

SUNDANCE RENEWABLES (SUSTAINABLE ENERGY CO-OPERATIVE) LTD



**.. a worker owned co-operative
for the development of renewable energy**

ANNUAL REPORT AND ACCOUNTS 2005 - 2006



Work with us....

...for a Greener Future

**Sundance Renewables
is a company limited by guarantee,
registered in England and Wales.
Registered Company 4420315**

**Main place of business:
Excal House,
Capel Hendre Industrial Estate
Ammanford, Carmarthenshire,
SA18 3SJ**

*Registered Address:
37 Fforest Road, Pontarddulais, Swansea, SA4 0TN*

Our Aims and Objectives

Our Mission Statement

Sundance Renewables aims to increase the use of renewable energy technologies and raise awareness of energy issues, recycling and sustainability

Sundance Renewables is a dynamic co-operative where we continuously seek ways of reducing our own environmental footprint. We encourage people to look at their own impact and to take control of their own lives in order to affect change. We look at methods of managing energy demand and daily energy use with a view to maximizing energy efficiency and conservation. We need to find the best way of living in our place with a minimal amount of damage to all the other elements that sustain us. The better we each manage our own impact the better this will be for everyone, everywhere in the world. One of the main lessons to convey is that we each can have an effect and to see our part in the environmental and political picture that affects peoples fighting to survive in other regions of the world. The impact of rising sea levels may be far worse in other parts of the UK and the rest of the world, for instance, but this doesn't lessen our own individual responsibility to act with a duty of care for the environment.

Think Globally and Act Locally

We develop our work in the following areas:

- ✓ Development of renewable fuels – eg. Biodiesel
- ✓ Installation of renewable energy systems
- ✓ Consultancy services
- ✓ Education and Training Courses
- ✓ Research and Development

By helping people to engage directly with the issues surrounding climate change and the possibilities for renewable energy to reduce carbon dioxide emissions, we can help stimulate local economies and regenerate local communities.

We try to find practical ways to

- ✓ Raise awareness of renewable energy
- ✓ Manage a co-operative company in an egalitarian way
- ✓ Recycle and re-use materials
- ✓ Reduce our use of non-renewable fuels and materials.

Renewable energy projects will bring educational opportunities and local jobs as well as the obvious environmental benefits. There is considerable determination within many local groups to produce green electricity and have access to biodiesel, for example. The case for co-operative solutions is more compelling now than ever before. It is important to demonstrate how the aims of a renewable energy project can be met by translating into action co-operative principles as an alternative to 'big business as usual' solutions which inevitably ultimately disempower individuals in communities.

The Impetus for our work is from

- Global climate change and the need to use alternatives to fossil fuel
- To provide worthwhile and sustainable local jobs
- To run a workers co-operative as a successful business model for community enterprise
- The desire to explore ways of balancing our needs with our environment
- The desire to pass on this knowledge through education and experience.

Our aim is not only to create environmentally friendly and sustainable energy developments, but to enable community groups to directly benefit from income that may be generated from renewable energy systems.

We can identify projects, provide feasibility studies, consultancy and advise on funding, technology issues, planning, environmental assessments and community participation.

Educating people is the key to helping people develop their own renewable energy ideas.

We provide people with the necessary information to make well informed choices about the type of energy they want to see produced and used in their community.

Renewable Energy ~ The Future Generation



Our Commitment to Sustainability

The concept of Sustainable Development has been around for decades and is the simple idea of ensuring a better quality of life for everyone, now and in the future. A widely-used international definition is *"development which meets the needs of the present without compromising the ability of future generations to meet their own needs"*.

Traditional measures of increasing economic activity account for more pollution and wasteful use of resources. We spend money to clean up the mess and so increase economic activity and Gross Domestic Product GDP – the traditional indicator of economic growth. A damaged environment impairs quality of life and will also threaten long term economic growth - for example, as a result of climate change. And too many people have been left behind, excluded from the benefits of development but often suffering from the side-effects.

We cannot continue with the “business as usual” model and we have to find a new way forward. This is the challenge of sustainable development.

