

2022  
INAUGURAL  
ANNUAL REPORT

# INSPIRE



Initiative for Social  
Performance in  
Renewable Energy

LEARNING | KNOWLEDGE | PARTNERSHIPS | INNOVATION



# ACKNOWLEDGEMENTS



# TABLE OF CONTENTS

03

## ABOUT INSPIRE

MISSION  
AMBITION  
APPROACH

07

## CORE IMPACT AREAS OF WORK

—  
LEARNING AND LEADERSHIP  
KNOWLEDGE  
PARTNERSHIPS  
RESEARCH AND INNOVATION

27

## INVITATION

—  
JOIN INSPIRE'S WORK

28

## ANNEXURE

—  
FINANCIAL REVIEW 2022



# LETTER FROM THE DIRECTORS

Reflections on our first annual report: we are very proud to present the annual report of the Initiative for Social Performance in Renewable Energy (INSPIRE), which was launched in South Africa with an online event on June 30 2021.

Following the launch, INSPIRE has become firmly established as a non-profit organisation and grown exponentially, participating in the transformation of the energy sector.

We must say a big thank you to the initiating company; Synergy Global Consulting for their unwavering support in conceptualising the initiative and providing the skills and network to nurture the initiative into existence with its technical operations.

Thank you also to the founding partners, for their ongoing support to get started; Actis, Lekela and BTE Renewables and the European Climate Foundation who provided the essential seed funding and leadership guidance for the organisation's institutional establishment and capacity building. A total of USD 160 000 were received and implemented in 2022.

We would also like to acknowledge the important support from implementing partners; SAWEA and SAPVIA, the IPP Office and other institutional stakeholders who's welcoming acceptance and support has allowed us to become a leading voice.

The RE industry in South Africa is growing rapidly since 2011, with potential for exciting and significant positive socio-economic development impacts. Along side this, society's expectations for measurable progress on economic development and transformation are also rapidly increasing. The renewable energy eco-system needs to leverage what has been learnt in past years to ensure maximum positive impact is created.

We believe that the RE sector's legitimacy will be measured partially on its ability to deepen socio-economic impact. We are currently in a unique window of opportunity to build leadership capacity in the sector – in terms of skills, knowledge, innovation and partnerships – to maximize the developmental opportunities associated with the energy transition.

INSPIRE is a collaborative initiative, bringing together organisations that are interested in driving system-wide change. We are inviting further partners to join the initiative to strengthen and deepen its impact in social performance in the renewable energy sector.

We are looking forward to the future and the impact we could have in the field and hope to engage with partners, both new and existing, to expand this influence and impact on transformation of the energy sector to renewable energy for the benefit of all.

This report is the inaugural report that covers what has been achieved in the timeframe from INSPIRE's launch in June 2021 to the end of 2022.

We invite you to participate with us in this journey!

Your Sincerely,

DR HOLLE LINNEA WLOKAS | JENNIFER BOCA |  
ELIZABETH CALIEN HIRSHON | LETSIWE THULI DLAMINI

*Sourced from the founding partners, the INSPIRE board currently consists of Directors who stand in a non-executive capacity.*



Holle Linnea Wlokas



Jennifer Boca



Libby Hirshon



Letsiwe Thuli Dlamini

*(Board member since June 2023)*

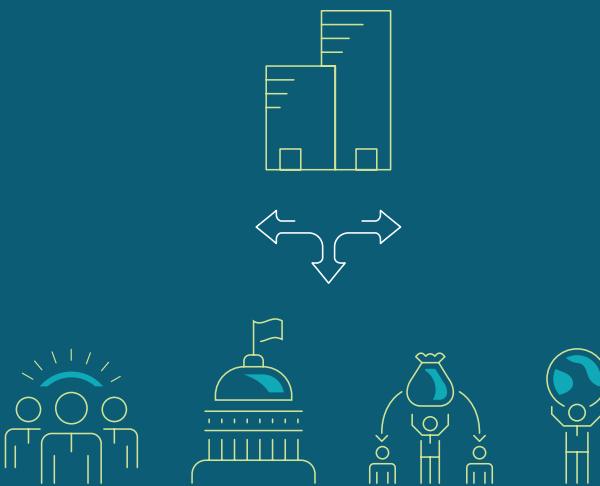
# ABOUT INSPIRE

INSPIRE is a collaborative initiative, bringing together organisations that are interested in driving system-wide change.

