



## ACE 2020 AGM - Agenda item 4

### Briefing on resolutions concerning shareholdings

- 4.1 Repayment of capital to shareholders – in accordance with our policy to pay an amount equivalent to the amount of depreciation plus £1,000, it is proposed to repay in December 2020 a sum of £7,832. This sum will require the Board's final approval immediately before repayment in accordance with our share offer rules.
- 4.2 Payment of interest to shareholders - it is proposed to pay a proportion of cumulative profits at 31<sup>st</sup> December 2019, in accordance with our policy to pay interest only out of cumulative profits. The sum the Board proposes to allocate is influenced by both the Society's forecast financial performance and shareholders' expectations.

In considering the financial performance, the Board expects the profits in 2020 will be reduced, due to the adverse impact of Covid 19 lockdown on income from sale of electricity, increased costs associated with maintaining the installations and a revision of depreciation policy. In addition, the Board acknowledges that there is a risk that FiT income for the Hugh Sexey installation may not be received in full.

Taking account of the cumulative profit shown at the end of 2019 and the forecast for the current year, the Board judges it to be prudent to allocate £5,200 (£2,157 in 2019). This represents approximately 3% interest (1.1% in 2019). This interest will be paid shortly after the AGM.

- 4.3 Community Benefit Fund – it is our policy that any donations from shareholders, by way of waived capital repayments or interest, be restricted to this fund for defined community benefits. For reference, the sum available at 31/12/'19 is £246. A further £776 was contributed by shareholders waiving their repayment of capital in January 2020, bringing the current total to £1,011.

The Board intends to bring forward its proposed approach to applying this fund to the 2021 AGM.