For the future, we need ways to achieve economic, social and environmental objectives at the same time, and consider the longer term implications of decisions. We need to improve the efficiency with which we use resources. We need thriving cities, towns and villages based on strong economies, good access to services and attractive and safe surroundings. And we need international co-operation to overcome environmental problems, to allow fair trade to flourish and to help the world's poorest people as we move towards a more global society.

Sundance Renewables is committed to helping community regeneration through a sustainable approach to all aspects of our work and working environment. We are working towards recycling all our own waste and we recycle large amounts of metal, plastic and cardboard containers from our suppliers of used vegetable oil that we recycle into biodiesel – a sustainable and renewable fuel.



Profile of Sundance Renewables

Sundance Renewables is a workers' co-operative and a company limited by guarantee (registration no. 4420315), with the aim to facilitate the development of renewable energy projects. Also, by running training courses and engaging local communities in opportunities for the development of renewable energy projects, Sundance Renewables is increasing understanding and awareness of energy issues and sustainable communities.

Using renewable energy helps to reduce global warming and pollution, offers a better environment for our children and for us all, and will provide energy security for the future and more local jobs.

We have successfully set up a small scale production facility for biodiesel which is the first community enterprise of its kind in the UK.

We are Wales' premier biodiesel manufacturer and our project is of national significance. According to the European Biodiesel Board we have put Wales on the map as the only producing country outside of Germany for 100% biodiesel.

Over the past year to have steadily increased production of biodiesel and continued to run our training courses that are designed to help others to gain from the benefit of our experience and replicate our work.

We are keen to build the capacity at all levels for the successful deployment of renewable energy systems in Wales. In particular, we are starting on a programme "Cymru Biofuels" to help establish a network of local biodiesel production facilities with biogas plants for the treatment of waste and by products from the manufacturing process of biodiesel from used vegetable oil.

To this end, we shall be sourcing equipment and suppliers, doing more outreach and liaison work with potential biodiesel communities and developing more consultancy and training programmes.

We also hope to be able to support more members to assist with our work.



The results of our work are demonstrated and communicated by:

- Production of a renewable fuel made from locally sourced used vegetable oil
- Installation of renewable energy systems
- Courses
- Training
- Written Documentation
- Presentations and seminars
- Website

Sundance is also a registered consultant and installer for renewable energy under various government schemes.

Over the past 4 years we have worked on many proposals for renewable energy projects and have installed a number of solar hot water, biomass, wind and photo-voltaic systems.

Unfortunately, the amount of work forthcoming as installations has repeatedly failed to generate its own sustainable income. Since the profit from installation work has been insufficient to cover the wages of the installation manager, the department has been supported by the other operations of Sundance – mainly the biodiesel sales. However, Alec our installation manager decided to leave in March and we have continued to provide advice, site visits and consultancy services. The installation work is being contracted out and already this appears to be more viable.

Our aim is to reduce our reliance on grants by increasing our trading activity and income generating capacity.

We hope to be a model for sustainable community enterprises:

- enterprises that are able to offer sustainable goods and services that are valued
- sustainable enterprises that do not have to rely disproportionately on grants.

We report on the key indicators for sustainable enterprises that comprise our triple bottom line of social, environmental and economic factors.



People involved

As of April 2006:

Members:

Jan Cliff	(Director – Project Manager)
Joe Cliff	(Company Secretary)
Alastair Bowlie- Evans	(Biodiesel Plant Manager)
Shelley Allman	(General Assistant)
Bob Lewis	(Voluntary Driver)

Other members during April 2005- March 2006:

Alec Church	(Installation Manager)
Luke Newton	(Apprentice)
Adam Margetts	(Resource Manager)
Elizabeth Maliphant	(Office Manager)

(all the above left in March 2006)

Volunteers

Sian Cliff
John Jenkins
Ed Revill
Richard
Sandeep
David
Rachel

Student Placements:

Nathan Edmonds (MRes Recycling Technology, University of Wales, Swansea,
'Optimal uses for glycerin', submitted thesis September 06)
Adam Margetts (Graduate Placement)
Elizabeth Maliphant (Graduate Placement)
Sian Cliff (Cardiff University, Law Department, summer placement 2004)



Current Activities

By developing renewable fuels and low impact solutions, demonstrating their usefulness and then communicating this information through a range of channels, Sundance has the potential to meet the needs of a number of different groups and individuals.

