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Digester Performance

Average performance for the last two quarters from January 20 to June 20 is running at

99%

The average amount of green electricity produced per quarter is

536,364 kWh

The average value per quarter of green electricity produced allowing for an electricity price decrease is **approximately**

£80,454

(NB This is the approximate gross income before running costs)

Chairman's Report



The board have just seen our fourth year's draft accounts. Income was down approx. 15% on the previous year due to the de-gritting arm breaking in the digester last July. We were not generating for nearly six weeks, which made a big dent in our income.

Thankfully our overall profit each year is well above what was indicated in the original share prospectus due to the farm investing just over £200,000 in two biogas boilers and 6 drying skips at the beginning of the project. The RHI income from this investment nearly doubles the overall income into the Co-op. This extra capital spend has provided the farm with a good return on investment, in the form of a dynamic rent payment from the Co-op each quarter. It also gives you the members, unparalleled security for your capital and interest payments each year.

Any drop in income up to 50% will only affect the dynamic rent payment to the farm, your 8% interest and 10% capital repayment is already in the bank before the farm gets paid any dynamic rent.

In these uncertain times we are seeing the world economies crash, share portfolios and pension schemes halve in value. I am sure that you can take some comfort from the fact that the digester is still running, producing clean/ green electricity/heat, and that your capital and 8% interest looks both stable and secure.

Directors' report

Predictions of a challenging business environment were noted in the last Directors Report and several months later this could be viewed as an understatement as we have seen imposed closures in many sectors since the lockdown began and difficult decisions being made. However, agriculture is seasonal and there is a lively social media hashtag by the name of #farmersdontstop to illustrate activity within the sector. The prolonged hot dry spell illustrated 'make hay while the sun shines' very accurately - in May!

Against this backdrop, the LPFC Board of Directors have switched the regular meetings to Zoom format and we are all responsible for providing our own drinks. In this 'new normal' the usual Agenda is followed to provide updates on activity related to the digester, how it performed during the high temperatures and the most appropriate mixes of waste to maximise output. Administration, member communication and financial aspects are also covered. This format requires advance preparation by the Executive members of the Board to produce a report, followed by a debate and questions.

As the LPFC moves into the middle stretch repairs and renewals require attention and the potential for any major overhauls in the future. In addition, a working sub-group was set up to evaluate the ongoing provision of professional services for the Co-operative, the outcome of these deliberations will be reported on when concluded. Details of the AGM are available elsewhere in this issue and this meeting provides all members with an opportunity to gain further insights into how the project is managed and is progressing.





Well, who could have expected after such a wet winter that the weather would completely flip, with record breaking temperatures and what was essentially a two month drought through April and May. On the farm, we were able to turn the cows out to grass nice and early and plough and sow all of our spring crops in perfect conditions. 'Lockdown' to us was something that people moaned about on the news, farming was business as usual with plenty to do.

In fact agriculture seemed completely immune to the effects of Covid-19, we already worked from home, contact with other people is at best restricted and people generally keep two meters distance because of our natural "odour de la farm!"

As we moved into May the cows were milking well on grass, all the crops were sown. The first cut of silage was all finished and in the clamp. Life was looking good, and then the milk cheque arrived. All of our milk is sold through Calon Wen Organic Milk Co-op. Two of their main customers are Pret A Manger coffee shops and Leon restaurants, both of which had closed in lockdown and obviously stopped purchasing our organic milk. New markets had to be found over-night, which resulted in lorry loads of milk being dumped onto the spot market

for less than 10% of the normal value. We had a very sudden and sharp awakening to the financial effects of coronavirus, our income had more than halved (with no chance of furlough)! As we moved into June even the weather started to turn against us, with virtually no rain for two months, the grass had stopped growing and the later sown crops had not even germinated. We had to bring the cows into the cool of the shed and feed them silage during the day and restricted grazing at night. Bringing cows back into the sheds means more work and more expense due to the purchase of additional bedding and corn to feed them. Thankfully the rain arrived in the second week of June and things have started to grow nicely since then.

Unfortunately so has my overdraft, May's milk price was only marginally better than April and June also looks pretty grim. On the bright side the whole crop on the meadow land down by the river Dee in Holt has been safely harvested, which is a big relief after losing the entire crop, to a four foot flood in June last year. As you can see from the photo it was an excellent crop of corn and the grass that was sown underneath looks really good too. So please, please, please buy Calon Wen Organic Milk, cheese and butter whenever you can, in the words of that wonderfully ethical supermarket! "every little helps".

Save the Date AGM - Wednesday 2nd September 2020

The board have taken the decision, following the on-going situation with the Covid-19 pandemic, to hold the AGM on-line, via a Zoom meeting at 6.30pm.

This ensures the safety of you our members and also the safety of the farm staff that keep the digester operational 365 days a year.

Details about how to register and join the meeting will be sent out to you at the beginning of August.

Meet your Board - Sadie Tomlinson

The board have decided that as part of the digest we should introduce our board members who represent you the members of the co-op.

This issue is focusing on **Sadie Tomlinson**

I am an organic dairy farmer, who is in partnership with husband Richard. Our two boys, George and Wills have returned home with agricultural degrees from university ready to join the partnership.

I have a BEd honours degree in Biological Science. I taught in primary schools, teaching from Year 1 to Year 6. My speciality subjects were Science and Physical Education. I taught for 22 years.

My passion is Liverpool Football Club. I am an avid supporter. I love cycling and walking my dog Boris, cooking, gardening in my organic vegetable patch and reading crime novels. I am particularly interested in the environment and the flora and fauna within our beautiful countryside.



Additional Member Benefits

As members of the co-operative you are also entitled to the following extra benefits

Free Digestate*
10% off Calon-Wen produce**

Unfortunately the digestate is not available at the moment as the contact on the farm needs to be kept to an absolute minimum during the coronavirus pandemic.

** for the 10% off Calon-Wen claim a refund or order on-line @ <https://calonwen-cymru.com>

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