



Torrshydro New Mills Ltd.

www.torrshydro.org

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To: All members of Torrshydro New Mills Limited

5th April 2024

Dear Member,

Invitation to AGM and Open Afternoon, Saturday 27th April 2024

I am pleased once again to invite you to the Annual General Meeting (AGM) of Torrshydro New Mills Limited, a Community Benefit Society. As last year, we shall also be broadcasting the meeting live.

This year we have some exciting motions to discuss and it would be great to have you join us one way or another.

The meeting will take place on

**Saturday 27th April 2024, 11am at the Revive Church,
High Street, New Mills, High Peak, SK22 4BR.**
Registration and refreshments from 10:30am

The formal meeting is expected to close by 12.30pm, followed by

Open Afternoon, 1-3pm on site with Archie in the Torrs
where you can come and meet the volunteers.

Detailed information on how to access the live video feed is available on our website www.torrshydro.org/agm-2024

Please find the following papers enclosed for the AGM meeting:

- Notice of the AGM (this letter)
- AGM Agenda & proxy form
- Minutes of the last Annual General Meeting (20th May 2023)
- The directors' annual report 2022/23

The full accounts for the financial year 2022/23 are only included when emailed.

Printed copies are available by request from the Secretary.

If you are unable to attend in person, whether you are intending to join the live video feed or not, please do fill in a proxy form to indicate your wishes regarding motions. You may appoint and instruct a named individual, the meeting Chair, or the Society's Secretary to vote on your behalf.

Keep in Touch

If you move house or change your email address, please ensure you let us know. Every year, we try to ensure that members receive their AGM notification, but we'd welcome your help to reduce our volunteers' work on this.



Voting Protocol

All people named in the share application are members of the society and can attend (and speak at) the AGM. Where shares are held in the name of two or more people or an organisation, the members must decide themselves who will have the voting card.

The society has a strict "one person, one vote" rule, which means each shareholder gets one vote irrespective of the number of shares they may hold personally; individuals holding proxies for one or more shareholders may have more than one vote.

We look forward to seeing you at the AGM.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Richard Body".

Richard Body MBE, Secretary

For those coming to New Mills from a distance:

If you are coming to the AGM and would like to see a bit more of New Mills, here are some ideas. First of all, there is a public open day at Torrshydro from 1pm to 3pm after the AGM. Walking through the Torrs is very worthwhile for the landscape, historical features and the wildlife.

Go upstream along the Goyt to see the llamas and new lambs at Goytside Farm, or downstream to take in the Millennium Walkway (featured on a millennium postage stamp) and Torr Vale Mill.

The 92nd anniversary of the Mass Trespass on Kinder Scout is being celebrated in Hayfield on the Saturday afternoon - see <https://kindertrespass.org.uk/>

For walkers, see the New Mills Walkers are Welcome website <http://nmwaw.org.uk/>

The Visit New Mills website visitnewmills.co.uk has details of things to do, where to stay and events.

Train services from Manchester and Sheffield are currently disrupted by a land slip just North of New Mills, so the timetable may be altered at short notice.



Torrshydro New Mills Limited
Annual General Meeting

Saturday 27th April 2024 at 11am
Revive Church, High Street, New Mills, High Peak, SK22 4BR

Agenda

Notes to the motions are below the agenda

- 1 **Welcome to Members**
- 2 **Apologies for absence**
- 3 **To approve the minutes of the last AGM held 20th May 2023.**
- 4 **Archie's performance and maintenance review**
- 5 **Review of the unaudited accounts** for the year ending 30th September 2023.
Motion 1: to approve the accounts for the year ending 30th September 2023.
Motion 2: to dis-apply the requirement for the accounts for the year ending 30th September 2024 to be audited.
Motion 3: to appoint David Black as independent reviewer of the accounts for the year ending 30th September 2024.
- 6 Discussion of the society's share (equity) reduction policy

Followed by

Motion 4: To approve the aim to reduce the equity capital in the form of withdrawable shares issued by Torrshydro.

- 7 **Discussion of the society's financial position to include**
 - The method used to calculate our reserve and any surplus
 - The method of calculating the interest payment to shareholders and allocation to the Torrshydro Community Fund

Followed by

Motion 5: To approve 3.1% interest payment in the financial year 2023/24 to all shares owned at 30/9/2023 (£4,396.76 allocated) and allocate £4,966.75 to the Torrshydro Community Fund.

8 **Discussion on the Torrs Hydro Community Fund**

Followed by

Motion 6: The Torrs Hydro Community Fund should be prioritised to maximise positive environmental sustainability impact in the community of New Mills and surrounding area.

As such over time it will invest in a small number of projects with high impact in preference to a larger number of projects with lower impact.

Here impact will be assessed through forecasted improvements in environmental sustainability measures, and which may include carbon emissions reduction and/or waste reduction.

9 **Discussion on what should we do about members we have lost contact with**

We have lost contact with a few of our original members. We are concerned that as time goes on we could lose touch with more. They may have moved or changed their contact details and forgot to let us know, or they may sadly have died without either ensuring their loved ones know of their community shareholding or nominating a beneficiary for their shares.

Torrshydro board would like to develop a policy to address this issue, but we don't want to impose a process that is not acceptable to members. We would therefore like to canvas members views, starting with a discussion at the AGM.

Our plan is to continue consulting with members during the coming year, and to develop a policy to bring to the next AGM for members' approval.

If any member would like to work with us on this, please let us know at the AGM or by emailing secretary@torrshydro.org

10 **Questions for the Board**

11 **Election of directors**

12 **Any Other Business**

Close of formal AGM

The formal AGM is expected to finish by 12.30pm.