The installation of solar, wind and biomass systems will be subcontracted as we aim to make this work more efficient and productive.

The sale of biodiesel provides a basic income for the co-operative. We will have to invest in expanding our production capacity in order to meet increasing demand for biodiesel and improve our potential for making a profit, but this will always be marginal with the government levying a fuel duty of 27.1p / litre on every litre we produce.

Last year we presented a petition to Parliament that had over 2,000 signatures, appealing to the government for a reduction in the duty on biodiesel.

The main strands for the Co-operative are now as follows:

Demonstrating
Developing
Communicating

- the local production of biodiesel as a sustainable community enterprise
- and maintaining a high standard of Health and Safety

- appropriate means to resource the implementation plan
- organisational structures for monitoring and evaluation

- our work through increasing our local, national and international co-operative network
- our aims and objectives clearly
- a positive image



A Strategic Plan

The main challenges for 2006/2007 revolve around:

- Increasing our income generating capacity
- Enlarging the biodiesel production plant and optimizing output
- Developing a network of biodiesel manufacturers in Wales
- Managing our human resources and nurturing our co-operative infrastructure
- Assisting members through personal development
- Developing effective working practices
- Encouraging good working relationships
- Demonstrating a high standard of customer care
- Communicating our activities
- Establishing useful training courses and educational resources

We are developing a new form of working in our local area and if we are to continue as a viable community enterprise, we will need to work efficiently and effectively in order to sustain our livelihoods. It is important to develop organisational structures to ensure good financial monitoring, facilitate the running of the organisation, aid documentation, continuity and evaluate work being carried out.

Sundance Renewables' biodiesel project has become a high profile community enterprise and a project of some national significance. For continuity and clarity of purpose, it is important that we have a strategic development plan which is a dynamic and inclusive process.

In order to achieve our aims and objectives we will be working to a Strategic Plan, which is summarized below. This plan is as much about the running and structuring of the organisation as it is about the activities we carry out. Sundance needs a strong infrastructure to ensure we take the many opportunities available to us. It incorporates the means by which we are going to communicate both information about the organisation per se and of the work we do.



Objectives	Activities	Outcomes	Critical Factors (Opportunities and Challenges)	Achieved By
Developing:				
1. Ways to increase income	Increase biodiesel manufacturing capacity. Sale of by products. Consultancy work. Feasibility studies. Site visits. Training courses. Grant applications.	A steady income from sales of biodiesel. A good quality of work and products. Effective training courses. Good contacts A positive image	Raising awareness of renewable energy Acceptability of biodiesel Building up a good reputation Availability of grants Number of enquiries leading to installations Involvement with Local Authority Development Plans Improving skills base Developing and implementing a marketing strategy	Education and information dissemination Maintain and seek to improve standards Efficient production of biodiesel Contacts with more (amenable and co-operative) builders Targeted marketing Increased networking Attention to following up enquiries Contacts with LAs Full job costing Training courses

<p>2. Appropriate means to resource the implementation plan</p>	<p>Income from trading activities, which include sales of biodiesel, Friends of Sundance, consultancy fees and training course fees. Sourcing appropriate funders Identifying our needs Sourcing trustworthy partners Reduce expenditure</p>	<p>Increased income, funding and resources allowing for improvement of infrastructure and activities. Waste minimization Energy conservation and efficiency</p>	<p>Successful installations Feast and famine scenarios Lack of capital for projects Cash flow management Untrustworthy partners Sourcing used vegetable oil at lowest possible cost Actively seek studies and installations</p>	<p>Determine a viable mark-up on goods Maximising production and sales of biodiesel Resource strategy in place Contracts for partnership working UVO collection database Promotion of consultancy service</p>
<p>3. Organizational structures to ensure good documentation, facilitate the running of the organisation, aid continuity and monitoring and evaluate work being carried out.</p>	<p>Devising, implementing and maintaining appropriate systems to record and document the work done – will require a variety of quantitative and qualitative methods for monitoring and evaluating purposes.</p>	<p>Better Continuity Accessible Information giving a better resource To have good accessible documentation of all projects undertaken. Full job costing of every individual project.</p>	<p>To establish and implement the necessary systems. To be consistent and accurate in order to be meaningful. Transparency.</p>	<p>Recording systems in place to be regularly completed by Staff including Project Plans, Project Progress Reports and Full Job Costings</p>

