

Chairman's Report Year Ending 30th September 2014

As Chairman of Four Winds Energy Co-operative, I would like to extend a huge welcome to you as one of our 845 members and an especially warm greeting to those members who have not been involved in a renewable energy co-operative before. The financial year for Four Winds ran to 30th September 2014 and the accounts reflect this. However, so much has happened since then that I have reported the Co-op's progress up to the end of 2014.

Our sister co-operative, Energy Prospects, gained planning consent for a single wind turbine at Duckmanton in December 2013 and Shafton in January 2014 and these two sites were offered to Four Winds to develop. A working Board of Directors was established in April 2014 and set to with gusto to try to achieve a functioning co-operative that could own and run its first wind turbine by December 9th 2014.

An initial share offer under the Seed Enterprise Investment Scheme raised its ceiling of £150,000 which enabled Four Winds to get the project started. We have been very grateful for a £500,000 loan from Baywind Energy Co-operative (that was used to place an early order the Duckmanton turbine) and a £220,000 loan from Pure Leapfrog (which provided the finance for the VAT on the turbine on a short term basis until it could be claimed back). Four Winds is very grateful to Baywind and Pure Leapfrog for their faith in our venture and I am pleased to report that both loans have been paid back as arranged. I find this spirit of co-operation involved in renewable energy co-operatives very heartening.

You will all have been involved in the share offer for Four Winds. Members of your Board of Directors attended many local events in Derbyshire and Yorkshire to publicise Four Winds and the first £1m of investment was received in a record time for an energy co-op launch. Over the summer, £3,307,390 was invested in Four Winds before the offer was closed resulting in a total investment of £3,457,390. The offer was managed for us by the enthusiastic team at Energy4All, from their office in Cumbria. The office staff at Barrow in Furness tend to be the first point of call for members of the Co-op and your board was pleased to appoint them to provide the administrative support for Four Winds. We are very grateful for their enthusiasm, knowledge and dedication that have made such a success of the Four Wind's launch.

The first turbine was planned for Duckmanton and because its site is on land that was previously an open cast mine, its construction was more complex than many similar sized turbines. For example, the piling needed to be up to 38m deep. The Co-op will sell its energy through the Feed in Tariff scheme. It was always going to be a tight deadline to get the turbine up and generating before our Feed in Tariff cut off date of December 9th. We were very pleased to work with our contractors, Raymond Brown, and turbine manufacturer, EWT, who both did an excellent job in completing the Duckmanton turbine on time and on budget, which will optimise our Feed in Tariff income for the next 20 years.

At the time of writing, we do not have a full month's production figures to report but future production will be posted on the members' area of Four Winds' website. We set out to produce renewable energy through a co-operative and we have now started to achieve this.

Finance

The accounts in your AGM papers cover the financial year of the Co-op to the end of September 2014. At the year-end, we had received nearly all the members' investment finance but had only spent a part of that on the Duckmanton project. The accountants Lamont Pridmore incorrectly assumed the year end accounts did not require auditing. This is now being rectified and the audited accounts will be sent out to members in the following week. This will still comply with Four Winds Rules to issue documents to allow sufficient time for members to vote on the required motions.

Since the year-end, we have completed Duckmanton and paid for all the turbine acquisition and construction costs on that project. As reported, Duckmanton has been completed on time and on budget. We look forward to our first income early in 2015.

The Board of Directors

A fully functioning Board of Directors started work in April 2014 and in accordance with the rules of the Co-operative, its Chairman was elected by the Board. Over the summer, the size of the Board increased to welcome new Directors with skills and experience to help Four Winds develop. Annette Heslop has now retired from the Board but remains the Company Secretary of Four Winds. To achieve all that has been accomplished in such a short time is due to the sheer determination and hard work of the Directors of Four Winds who have shared their extensive experience to make this project a success. As Chairman, I should like to thank them for their energy and drive. Your Board would like to move to a situation where more of the Board (currently only 2 out of 7) live more locally in Derbyshire or Yorkshire, whilst retaining the skills and experience needed to develop Four Winds. Several members have expressed an interest in joining the Board of Directors and I am looking forward to meeting them in the near future. If other members would like to be considered for Board membership then I would be pleased to hear from you. It is planned to offer such members opportunities to experience meetings of the Board.

Current Directors' Attendance at Board Meetings to September 2014	
Director	Meetings attended out of the number of meetings as a director
Rod Blunden	10 / 10
John Malone	10 / 11
Marna McMillin	11 / 12
Sue Quick	2 / 3
Paul Rea (Chairman)	11 / 11
Bill Richmond	8 / 10
Steve Slator	6 / 8

The second wind turbine

As Duckmanton neared completion, plans were firmly underway for the construction of our second wind turbine at Shafton, near Barnsley. At Duckmanton, Rod Blunden has been "our man on the spot" and we are very grateful for his very thorough approach to managing this project for us. So pleased were we with Rod Blunden as our project manager, Raymond Brown as contractor and EWT as turbine suppliers that we have appointed them again to put up our second turbine at the Shafton site for completion in June 2015. The Feed in Tariff deadline for that turbine is September 2015 so we have more time to breathe on this second project.

And after Shafton. . . .

We are on the way to achieving the goals we set out in the Share Offer Document. The co-operative was set up to develop single wind turbines on former mining sites. Our sister organisation, Energy Prospects Co-operative, has planning applications registered for two further sites which, if consented, will be offered to Four Winds to develop. The application at Riccall was turned down by the members of Selby Council's Planning Committee, although it was recommended for approval by their Planning Officer. This decision is now being appealed. An application has been made for Yorkshire Main, near Doncaster, and this is expected to go before Doncaster's Planning Committee early in 2015. We will keep you posted on the progress of these applications.

In conclusion

So to sum up, this has been a very successful year for Four Winds Energy Co-op which is on time and on budget with its projects. I'm sure you would like to join with me in thanking your Board for the massive amount of work they have all put into this project. I know the Board would like to thank you for your trust and support that you have given the Co-op. On February 7th 2015 it is our AGM and there is the opportunity to visit the Duckmanton site as well as attend the Annual General Meeting. I look forward to meeting as many of you as possible to share the success of Four Winds Co-operative.



Paul Rea
Chairman – Four Winds Energy Co-operative Ltd

December 2014