# OUR DEFINITION OF SOCIAL PERFORMANCE

All of a company's interactions, activities, and outcomes that can affect – positively or negatively its asset level stakeholders (host communities, local and regional government, industry/business, civil society, and so on).

”



INSPIRE's mission is to advance the field of social performance in renewable energy through building capacity and developing systems and relationships which support a transformational and just energy transition

INSPIRE seeks to build the relational and developmental capacity of renewable energy stakeholders, with an initial focus on corporate social performance practitioners with the aim, in South Africa, to strengthen the REIPPPP ecosystem to deliver economic development and transformational impacts. INSPIRE is a platform for stakeholders to collaborate and work together to problem-solve and innovate together, to build capacity and skillsets to drive the ecosystem to make a more impactful contribution to the energy transition.

INSPIRE is positioned at the forefront of the renewable energy sector's ambition to drive sustainable development and provide a high-profile platform to reach a wide audience of stakeholders on this journey, including community shareholders and leadership, government, academia and researchers, as well as civil society and other intermediary organisations involved with renewable energy implementation and operation.

INSPIRE's work is grounded in the decade of implementation experience with the south african Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) and with that INSPIRE is a home-grown south african Initiative, with a strong focus on South Africa, for the first year at least, before growing its reach further across the continent and possibly beyond. Amongst the founding parties of INSPIRE, strong international networks exist already and conversations about an international reach and/or collaborations are maturing.

INSPIRE is established in South Africa as a non-profit company on 10 April 2022 (Registration number 2022/420733/08), with non-profit organisation (NPO) status awarded in May 2022 (Registration number 278-881) and public benefit organisation (PBO) status since May 2023 (Registration number 930077364).

INSPIRE was successfully launched on the 30th of June 2021 under the theme:

**How can we enable renewable energy to deliver transformational socio-economic impact through empowering social performance practitioners?**

240 people attended the event, with speakers from Synergy, IPPO, SAWEA, Actis, and IFC. The success of the launch saw INSPIRE feature both on African and South Africa Media Platforms such as RENEWAFRICA, GREEN BUILDING AFRICA, ENGINEERING NEWS, ESI AFRICA, and News24, with all Media houses reporting INSPIRE as helping SA's renewables sector advance Sustainable Development Goals (SDG's) and Just Transition and helping renewable energy projects make a bigger difference.



## MISSION

**The challenge identified:** A step change in the level of skills, knowledge, innovation and partnership is needed to realise the transformational socio-economic benefits of the renewable energy sector.

**The opportunity:** The Initiative for Social Performance in Renewable Energy (INSPIRE) will be a center of excellence to drive partnerships and leadership through training, research and innovation.

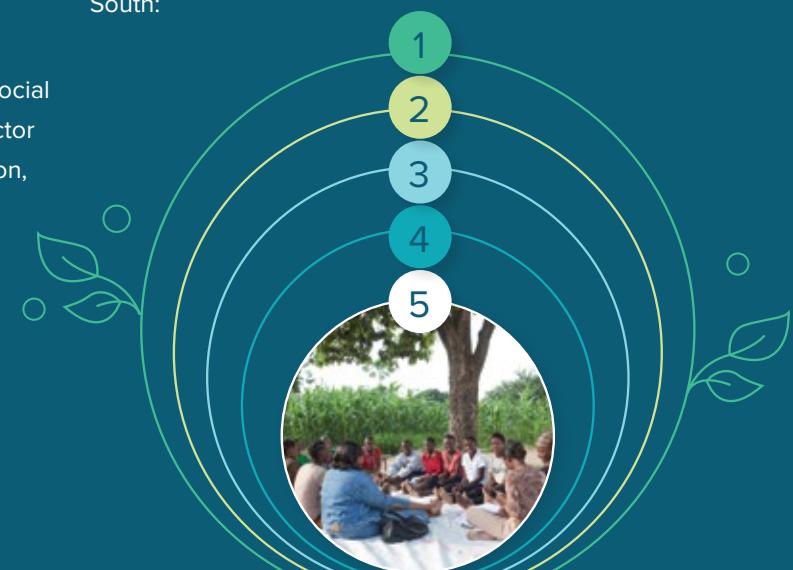
**The outcome:** Enhanced capacity to deliver a transformational and just energy transition.

