



Annual Report

March 2022



Welcome

This report provides a summary of technical and financial performance for the last financial year to July 2021, with commentary on the following period to end of December 2021. It is issued with our audited accounts to June 2021. The third payment of bond interest and repayment bond capital was made on 31st March 2022.

About Burnham and Weston Energy CIC

Burnham and Weston Energy CIC is a not-for-profit Community Interest Company that has been established to own and run a community solar farm at Wick Farm, between Burnham-on-Sea and Weston-super-Mare. The solar farm is owned by Burnham and Weston Energy CIC's wholly owned subsidiary Verdant Community Energy CIC. The 9.3MW solar array is made up of around 36,000 solar panels which generate electricity for the equivalent of over 2,000 homes. The enterprise is professionally managed by Communities for Renewables CIC.

Surplus income generated by the solar farm (after operating and finance costs including payments to bondholders) is used to support community projects in the local area.



1. Financing

The finance structure of Burnham and Weston Energy CIC and its wholly owned subsidiary Verdant Community Energy CIC (the Group) is summarized below.

Finance source	Initial loan size	Balance at financial year end June '21	Balance at end Dec '21
Senior loan from Triodos Bank to Verdant Community Energy CIC 15-year loan	£7,300,000	£6,394,000	£6,240,000
Bondholder investment in Burnham and Weston Energy CIC As per June 2018 Solar Bond Offer Document	£4,000,000	£3,600,000	£3,600,000*
Total	£11,300,000	£9,994,000	£9,840,000

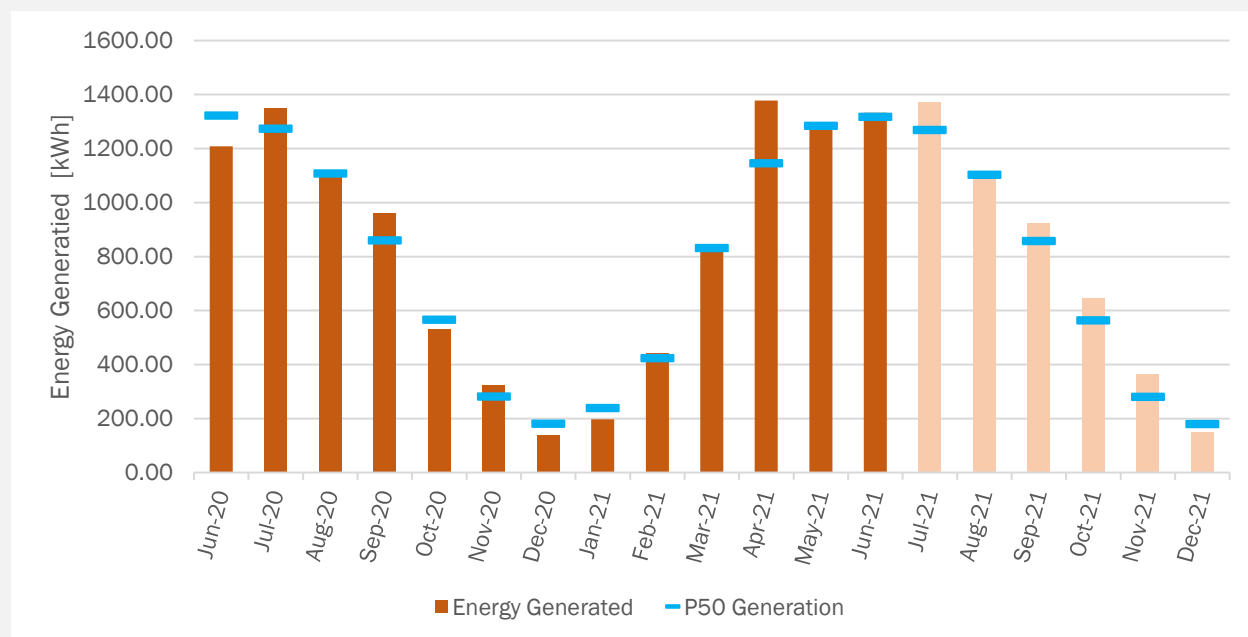
*£250,000 capital repaid in March 2022

2. Solar Farm Performance

During the last financial year from July 2020 to June 2021 the solar farm generated 9,881 MWh of electricity. This was 3.9% higher than the P50 generation forecast for this period. The P50 (50% probability) forecast is the long-term average on which the projections for the bond offer and community surplus income are based. The projections anticipate degradation in panel performance will result in a 0.4% reduction in generation each year. As the chart below illustrates, seasonal fluctuation in generation was broadly as projected. High irradiance in April 2021 compensated for low irradiance in summer 2020 and winter 2020/21

From July to December 2021, performance was up on P50 projections by 7% due to irradiance levels being greater than expected. Lifetime performance to end December 2021 is 3.4% up on P50 projections.

Energy Generated vs. P50 projections from June 2020 to December 2021



3. Financial performance

Financial performance has been good due to the solar farm performing well and a power purchase agreement slightly above the minimum guaranteed export rate for the power produced.

1st July 2020 to 30th June 2021

Accrued Revenue	£1,340,000
Operating costs	£219,000
Triodos loan interest	£249,000
Triodos loan capital repaid	£298,000
Bond interest	£195,000
Allocated to community benefit funds	£120,000

4. Bondholder payments

Burnham and Weston Energy CIC raised £4 million through its 2018 Solar Bond Offer, which was one of the UK's largest community energy crowdfunding campaigns to date.

The Triodos Bank loan covenant tests at end December 2021 were passed¹ and there were sufficient available funds to pay bond interest in full for the year, and make a capital repayment of £250,000. Payments were made at the end of March 2022.

The Bond interest period is different to the financial year and runs from April to March. Bond interest is inflated each year on the 1st April. In April 2021, the Bond interest rate was increased by 1.2% to 5.311%. The interest rate for March 2022 to April 2023 will be inflated by 7.5% to 5.709%. Under withholding tax rules, interest payments to Bondholders who have not invested via the Triodos Innovative Finance ISA were paid net of tax at the basic rate for income tax (currently 20%).

5. Community Impact

£120,000 was allocated to community benefit funds in the year and Burnham and Weston Energy CIC had £170,000 of allocated community funds in reserves.

With Covid restrictions easing, the Board is developing a strategy to deploy these and future funds to support the local community's net zero transition including:

- Appointing an Impact and Development Director
- Organising events and research to discuss the implications of COP26 and the UK Net Zero strategy for the local community
- Developing a local net zero transition network
- Launching the Burnham and Weston Energy Sunshine Fund

The impact of this strategy will be reported in next year's report.

¹ The Triodos Bank loan covenant tests look at the previous and following 12 months' cash flows against projections. If the covenant tests are not passed, Triodos Bank has the right to suspend distributions and Burnham and Weston Energy CIC may have to delay payments to bondholders.



Three Great Crested Newts were found by our ecologists, enjoying pondlife on the solar farm.

Six ponds on the solar farm site are maintained as breeding grounds for Great Crested Newts.

Surveys in 2016 and 2017 found a small population of the protected newts on site. It was great to confirm their continued presence there five years on.

Contacts and further info

For updates please keep an eye on Burnham and Weston Energy CIC's website

www.burnhamandwestonenergy.co.uk

If your bank or contact details have changed please change them via the Triodos Crowdfunding platform, and contact them directly if you have any queries relating to bond interest and capital payments

crowdfunding@triodos.co.uk

www.triodoscrowdfunding.co.uk

For general enquiries please contact

jakeburnyeat@cfrbic.co.uk

01209 705 423
