the community benefit, reasonable shareholder return and a steady return of capital to shareholders.
That's the end of my report, happy to take any questions.

Rob Gibson
We should thank Alex for a very clear statement of where we are and she's become a financial wizard in the last year and that's a big help to us all.

We now have to agree that we should return 3.5% interest payment for the year. Can I put that to the AGM just now and ask whether there are any objections and if not for a proposer and a seconder

Matthew Holmes
Proposed by Rob Gibson. Seconded by Matthew Holmes.

Rob Gibson
Are there any questions about any aspects of the Treasurer's Report?

Kathleen Donald
Just wondering about the charges Forestry and Land, Scotland (FLS). This has risen this year so my question is 'How is it calculated? Is it related to profits?'

Alex Cochrane
Yes, it is but I am not certain what the formula is. I will endeavour to find this out.

Rob Gibson
It was in order to relive ourselves from the need to pay this lease that we initially embarked on the investigation in to buying the footprint of the Hydro.

Kathleen Donald
Have we ever asked FLS for interest on the £30,000 bond money that they hold in security?

Alex Cochrane

The Bond money is held in a third party account as security against a collapse of the company and/or the hydro equipment that requires the hydro scheme to be dismantled. As such there is no interest to be gained by them or us.

Rob Gibson

Formula has been set up by FLS and applies to any developments on their land for hydro schemes and so on, and there's at least a half a dozen of these around Scotland on forest and Land Scotland land. So it's not something which we have had an ability to negotiate.

Rob Gibson

Any further questions?

If not then I propose that that we accept the Treasurer's report?

Matthew Holmes

Proposed by Rob Gibson. Seconded by Matthew Holmes

Rob Gibson

That’s an excellent piece of work, Alex. Thank you very much indeed.

OK, we have another presentation now from Sandy Osborne on the share interest and repayment of members capital, some of which has been mentioned already, but I'm sure that Sandy will bring us up to date now .

Sandy Osbourne

As Alex mentioned, we've repaid 400,000 roughly leaving us with 500,000 capital held. We paid back 152,000 last year.

Our target in the beginning was to pay it off around about 40,000 a year sitting around in first part this year because of the of the well, the reduced the more normal income, our target would be to pay back around about 50,000.

We do have requests for repayment amounting at the moment about 20,000.

So to meet our 50,000 payback target, we've obviously still got a headroom so, anyone wanting to have their capital repaid then please be in touch with the elsier@broompower.com email.

After that, the paybacks will start after the AGM has approved the interest and will be normally pay the interest and if any use of the capital that would be at the same time.

Rob Gibson

OK. Any questions for Sandy

Matthew Holmes
No, no questions

Rob Gibson
OK. Well, thank you very much for that. It's a very healthy situation given the arguments and the worries about repayments in the past. I'm glad to see that these things are working more smoothly now.
It's a case of having had a bit of the cruel sea about three years ago, and we've got into calmer waters now. Thank you very much indeed. The next item then is the election of office bearers and at this stage I have to explain several parts to this. So in my case as a board member, I'm resigning from the board and resigning as the Chair of the board, and perhaps it might be possible for an update.
Matthew, if we have any news but any potential recruits for such a post, it may not be, but you can tell us, Matthew.

Matthew Holmes 53:02
So the latest update is that we having considered some possible candidates and also advertised the post in the Ullapool News but we had until very recently had no possible candidates.
In the last few days we have approached somebody who we believe to be a suitable candidate and we are just waiting for their final response. Although they have responded in what appears to be a positive manner, they have not quite confirmed that they are ready to take on the role but we have our fingers crossed we think we should be able to make an announcement about that shortly.

Rob Gibson 53:52
Thank you, Matthew. That's excellent. Obviously, you'll be able to twist arms or even encourage someone you know, but I hope that that works out. And of course then they would have to be elected to the Board.
With that aside, the next thing is that two members of the board should stand down each year. In this case, Paul Copestake and Sandy Osborne will stand down, and I we need a proposer and a seconder to re-elect them to the board, is there a proposer to re-elect them to the board now?

Matthew Holmes 54:36
Proposed by Kathleen Donald, Seconded by Chrissy Boyd.

Rob Gibson
That's excellent. And I should say that Matthew has been confirmed as an elected board member in the recent months and we very much welcome his work and the ability that he's shown to get us all together for tonight.