**The mission:** INSPIRE aims to advance the field of social performance in South Africa's renewable energy sector to deliver a transformational and just energy transition, with the wider goal of becoming a leading platform across the Global South.

## AMBITION

We are currently in a unique time window of opportunity to build leadership capacity in the sector – in terms of partnerships, skills, knowledge and innovation – to maximise the developmental opportunities to have the step change impact in the energy transition that is envisaged.

INSPIRE is highlighting this critical time for interventions to make the difference and set's out to achieve the following for the sector in South Africa and the Global South:



1

Grow capacity in the renewable energy ecosystem to maximise economic development and transformation potential of projects and policy

2

Drive best practice development in community engagement and development

3

Grow leadership for a people-centred just transition

4

Professionalise the field of social performance in the renewable energy sector

5

Deepen the community development impact of South Africa's renewable energy procurement programme

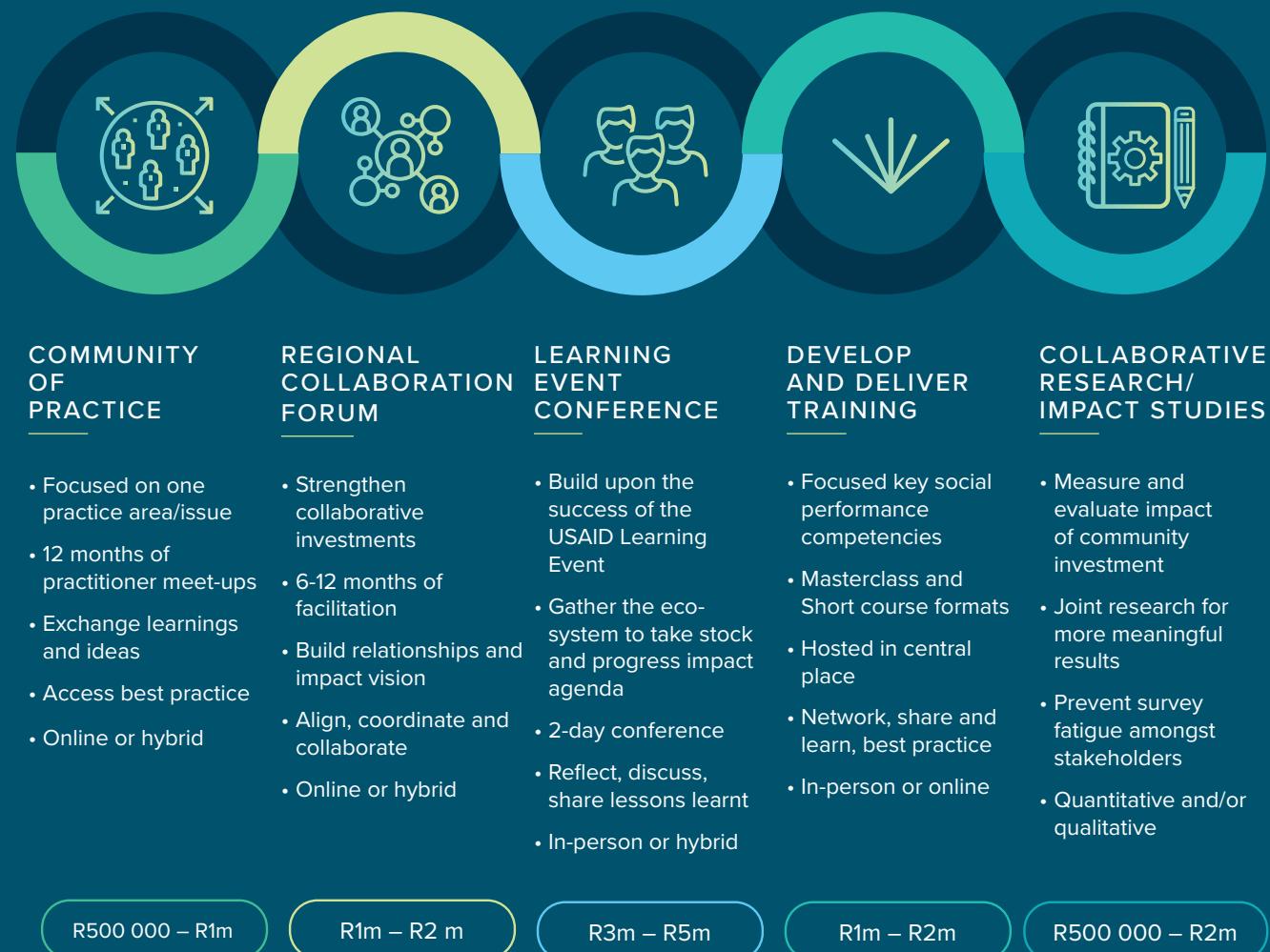
## OUR APPROACH

INSPIRE's approach is organised into four core impact areas of work.



## STEP CHANGE OPPORTUNITIES

INSPIRE has identified five key step-change offerings to activate the impact of our four core impact areas. We are looking for funders.



# 01

## LEARNING & LEADERSHIP

Developing the capacity of industry professionals and stakeholders through training, communities of practice and leadership development, enabling a professionalized practice and empowering internal change.

# 02

## RESEARCH & INNOVATION

Conducting action-oriented research to support improved practices and policy. Prototyping and incubating transformation-focused approaches and investments.

# 03

## PARTNERSHIPS

Driving transformation and collaboration through engagement and networking with key stakeholders.

# 04

## KNOWLEDGE

Deepen awareness and understanding of social performance in the sector.