The full benefits of the work we do cannot be realized if the information is not disseminated and shared. In order to do this we must have a good communication structure.

1. Communicating our work through increasing our local, national and International co-operative network

Through becoming part of a wider network we are finding more opportunities to share information from the work we do, be part of the environmental debate, and make more organisations aware of the resource that Sundance Renewables is, utilizing the new and wider networks brought with new staff.

2. Communicating our aims and objectives clearly

As staff become clearer about the aims and objectives through the strategic development this will percolate through the project .

3. Communicating a positive image

As people become more familiar with the work we do so we will become known by our reputation.

The Implementation is the means by which we will put this Strategic Plan into action and the emphasis of the Implementation will be adjusted to reflect the skills and interests of each current member.

Next year's Implementation Plan will cover the following:

Biodiesel Project

- Increase process capacity and source new equipment – for turnkey sales package (Cymru Biofuels) and our own use
- Improve efficiency of oil collection service
- Better handling facility for incoming UVO and recyclates
- Develop market for biodiesel including local fuel suppliers and Co-op retail outlets
- Increase sales in line with production expansion
- Help set up other local production units and filling stations

Training courses

- Maintain high standard and good feedback
- Follow up attendees
- Run at least one course every month

Renewable energy enquiries

- Turn more enquiries into sales
- Train staff to deal with more enquiries
- Establish good working relationships with sub contractors
- More accurate job costing
- Better marketing and information resources

Continue to apply for appropriate funding

Resources for implementing plans

Originally Sundance Renewables was set up with a £25,000 3 year loan from the Wales SpinOut Programme, which we finished repaying in March.

We have a £7,000 overdraft facility with the Co-operative Bank that has been extended on occasions to £15,000 and an account but no overdraft facility with the Triodos Bank. We have incurred significant bank charges during the course of extended overdraft periods.

Turnover increased significantly again last year, but there was still a financial shortfall due mainly to trying to support unmanageable staff levels.

Careful budgeting, the advancement of loans and the willingness of all members to put the future of Sundance first has enabled the project to continue.

Financial Requirement Plans:

- **Running costs**

Our overheads and revenue costs are in the region of £7,000/mth. It is our aim to be mainly self-financing for our running costs from the income received for our trading activities. Gross profit from sales of biodiesel are estimated at £7,000/mth – giving us little if any margin. Maintaining production at maximum output in order to barely manage costs is stressful for our small worker co-operative.

- **Capital Projects**

We have been very ambitious as a new company in a fledgling industry – embarking on a substantial and risky capital investment project in our second / third year of trading, without having built up any reserves or having any shareholders to call upon. We have been fortunate in being able to attract some grant funding and to have members' resources to help with capital costs. Now, as we enter our fourth year, we are set to invest in expanding our production and the sustainable growth of the company.



Resources:

- **Steady basic income from sustaining biodiesel production and sales**
- **Income from training courses**
- **Consultation fees**
- **Feasibility studies**
- **Training courses**
- **Grants**
- **Donations**
- **Membership fees**

Friends of Sundance

Donations, especially from the Friends of Sundance have been a steady source of income for the project.

As a worker co-operative, full membership is restricted to workers and volunteers. Many people have approached us wanting to support our aims, or join us in some way. The Friends of Sundance scheme offers associate membership for a small annual subscription, a seasonal newsletter as well as preferred customer status for the purchase of biodiesel. We now have approximately 150 Friends of Sundance.



