
Ludlow Hydro Co-operative

1st June 2017

Dear Members,

You have hopefully received the notification for this year's Annual General Meeting. Please find attached to this letter the papers for that meeting. If you are unable to attend, please use the voting form and return by email to agms@shareenergy.coop or Ludlow Hydro Co-op, c/o Shareenergy, The Pump House, Shrewsbury, SY1 2DP by **9am on Monday 26th June** to ensure your vote can be included.

Chairman's Letter

I am pleased to report that the project has now fully completed its construction phase. The site is clear and the screw fully operational. Thanks, in the main to the hard work and diligence of Dic and Angus. At the end of April, we completed our first year's maintenance check and service. No problems were identified and the system is running smoothly and as planned.

Also in April we completed a full 365 days' production and despite the dry summer which we thought might trip us up, we just exceeded our name plate generation of 170,000 KWh. We in fact managed to produce 175,500 KWh. We are proud of this achievement but must remember that we are a natural resource and totally reliant on the water in the river. So, although we have proved the system can reach its target, there are no guarantees we can do this every year.

As we advised earlier in the year we did not have sufficient cash available to make a distribution from the 2016 profits. This was as we anticipated in the share offer document. However, it is our intention, all being well, to recommend a payment from the accumulated profits at the end of this year, with settlement being made before April 5th 2018. In order to do this, we need to have your approval of the 2017 accounts and acceptance of the recommended distribution at next year's AGM. I am therefore proposing that next year we bring forward the AGM to March with the hope that we can achieve this new schedule and that you agree that this is better than waiting until July.

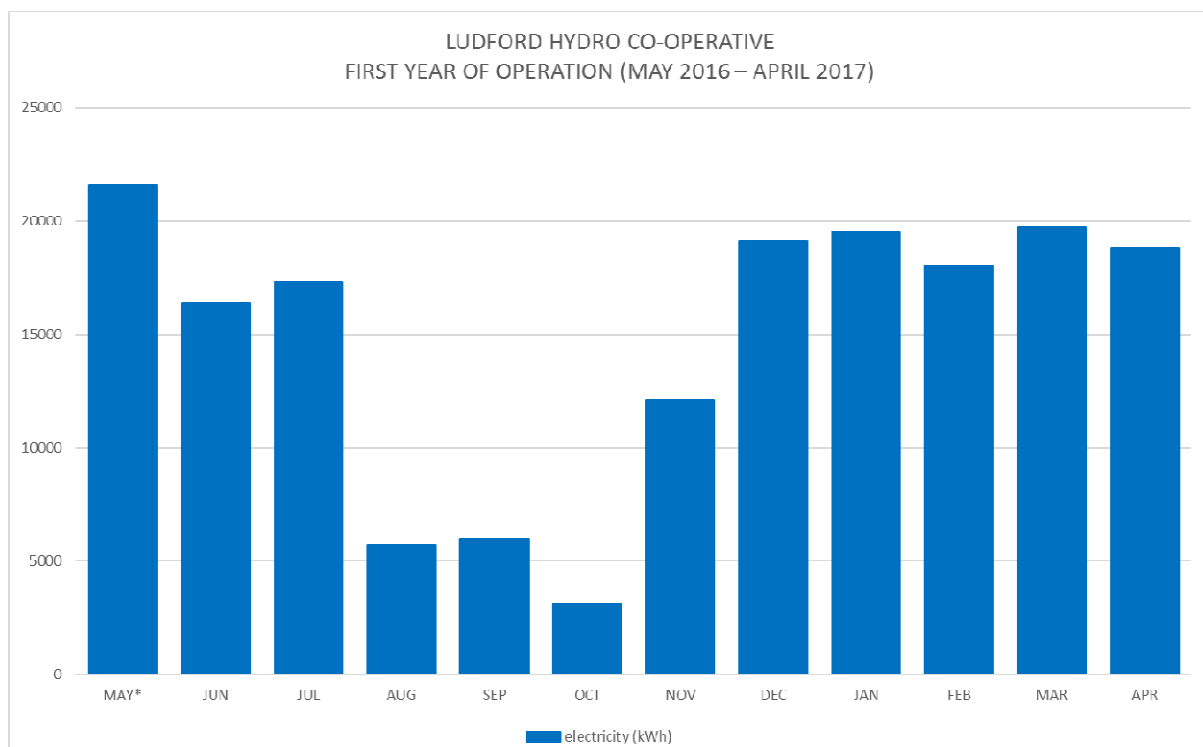
I would like to thank the whole board for their input this year. We have worked hard and together overcome all the little hurdles put in front of us. We now look forward to a smooth path ahead. I would also like to thank Jeremy Thorp from Shareenergy who among other things successfully guided us through the co-operative's necessary compliance and formalities.