# CORE IMPACT AREAS OF WORK

# IMPACT TO DATE

The different thematic dialogues brought together corporate social performance practitioners, development consultants, trustees, researchers, students and many others around critical REIPPPP practice and research questions.

01

LEARNING &  
LEADERSHIP

USAID/INSPIRE  
ONLINE  
DIALOGUES

THEMATIC  
DIALOGUES

TRAINING  
COURSES

- Total number of dialogue series held 5
- Total number of online dialogue sessions held 17
- Total number of participants 244

- ① Academic Circle  
36 Participants  
5 Sessions  
368 Minutes
- ② Monitoring & Evaluation  
Roundtables  
73 Participants  
4 Sessions  
868 Minutes

- ③ ED Plan Development for 2022  
105 Participants  
6 Sessions  
865 Minutes
- ④ Trustee Tea  
30 Participants  
2 Sessions  
239 Minutes
- ⑤ Case Clinics  
15 Participants  
2 Sessions  
180 Minutes



**02**

RESEARCH AND INNOVATION

- Number of research studies conducted **1**

**03**

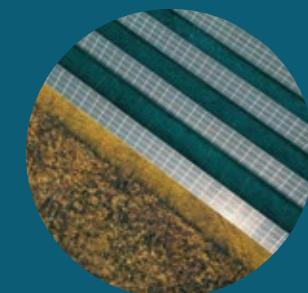
PARTNERSHIPS

- Support to Coastal 6 Collaboration
- Knowledge partnership with Eastern Cape Province DEDEAT
- Discussion partner to JETP secretariat social ownership of renewable energy
- Participant of Multi-stakeholder dialogue platforms- an international learning lab

**04**

KNOWLEDGE

- Number of total download of resources from knowledge library **543**
- Number of downloadable resources curated on knowledge library **80**



# COMMUNICATIONS & MEDIA ENGAGEMENTS

**SABC NEWS**

**TV INTERVIEW**

TOPIC	Sustainability of the electricity sector in South Africa
STATION	Newzroom Afrika
REACH	2 557 170
ACCESS	<a href="#">Watch</a> interview



**NEWZROOM AFRIKA**

**ONLINE NEWS**

TOPIC	SA's renewable energy projects need to strongly focus on social performance
STATION	News24
ACCESS	<a href="#">Read</a> article



**news24**  
Trusted News. First

**TV INTERVIEW**

TOPIC	Alternative Energy Supplies
STATION	SABC
REACH	2 541 835
ACCESS	<a href="#">Watch</a> interview



**wild COAST 98.6 FM**

**RADIO INTERVIEW**

TOPIC	All things energy
STATION	Wild Coast Radio
REACH	16 000
ACCESS	<a href="#">Listen</a> to interview



in

## LINKEDIN

LinkedIn is INSPIRE's most active social media account. Total followers as of 13 December 2022:

