

MINUTES OF THE 2018 ANNUAL GENERAL MEETING

Held in the Centre @ Halton
Friday 16th March 2018 at 7:00pm

Present: Hydro Management - John Blowes, Kevin Frea, Brian Jefferson and 23 shareholders = 26

Apologies: Received from Directors Allan Denham, plus 87 other shareholders.

Introduction: The Chairman, John Blowes, welcomed shareholders to this fourth AGM and proceeded to give a Power Point presentation covering the main items of interest during 2017. Questions were invited from shareholders during the presentation, leading to significant discussion throughout.

Chairman's AGM Report

The year saw us conclude construction of the limestone block surface over the cable run while also carrying out resilience measures learned from the December 2015 flood. The external system is now considerably stronger than the original build and withstood the November 2017 flood event with little damage despite the 600 tons of stone removed.

We have now completed all Fyke net sampling on behalf of the Environment Agency. These tests have hitherto led to a significant reduction in generation to protect the nets while fitted. We should ensure more continuous generation in this and future years.

We have also installed small scale lifting gear in order to raise and lower stop log screens for shutting off the system for maintenance. This will reduce future invoices for crane hire that have been a feature of the first three years of operation, saving revenue.

Testing of the fish cameras and counters is now complete and has been verified to the satisfaction of the Environment Agency. This worked against came at a cost to HLH which should not need to be repeated.

We experience a significant inflow of tree branches and trunks through the winter period. These are now fairly easily lifted out with the gantry crane and the wood is cut up and removed from site for numerous wood-burning stoves in the community at no cost to the hydro budget.

The differences between T1 and T2 were explained as having a different FIT's tariff applied. Because T2 raises more per Kw/hr it is the preferred turbine. T1 is automatically brought into use when T2 is at full capacity. Real life max Kw generation is about 140Kw from both turbines compared to the rated capacity of 2 x 100Kw. We have some theories about the causes of the shortfall and intend to introduce some design changes in an attempt to raise the generation capacity. One obvious ploy is to keep the turbines running and only carry out the annual drain down for maintenance when river flow is below generating limits.

An explanation of the 5% annual set aside for re-payment of shareholders was given, leading to much discussion. If 5% of shareholders surrender on a yearly basis, the sums paid out in interest will reduce in a commensurate proportion; thus saving HLH revenues which can then be invested in larger sums to Halton Lune Trust for local grant funding purposes. To date, voluntary surrenders have almost exactly matched the planned sums and there are no plans currently for a compulsory re-purchase of shares.

The rather disappointing dividend of 3.4% was explained through the lower than expected income figure of £186,500 and the cost impact of the £10,000 cost of flood recovery in November. The prospectus figure of 5% is a target, but until revenue can support this scale of payout, 4% may be more realistic.

Asked if the turbine generation could be fed as a live feed to the website, the Chairman agreed that it should be possible and agreed to look into the matter.

The meeting then moved to formal proceedings and voting for the AGM resolutions:

a. Approval of the March 2017 AGM Minutes

Amendments, if any: Nil

Proposer: Cherith Adams	Seconder: Joan Richards	
Postal votes: For 85	Against Nil	Abstained: 0
On the night: For Unanimous	Against Nil	RESULT: motion carried

b. Approval of the 2016 calendar year financial statements

Proposer: John Leach Seconder: David Rosen

Postal votes: For 85	Against Nil	
On the night: For Unanimous	Against Nil	RESULT: motion carried

c. Re-appointment of accountant examiners RFM to carry out account examination only.

Proposer: Ralph Martin Seconder: Susan Lucas

Postal votes: For 85	Against Nil	
On the night: For Unanimous	Against Nil	RESULT: motion carried

d. Re-appointment of the Chairman John Blowes to the Board of Directors

Proposer: Jeremy Boreham Seconder: David Johnson

Postal votes: For 85	Against Nil	
On the night: Unanimous	Against Nil	RESULT: motion carried

On the conclusion of the formal proceedings of the AGM, John Blowes introduce Halton Lune Trust Trustee Mrs Carol Slinger who then made a Trust presentation covering the past year.

Tea, Coffee and biscuits were then served.

Signed as a true record:

Chairman
Mr John Blowes MBE