Co-operative, Social and Environmental Performance

An increasing number of organisations are using environmental and social performance indicators as a way of measuring and reporting on progress. The wide-ranging Report¹ of the Co-operative Commission, published in 2001, was a serious attempt to build successfully on what can be called the co-operative advantage. The Report, amongst 60 recommendations, stressed that co-operatives should after appropriate consultation, monitor and report on a common set of Key Social Performance Indicators (KSPIs). The term 'Social' is taken to encompass impacts relating to environmental issues, co-operative issues, as well as wider impacts on society and local communities. It is envisaged that indicators can and should support measurement of performance in the context of the co-operative principles, as set out by the International Co-operative Alliance in 1995.

There is now substantive evidence that the pursuit of social responsibility is not only good for society, but also business performance.² Concern for Community is a co-operative principle and encompasses the concept of sustainable development

The indicators presented have been formulated in the following context:

- Indicators should acknowledge, and be influenced by, Co-operative values (eg. the issue of education and training)³
- Indicators should pay due regard to those emerging social and environmental reporting conventions which apply to business in general
- The majority of indicators should be relevant to all co-operatives (eg. the generation of waste), regardless of size or sector
- The indicators should not be based on the lowest common denominator approach, but pay due regard to the fact that there is a rapid improvement in the volume and quality of social and environmental reporting by business, which is expected to continue

¹ Report of the Co-operative Commission www.co-opcommission.org.uk

² A report from CIS, 'Sustainability Pays', demonstrates this. Available at www.cis.co.uk

³As set out in the ICA statement of 1995



<i>Indicators</i>	<i>Remarks</i>
<p>1. Trade (£) conducted with other co-operatives <i>Note, trade encompasses the monetary value of both the purchase of products and services and sale of products and services.</i> <i>* supports the co-operative principle – co-operation among co-operatives</i></p>	<p><i>Approx £10,000 (includes services and purchase of general goods and services from various UK co-operatives incl C.I.S. Ltd and Co-op Bank)</i></p>
<p>2. Time spent collaborating with other co-operatives (hours) <i>* supports the co-operative principle – co-operation among co-operatives</i></p>	<p><i>Approx 50 hours (includes work undertaken for Co-operatives UK Sustainability Working Group)</i></p>
<p>3. Investment in new or existing co-operative ventures as a proportion (%) of turnover <i>* supports the co-operative principle – co-operation among co-operatives</i></p>	<p><i>60% of turnover invested in existing co-operative.</i></p>
<p>4. Participation in training and education schemes (hours) <i>*supports the co-operative principle – education, training and information</i></p>	<p><i>Approx. 500 hours (includes biodiesel training, in house training and various seminars/ conferences)</i></p>
<p>5. Staff turnover <i>Note, indicator partly covers LA4 in Global Reporting Initiative</i></p> <p>6. Staff injury and absentee rates <i>Note, indicator partly covers LA7 in Global Reporting Initiative</i></p>	<p><i>During last year, 3 new members joined, 2 have since left and 2 existing members also left</i></p>
<p>7. Staff profile:gender <i>Note, indicator partly covers LA11 in Global Reporting Initiative</i></p>	<p><i>2 female and 4 male</i></p>
<p>8. Staff profile:ethnicity <i>Note, indicator partly covers LA11 in Global Reporting Initiative</i></p>	<p><i>Welsh, English and South African members by birth.</i></p>
<p>9. Customer satisfaction (percentage satisfied)</p>	<p><i>A high level of customer satisfaction in relation to the biodiesel project. 2 major complaints about wind turbine installations.</i></p>