**1109**

New followers in the last 12 months:

**594**



Subscribe to Newsletter

First Name	<input type="text" value="Alice"/>
Last Name	<input type="text" value="Smith"/>
Email address	<input type="text" value="Alice.Smith@example.com"/>
<a href="#">Sign up</a>	

## NEWSLETTER

INSPIRE's newsletter audience is reporting a steady growth, with subscriptions increasing every month. Number of monthly newsletter subscribers:

**30% engagement**

**451**

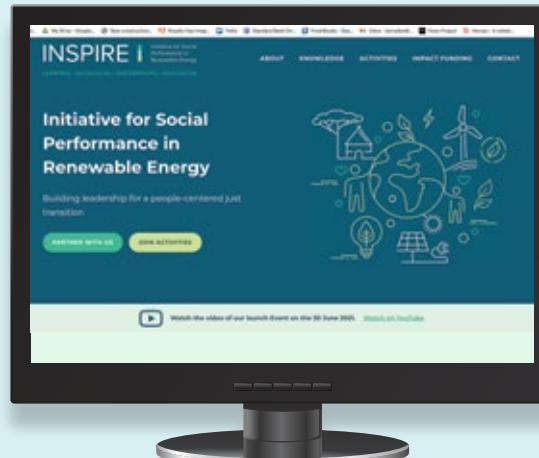
## INSPIRE WEBSITE

Total users as of 13 Dec 2022:

**1222**

New users in the last 12 months:

**1212**



# 01 LEARNING & LEADERSHIP

INSPIRE works toward supporting the capacity of industry professionals and stakeholders through training, communities of practice and leadership development offerings, as such has had an enabling impact on professionalising practice and empowering change.

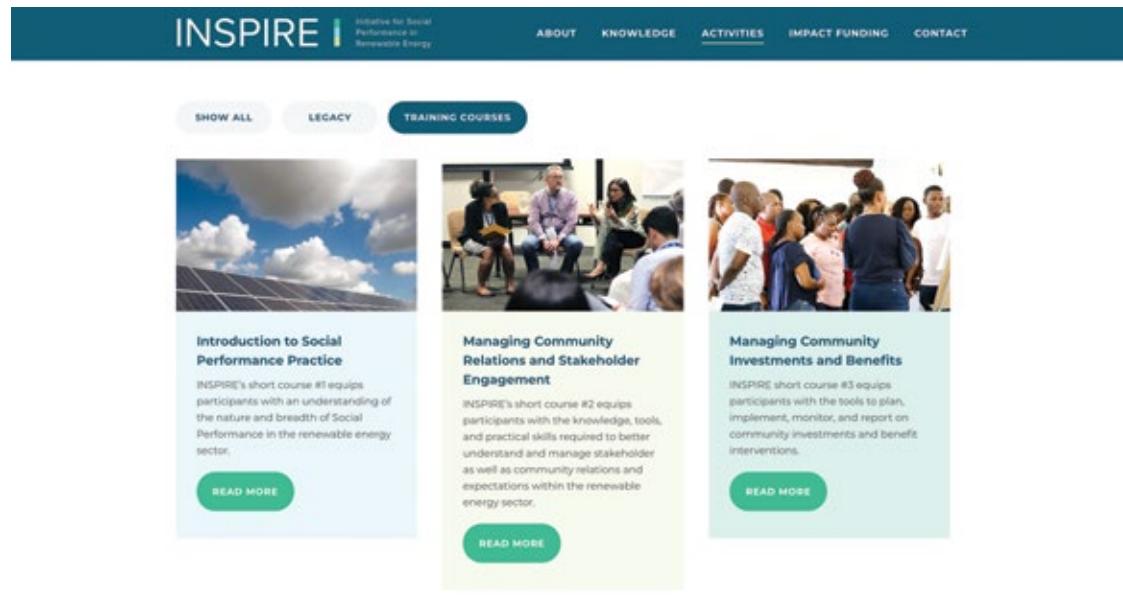
## TRAINING COURSES

In 2021, INSPIRE conducted a research study looking into the South African RE sectors' social performance skills shortages and training gaps. The research revealed that

deliberate capacity development efforts are required to progress the renewable energy sector's social performance maturity and unlock its full potential to contribute to economic development and transformation.