We look forward to seeing as many of you as possible at the meeting and as, previously mentioned, if anyone is interested in joining the board, we'd be very interested in hearing from you.

Ludlow Hydro Co-operative

Financial Director's Report

The hydro began operation in late April last year. We treated whatever electricity we produced (c. 2,000 kWh) in the rest of April as being included with the May figures. Similarly, our Year 1 Share Offer Document results are overstated by the same amount. Even without this start up figure we still exceeded the Share Offer forecast of 170,169 kWh - as shown in the Management Accounts on the following page. A visual summary of the turbine output is shown as a graph below. Note that operation (trial runs and intermittent output) commenced around 20th April 2016, and this is included in the total for May 2016 below.



The forecast for every Share Offer year (ending April) is flat at 170,169 kWh. It is important to understand the difference between our Annual (calendar year) Accounts which the Board present to every AGM, and our Management Accounts which measure our actual results against every year to the end of April. The latter are for control purposes and, importantly, to keep members informed of our actual results against the Share Offer for each year - and cumulatively over the twenty year period. Members can be confident that the two forms of accounts reconcile precisely.

Ludlow Hydro Co-operative

LUDLOW HYDRO CO-OPERATIVE

First year of operation (ending 30 April 2017)

INCOME AND EXPENDITURE ACCOUNT

	ACTUAL YEAR 1	SHARE OFFER YEAR 1
PRODUCTION GENERATED : kWh	177,608	170,169
	£	£
SALES		
FIT income	32,501	30,681
Electricity sales	8,776	8,849
LECs & Triads		1,121
	41,277	40,651
Cost of sales		
Input Electricity	322	
Good Energy standing charges	183	
Metering	25	
	40,747	40,651
GROSS PROFIT	40,747	40,651
Administrative charge	3,344	2,500
Rent	6,398	6,504
Insurance	1,074	1,000
Depreciation	19,982	19,982
Sundry	862	2,574
	31,660	32,560
TOTAL EXPENDITURE	31,660	32,560
Bank interest received	33	
Exchange gains	2,636	
	11,756	0
NET PROFIT	11,756	0

Ludlow Hydro Co-operative

Yours sincerely,

Anthony Shuster, Chair

On Behalf of the Ludlow Hydro Co-operative Board

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AGM Notice

AGM Voting Form

AGM Minutes 2016

Financial Statements 2016

LUDLOW HYDRO CO-OPERATIVE LTD

NOTICE OF ANNUAL GENERAL MEETING

TO BE HELD ON 29 JUNE 2017

NOTICE is given that the Annual General Meeting of members will be held on Thursday 29th June at 7pm at the Function Room, Charlton Arms, Ludford, SY8 1PJ for the following purposes:

AGENDA

Welcome and introductions

1. To agree minutes from last meeting
2. In accordance with Section 84 of the Co-operative and Community Benefit Societies Act 2014, a resolution not to undertake a full professional audit of the Society for the year
3. To receive and adopt the Report of the Directors and the Annual Accounts for the year ended 31st December 2016
4. To re-elect Clare Greener as a Director of the Co-op
5. To re-elect Anthony Shuster as a Director of the Co-op
6. Any Other Business

By order of the Board



Jon Halle

Company Secretary

1st June 2017

Registered Office:

Ludford Mill

Ludford

Ludlow

SY8 1PP

LUDLOW HYDRO CO-OPERATIVE LTD

NOMINATIONS TO THE BOARD

The Rules allow for a maximum number of seven Board members of which one third must retire each year in rotation. Clare Greener and Anthony Shuster will retire by rotation and will seek re-election.