Following the meeting
Torrshydro Open Afternoon, 1pm - 3pm on site at Archie.

Directors and volunteers will be available for tours and to answer questions.
You are warmly invited to join us.



Background to motions

Motion 1: to approve the accounts for the year ending 30th September 2023.

The accounts have been reviewed and accepted as a true record by our independent review (David Black) and have been approved by the board. The accounts have been available to all members to review and any questions can be given to the Secretary. This motion is for the members to formally approve them. They can then be lodged with the FCA.

Motion 2: to dis-apply the requirement for the accounts for the year ending 30th September 2024 to be audited.

We, as a society with a small turnover, do not need to have a financial audit but the members have the right to request one. This is to formally agree that an audit is not required.

Motion 3: to appoint David Black as independent reviewer of the accounts for the year ending 30th September 2024.

Every year, our accounts are reviewed by an independent reviewer. David Black is a retired accountant from Greenfield, but not a shareholder, who kindly offered to perform the review.

Motion 4: To approve the aim to reduce the equity capital in the form of withdrawable shares issued by Torrshydro.

Torrshydro currently has 269 shareholder (307 members) and holds equity (share) investment in the form of withdrawable Community Shares to the value of nearly £142,000. 122 shareholders have more than 250 shares (the minimum).

Whilst repayment of these funds to members can never be guaranteed, it is considered good practice to aim to do so, whilst at the same time maintaining sufficient equity for the society to be viable. Where the enterprise is considered to have a finite life, such as a renewable energy scheme, this particularly needs to be factored into the financial planning.

In the case of Torrshydro, the plant has been estimated to have a life of 40 years, so our aspiration (assuming a further income stream is not initiated) is to reduce our share equity substantially, whilst retaining as many of our members as wish to stay with us, over the next 25 years.

An additional motivation for this is in terms of balancing how much surplus can be allocated to the Community Fund and how much to paying interest on the shares (again kept to a minimum sufficient to retain investment required for the enterprise's viability). Obviously the more equity investment a society holds, the more it is potentially liable for interest payments to its members.

Torrshydro board would therefore like to aim to reduce the equity investment in the society. In practical terms, we are aiming for between £5,000 and £7,500 of share withdrawals each year, while maintaining our shareholders. An approach could initially be to invite members with large investments to consider withdrawing £250, say, of their investment.

Members withdrawing some of their investment may like to consider investing it in another community benefit society, perhaps with similar aims to Torrshydro.



Background to motions continued

Motion 5: to approve 3.1% interest payment (£4,396.76 allocated) and allocate £4,966.75 to the Torrshydro Community Fund

The board have considered the amount of reserves that should be kept and concluded that we have a surplus of £9,363.51 that has been apportioned between the shareholders and the community fund based on the amount of grant funding we received. The interest payment to shareholders will be the first interest paid since 2017. If the interest reaches £25, the secretary will contact you to arrange payment. Some have in the past opted to donate it to the Community Fund.

Motion 6: Community Fund focus

The improved performance of Archie since the upgrade to the variable speed drive system has meant that board are optimistic for ongoing profitability and they have reviewed and discussed its approach to running the community fund.

With increasing concern over the climate emergency, pollution and other waste, we are keen to use these funds to maximum benefit to address these issues.

We would seek to support a small number of projects with high impact in preference to a larger number of projects with lower impact.

We are also keen that Torrshydro members are involved in selecting beneficiary projects.

Members may of course propose projects themselves including those that could provide a second income stream for Torrshydro.



Election of Directors

The board of Torrshydro has up to 9 Directors. Currently we have 8 directors. All directors are required to stand down after they have served three years. This year the three directors required to stand down are Richard Body, Esther Jones and Mary Cohen. They may stand again if they so choose.

Up to four directors can be elected at the AGM.

The role of a director is primarily to take a strategic overview of the running and development of the organisation, including its financial management. However, in the case of Torrshydro, which has no paid staff and a small but growing number of volunteers, directors may also be involved in the day-to-day operational running of the organisation and its activities. Board meetings are usually every 2-3 months at a weekend and typically last less than 2 hours.

We aim to have a group of Directors with a wide range of skills and experience, and who have time to give on a regular basis, enthusiasm and a willingness to learn.

There is no remuneration offered, but reasonable expenses incurred in the course of their duties can be claimed from the society subject to approval from the board.

A director need not be a shareholder, but must be a person (and not the representative of an organisation). They must be nominated and seconded by current members. In addition, they must satisfy rule 8.1 of the society's rules (reproduced below).

8.1 A director, chief executive or secretary cannot be appointed if they are (and must stand down if they become):

- ◇ *Bankrupt; or*
- ◇ *Convicted of an offence of dishonesty; or*
- ◇ *convicted of another offence (which, in the board's opinion, makes them unsuitable to hold office); or*
- ◇ *disqualified from acting as a director (under the Company Directors Disqualification Act 1986); or*
- ◇ *unable to conduct regulated activities on behalf of another organisation because the Financial Services Authority (FSA) withdraws their approval (under the Financial Services and Markets Act 2000 (FSMA)); or*
- ◇ *unable to conduct regulated activities because the FSA makes a prohibition order against them (under FSMA); or*
- ◇ *(in the board's opinion) physically or mentally unable to carry out their duties properly.*

Note that the regulator mentioned above, the FSA, has been replaced by the Financial Conduct Authority (FCA).

If you have any questions, would like to stand for election or nominate a director please contact Richard Body, the Secretary, Torrshydro New Mills Ltd, 90 Market Street, New Mills, High Peak SK22 4AA. Email secretary@torrshydro.org

Nominations must be received by **5pm Saturday 20th April 2024**

Receipt of nominations will be given by email where possible.