<p>10. Evidence of consideration of any ‘human rights’ impacts as part of investment and procurement decisions, including selection of suppliers/contractors</p> <p><i>Note, indicator is analogous to HR2 in Global Reporting Initiative</i></p>	<p><i>Use of fair trade coffee and tea in the office and other fair trade products.</i></p>
<p>11. Evidence of consideration of social exclusion impacts as part of investment, procurement and employment decisions</p>	<p><i>Work undertaken in Communities First areas – ie. Areas of highest social deprivation in Wales.</i></p>
<p>12. Contracts paid in accordance with agreed terms as a proportion (%) of total</p> <p><i>Note, invoices would normally be payable within 30 days, but this may vary</i></p> <p><i>Note, indicator is analogous to EC4 in Global Reporting Initiative</i></p>	<p><i>Approx 80%</i></p>
<p>13. Investment in community initiatives as a proportion (%) of profit before tax</p> <p><i>Note, indicator is analogous to EC10 in Global Reporting Initiative</i></p> <p><i>* supports the co-operative principle – Concern for community</i></p>	<p><i>No profit</i></p>
<p>14. Employee involvement in community initiatives (hours)</p> <p><i>* supports the co-operative principle – Concern for community</i></p>	<p><i>Approx 1000 hours</i></p>
<p>15. Net carbon dioxide emissions arising from operations and transport (tonnes)</p> <p><i>Note, indicator is one of three core indicators recommended by UK Government guidance. Any engagement by business in carbon offset schemes (such as tree planting) would be incorporated in any final calculations on net carbon dioxide emissions.</i></p> <p><i>Note, indicator covers part of EN8 in Global Reporting Initiative</i></p> <p><i>*supports the co-operative principle – Concern for community</i></p>	<p><i>See Offset Carbon Emissions / Carbon Footprint below</i></p>

<p>16. Waste recycled/reused as a proportion (%) of total waste arisings</p> <p><i>Note, indicator is one of three core indicators recommended by UK Government guidance.</i></p> <p><i>Note, indicator covers part of EN5 in Global Reporting Initiative</i></p> <p><i>*supports the co-operative principle – Concern for community</i></p>	<p><i>Approaching 100%</i></p> <p><i>Level 2 Green Dragon Environmental Standard</i></p>
<p>17. Water consumption (litres)</p> <p><i>Note, indicator is one of three core indicators recommended by UK Government guidance.</i></p> <p><i>Note, indicator covers part of EN11 in Global Reporting Initiative</i></p> <p><i>*supports the co-operative principle – Concern for community</i></p>	<p><i>Approximately 500 litres of water is used per 1,500l batch of biodiesel, roughly 1cum / week</i></p>

We continue to make every effort to improve our working practices and to implement the necessary changes for our sustainable development as a worker co-operative and community enterprise in the field of renewable energy.



Offset Carbon emissions generated by Sundance Renewables

Projects and Installations

Renewable energy projects are zero or low emission sources, offsetting power from fossil fuel sources and creating reductions equal to the carbon displaced from the fossil fuel source. Energy production is measured and emissions are calculated using emissions factors of the fuel displaced

Our biodiesel pilot production plant has the capacity to produce 225,000 litres of biodiesel a year. This produces a carbon saving of 90% off an equivalent usage of fossil diesel which represents approx 225 tonnes of carbon or 787.5 tonnes of CO₂ emissions.

We collect used vegetable oil from approximately 300 outlets and we have the capacity to provide 100% biodiesel to around 250 vehicles a week (12,000 miles/yr average). Some car manufacturers will only warranty for 5% biodiesel and on this basis we could supply around 5,000 vehicles a week.

The Government target for biofuels to meet 2% of transport fuel sold by end of 2005 was met through the import of bioethanol from Brazil.

Analysis of carbon savings of installations:

Our renewable energy projects to date have been various and include:

- 7 solar hot water installations, covering a total of 46sqm, providing a total of approximately 18975 kWh giving an annual carbon dioxide saving of approximately 8 tonnes
- 4 photovoltaic installations, with a total power rating of 511W, giving an annual carbon dioxide saving of approximately 0.2 tonnes
- 5 wind installations, with a total power rating of 5.8kW, giving an annual carbon dioxide saving of approximately 5 tonnes

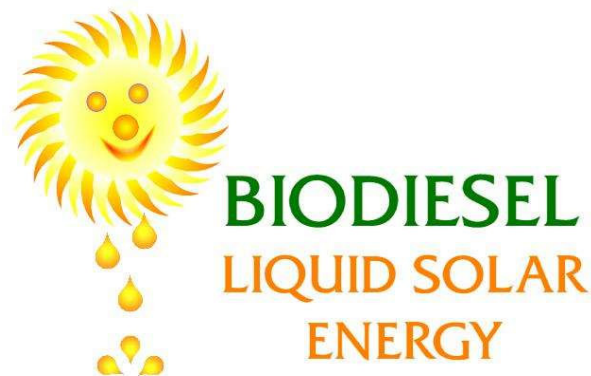
Total CO₂ savings from installed RE systems = 13.2 tonnes



Reductions of emissions related to transportation

Fuel switch

Since November 2004, we have been producing 100% biodiesel which we use in our own vehicles as well as for general sale.