Biographical Notes

Retiring Directors Seeking Re-election

Clare Greener

Originally from Northumberland, Clare has lived in South Shropshire for 25 years. Clare studied Agriculture with Food Marketing at Newcastle-upon-Tyne University and came to Shropshire to work within the agricultural sector starting with the Potato Marketing Board. Following the reorganisation of the Potato Board, Clare went on to work for Harper Adams Agricultural College where she delivered a research programme which led to development of the college's short course provision. Following the successful completion of this research, Clare then diverted her energies to agricultural and rural policy development working for a number of different public sector agencies, including the Rural Development Commission, prior to joining the National Farmers' Union in 2008.

Clare is a 2010 Nuffield Scholar; she is a professional member of the Institute of Agricultural Management having completed their Leadership Development Course in 2012 and has been recently awarded a distinction for a Master's Degree in Rural Estate and Land Management. Clare spends a great deal of her professional energies working with NFU members on their renewable energy projects and has personally invested in domestic solar PV and solar thermal installations.

Anthony Shuster

For 40 years Anthony has run AGS Chemicals Ltd, his own international trading company specialising in industrial raw materials and supply chain management. They source materials throughout the world and so for many years he travelled extensively in the Far East, Australasia and the US. Alongside this business he was the General Manager of Amcor Raw Materials (Europe) Plc, a subsidiary of Amcor, the listed Australian based multinational packaging group. They supported the chemical needs of Amcor's 20 European factories and as they sourced much out of the Far East, he was also the GM of their Hong Kong trading office. He now continues to run AGS and consults for a similar company in Finland.

LUDLOW HYDRO CO-OPERATIVE LTD

MINUTES OF ANNUAL GENERAL MEETING

HELD ON 30 JUNE 2016

The Annual General Meeting of members was held at 7pm on 30 June at the Charlton Arms, Ludlow, SY8 1PJ.

Members Attending: Carol Byng, John Heathcote, Gail Richards, Jeremy Thorp, Robert Flitney, Jeff Else, Mark O'Hanlon, Clare Greener, Trish Marsh, Anthony Shuster, William Wakeley, Ruth Wakeley, Tony Cant, Robert A Pardy, John Sandison, Jenny Marshall, Angus Marshall, Andy Wright, Liz Taylor, A Reed, Robert Reed, Margaret Shaw, Kim Holroyd, John Daniels, Rosemary Corke, Helen Rooker, Jeff Rooker, David Delaney, Seabury Salmon, Richard Cundall, Philip Adams, Simon Hodson, Lish Hodson, Linda Senior and John Farley.

Attendance was 35 and 15 postal and electronic votes were sent. The quorum is 12 and the meeting was therefore quorate.

Apologies were received from: Clive Richardson, Anusra Bell, Rodney Archard, Kelly Godwin, Alan Pittam, David Rinaldi, Richard Wildash, Paul Merrell, Anne Chapman, Sarah Hurford, Callum Johnston, Maurice Prendergast, David Howard, Ron Gardner, Christine Gardner, Philip Harper, F Birdsey, D Eminson, Margaret Davies and Ann Arthur.

Motion	Motion Carried (Y/N)
1. To agree minutes from last meeting	Y
2. In accordance with Section 84 of the Co-operative and Community Benefit Societies Act 2014, a resolution not to undertake a full professional audit of the co-operative for the year.	Y
3. To receive and adopt the Report of the Directors and the Annual Accounts for the year ended 31st December 2015.	Y
4. To re-elect Richard (Dic) Bickerton as a Director of the Co-op.	Y
5. To re-elect Angus Marshall as a Director of the Co-op.	Y

There was no other business brought forward by members.

By order of the Board, Dic Bickerton, Director, 30th June 2016