Rob Gibson
So the other thing I should then ask is, are there any other proposals from the floor or online for membership of the board? Either you can propose yourself if you wish, and then we can ask about that whether you live in the area or not, there are spaces for both.
Thank you.
Are there any volunteers?

Matthew Holmes
It would appear not.

Rob Gibson
At this time, it would appear not OK in that case. Thank you very much for that particular part. We continue with the core people who've been seeing Broompower onto very steady ground.

Rob Gibson
The next item is Community benefit fund update. Matthew, do you have any information from the?

Matthew Holmes
I requested some information from LUCT in regards to community benefit funds that have been awarded since the last AGM and they forwarded me the following information

June 2025 £11,133.00

Organisation	Purpose	Amount
Isle Martin Trust	Infrastructure	£3,000
Dundonnell Mountain Recue	Ullapool Stretcher	£2,133
North West Highlands Geopark	Schools Programme	£1,500
Church of Scotland	Superkids	£1,000
Sea Wilding Oyster Project	Habitat restoration	£1,000
Ullapool Museum	Digital upgrade	£1,000

Welcome Ullapool	Bench project	£1,000
Isle Martin Trust	Maerl Habitat Project	£500

December 2024 £7,635.86

Organisation	**Purpose**	**Amount**
Ullapool High School	Gold Award D of E Expedition	£1,771
Ullapool Active Schools	Climbing for All	£1,400
Ullapool Primary School	Breakfast club	£1,000
Church of Scotland	Superkids	£1,000
Highland Rangers	Homes for wildlife	£860
Ullapool Rotary	Defib maintenance	£500
Blue Hope Alliance	Adopt a Bay	£500
Ullapool Unpacked	Signage	£354.86
Church of Scotland	Giving Tree	£250

So a quite nice mix of community projects and environmental projects and also interestingly, a lot of it is actually going on assets rather than revenue expenditures. In other words, not just covering costs of operation but helping organisations to make something that might last.
So are there are there any questions about any of that?

Rob Gibson
OK. Well, that's good to see our money being put to work by a wide variety of folks in the community for the benefit of many more. Thank you, Matthew for the update. And we go, we now move forward then to the land purchase plans and community woodland.

Rob Gibson Update from Seori Burnett.

Seori Burnett
Thanks, Rob. I think probably a good idea just to recap on the history, not to great lengths but briefly. And then I'll give you an update on where we are. There was an idea by trying to buy that footprint where the hydro is situated. Historically it's Forestry Commission land which of course is now Forestry Land Scotland. This is plantation land, some of which has been felled with now some recent replanting. The ground is steep and large scale felling willlead to issues with erosion and run-off.
Originally we were looking at plots of ~ 90 hectares, but we're now looking more at the half of that. It is still a large area to buy and to get a community asset transfer, you have to have a plan

for what you're going to. And so various ideas were developed and a lot of thanks. You know, originally it's Andy K pushed a lot forward including the possibility of woodland Crofts.
There was also a proposal for Hutting, offering a good alternative to holiday homes and second homes and that it's a common open resource for going to holiday in an area you'd love but you're not taking homes away from the community. So there was a kind of overall scheme developed for that and with some help from Community Housing Trust who are involved in pushing forward a lot of affordable housing schemes. And we walked the course and a couple of sites and identified sites where we thought potentially we could maybe good housing.
That led to then talking Forest Land Scotland more serious survey of those sites and some of the sites were completely ruled out. This left us with one possible area and we have now taken steps to have further ground surveys completed. It's all been rather slow but we have now got to a stage where we agreed we would use the information that we have so far to submit a planning pre app. So proposing housing go there so we can get feedback from the planners because the planners, depending on what the planners responses we may have to go back and rethink.
Once if we know that we there is a viable opportunity to do some affordable housing, yet there we can start piercing together a large development around that to make a case for the Community asset transfer team to consider.
I'm going to try and make sure we get some feedback from the planners on access because there are significant issues with access from trunk roads.
There's a lots of challenges still ahead.

Matthew Holmes
I would just like to raise one item of Any Other Business, which is that I'd just like to propose a vote of thanks to Rob Gibson for fulfilling the role of Chair so wonderfully.

Unanimous support

Rob Gibson
Thank you very much. It's the least I can do to help the local community, of which I'd have had an interest in for many years and hopefully there will be other people who will take up the cudgel and do the job as well. So thank you for that.
I think that's all the business of the AGM now concluded and with that we can formally bang the gavel and say that's it finished for this year and the work starts now. Thank you.