Total annual amount of fuel used for our own vehicles in 2005/2006 = 5,000litres biodiesel, which corresponds to an annual reduction in carbon dioxide emissions of 17.5 tonnes.

Our annual sales of 65,000 litres equates to an overall carbon dioxide reduction contribution of 227.5 tonnes.

Total CO2 savings from biodiesel production to date ~ 350 tonnes

Overall contribution by Sundance Renewables to offset CO2 emissions ~ 363 tonnes

Analysis of income received

Grants

Enfys – “Biowheels” £10k capital and £15k revenue	25,000
Environment Wales – Smoothie Bar project	3,000
Total	28,000

Loans

Members loans (£6,000 repaid)	9,000
Total	9,000

Project and Installation fees

Consultancy	5,000
Training courses	18,000
Presentations – various	2,000
Installations	
1 windturbine	n/a
2 SHW systems	5,000
Sales	
Atmos boiler / cylinders	5,000
Total	33,500

Donations / membership fees 5,000

Sales of Biodiesel 65,000

Total Income 138,000

Proportion of total income from grants ~ 20%



SWOT ANALYSIS

Strengths	Weaknesses
<p>Energy and enthusiasm of workers Range of skills Commitment to improve individual skills Common shared goals and dedication Positive Group interaction Personally challenging and empowering Personal development Flexible and informal atmosphere allowing for creativity of new projects and safe situation to make mistakes Autonomy as a worker co-operative Sense of ownership and purpose to our work Commitment to voluntary hours</p>	<p>Lack of capital for projects Close working and egalitarian, non-hierarchical structure makes constructive criticism difficult at organizational and personal levels Misconceptions of image as a worker co-operative are still held Need clearer definition of who we are – SME / Community enterprise Quality of financial and organizational structures</p>
Opportunities	Threats
<p>Unique training opportunities Promote/influence uptake of renewable energy systems and biodiesel More placement students-build better links with Universities and schools Expand research projects More links with other co-operatives and community organisations Price of fossil fuels increasing Greater awareness of need for renewable technologies Continuing Professional Development being accessed to improve practical, financial and managerial skills Government targets which we can help to meet</p>	<p>Inability to sustain income generating activities Failure to put adequate financial and organizational structures in place</p>

Conclusion

The commencement of the fourth year of trading of Sundance Renewables as a Co-operative and Company Limited by Guarantee has seen many developments in the planned direction.

Having a Strategy Plan helps to keep the organisation focused and shows that we are becoming more confident and clear about what we are doing and why we exist. This is affecting the connections we are making and the influence we have. Although there are aspects of developing the plan which are time consuming, the effort has been shown to be worth while in the benefits, accountability and clarity that we have gained.

Sundance Renewables has set up the first community based biodiesel plant in the UK. It is rare for an industrial process of this nature to be undertaken as a not for private profit venture. We have demonstrated what a small group of committed individuals can achieve and we have shown that biodiesel production is possible on a small scale. There is a great deal of interest and support for our biodiesel initiative and we are greatly encouraged by the enthusiasm of others for our work and achievements.

There is so much to do to increase the uptake of renewable energy in Wales. Nearly all the developments to date have been as a result of grant funding and projects are continuously held up whilst paperwork is put in place to access grant finance. We need to follow a more sustainable and equitable approach to the development of renewable energy projects.

We have shown what co-operative models can achieve in developing renewable energy projects and with extra funding and support we could achieve a whole lot more. We hope that the year ahead will see our continuing success in developing renewable energy projects and that our circumstances will become more stable and financially sustainable.

Grateful thanks to all our funders, supporters and volunteers.

