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# Annual Report

March 2023

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# Welcome

This report provides a summary of technical and financial performance for the last financial year to June 2022, with commentary on the following period to end of December 2022. It is issued with our audited accounts to June 2022. The fourth payment of bond interest and repayment bond capital was made on 31<sup>st</sup> March 2023.

## 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'22	Balance at end Dec '22
Senior loan from Triodos Bank to Verdant Community Energy CIC 15-year loan	£7,300,000	£6,083,000	£5,923,000
Bondholder investment in Burnham and Weston Energy CIC As per June 2018 Solar Bond Offer Document	£4,000,000	£3,350,000	£3,350,000*
<b>Total</b>	<b>£11,300,000</b>	<b>£9,433,000</b>	<b>£9,273,000</b>

\*£400,000 capital repaid in March 2023



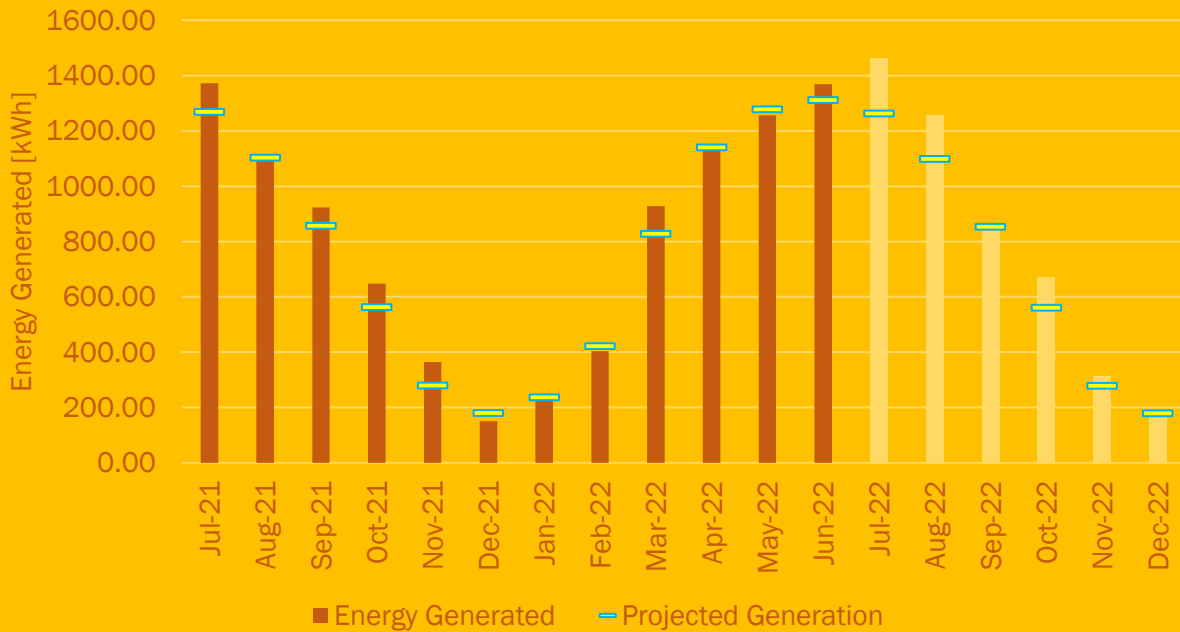
One of the three ponds at Wick Community Solar Farm which are managed for the benefit of Great Crested Newts.

## 2. Solar Farm Performance

During the last financial year from July 2021 to June 2022 the solar farm generated 9,871 MWh of electricity. This was 4.2% 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 the summer compensated for lower irradiance in the winter.

From July 2022 to December 2022, performance was up on P50 projections by 11.92% due to irradiance levels being greater than expected. Lifetime performance to end December 2022 is 3.7% up on P50 projections.

Energy Generated vs. P50 projections from July 2021 to December 2022



### 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.

**1<sup>st</sup> July 2021 to 30th June 2022**

<b>Accrued Revenue</b>	<b>£1,323,000</b>
<b>Operating costs</b>	<b>£276,000</b>
<b>Triodos loan interest</b>	<b>£236,000</b>
<b>Triodos loan capital repaid</b>	<b>£312,000</b>
<b>Bond interest</b>	<b>£192,000</b>
<b>Allocated to community benefit funds</b>	<b>£50,000</b>

### 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 2022 were passed<sup>1</sup> and there were sufficient available funds to pay bond interest in full for the year, and make a capital repayment of £400,000. Payments were made at the end of March 2023.

The Bond interest period is different to the financial year and runs from April to March. Bond interest is inflated each year on the 1<sup>st</sup> April. In April 2022, the Bond interest rate was increased by 7.5% to 5.311%. The interest rate for March 2022 to April 2023 will be inflated by 13.4% to 6.474%. 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%).

<sup>1</sup> 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.

## 5. Community Impact

During the financial year to June 2022, Burnham and Weston Energy CIC's community activities included:

- Employing an Impact and Development Director
- Organising a conference for local businesses and public sector bodies to discuss the outcomes of COP26, and what they mean for carbon neutral ambitions of businesses, policy makers and communities in Somerset.

Eleven groups across Highbridge, Burnham-on-Sea and Weston-super-Mare were awarded grants from the Burnham & Weston Energy Sunshine Fund:

- Create Together CIC: outdoor creative activities using natural materials, working to improve the health and wellbeing of people in Weston-super-Mare – £2,500
- For All Healthy Living Company: food clubs, community fridge and repair café to address food poverty and reduce food waste in Weston-super-Mare – £7,000
- Friends of Grove Park: community outreach and volunteer coordination for a green space in Weston-super-Mare – £2,000
- Friends of Prince Consort Gardens: wildlife habitat creation in a community green space in Weston-super-Mare – £2,380
- Sedgemoor Conservation Volunteers: upskilling conservation volunteers to use equipment, enabling the group to continue maintaining the local environment – £1,000
- South Weston Activity Network: youth environmental action to rewild and improve green spaces in Weston-super-Mare – £1,180
- St Peter & All Hallows Church, West Huntspill: creating a new community link with the South West Coast Path that will encourage exploration of local flora, fauna and wider environment – £2,500
- The Stable / Hub Weston CIC: creating a Library of Things that will incorporate a repair center, training programme and creation of volunteer opportunities in Weston-super-Mare – £1,000
- Theatre Orchard: inclusive summer schools for young people to develop artistic responses to the climate and sustainability in Weston-super-Mare – £5,000
- Weston-super-Mare Chamber of Commerce: community events inspired by SEE MONSTER, part of the Unboxed 2022 Festival, including cookery workshops, sustainable fashion show, and a group turning plastic found as litter into new products – £7,650
- Youth UnLimited CIC: nature and wildlife clubs for young people to raise awareness about actions that can be taken to improve the environment in Highbridge – £2,500

## Contacts and further info

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

[www.burnhamandwestonenergy.co.uk](http://www.burnhamandwestonenergy.co.uk)

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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](mailto:crowdfunding@triodos.co.uk)

[www.triodoscrowdfunding.co.uk](http://www.triodoscrowdfunding.co.uk)

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