Based on this, INSPIRE developed and implemented a series of university accredited practitioners' courses in partnership with Synergy Global's Community Relations Practice Programme at WITS University.

Three courses were tailored to the needs of the renewable energy sector: **course 1:** Introduction to social performance in renewable energy sector followed by course, **course 2:** Planning and managing community relations and stakeholder engagements for the renewable energy sector, and **course 3:** Managing Community Investments and Benefits.



The screenshot shows the INSPIRE website's 'TRAINING COURSES' section. The top navigation bar includes links for ABOUT, KNOWLEDGE, ACTIVITIES, IMPACT FUNDING, and CONTACT. Below the navigation, there are three course cards:

- Introduction to Social Performance Practice**: INSPIRE's short course #1 equips participants with an understanding of the nature and breadth of Social Performance in the renewable energy sector. [READ MORE](#)
- Managing Community Relations and Stakeholder Engagement**: INSPIRE's short course #2 equips participants with the knowledge, tools, and practical skills required to better understand and manage stakeholder as well as community relations and expectations within the renewable energy sector. [READ MORE](#)
- Managing Community Investments and Benefits**: INSPIRE short course #3 equips participants with the tools to plan, implement, monitor, and report on community investments and benefit interventions. [READ MORE](#)

## ONLINE DIALOGUES

In partnership with Synergy Global and USAID, INSPIRE also launched the online dialogues sessions in late 2021 to address the need for the creation of spaces that allow economic development practitioners in REIPPPP to co-create ideas and solutions. The intention of the dialogues is to provide a platform for participants in the sector to be empowered to deliver more impactful economic development investments in REIPPPP.

The online dialogues were implemented between November 2021 and August 2022, each session provided a unique learning experience safely delivered by experienced facilitators. Participation was free of charge. Professionals and other stakeholders involved in research or the implementation of economic development (ED) activities in REIPPPP were welcome to attend. There was a total of 5 dialogues offered.



### ED PLAN DEVELOPMENT (DECEMBER 21 - FEBRUARY 2022)

The online dialogues commenced in December 2021 with a series on economic development planning. These sessions were expertly facilitated by Yumnaa Firfirey and Fowzia Davids who developed templates and approaches that were designed to lighten the load for practitioners as they developed their 2022 Economic Development Plans.



### OFF LOAD AND LEARN (MARCH-AUGUST 2022)

Monthly Case Clinics to unlock professional challenges. These sessions presented an opportunity for participants to learn in community, and also be introduced to a range of methodologies for sharing and problem-solving that can be used to unlock challenges in your own team.



### TRUSTEE TEA (APRIL - JUNE 2022)

Online events held to foster networking and exchange amongst trustees in REIPPPP. These sessions have been developed against the background that Trusts are not currently well networked, leaving challenges and good practices often unknown to the wider sector.



### M&E ROUNDTABLES (MARCH - JUNE 2022)

Monthly roundtables held to develop a common understanding and potentially framework for the REIPPPP sector. Both important to address the REIPPPP industry challenge of a lack of comparable data to enable clearer articulation of its achievements.



### ACADEMIC CIRCLE (MARCH - AUGUST 2022)

These sessions were held monthly to connect student and staff researchers working on economic development-related questions in REIPPPP. Academic research is an important contributor to knowledge and learning for a more just energy transition, these sessions facilitated such knowledge exchange and enable an open forum that allows for the conversation about how to enable collaboration to progress.

## 02 KNOWLEDGE

INSPIRE works toward deepening awareness and understanding of social performance in the sector.

### ONLINE LIBRARY

The knowledge platform was also made possible through the USAID INSPIRE Online Dialogues project. The online library curates relevant knowledge products in the form of reports, presentations, infographics etc on a publicly accessible platform hosted on the INSPIRE website.



Online library of economic development related resources relevant to REIPPPP, curated on the INSPIRE website

[www.inspire-excellence.net](http://www.inspire-excellence.net)



### REIPPPP OVERVIEW POSTER

Ten years into REIPPPP, information about the programme is still hard to come by, especially information that is easily accessible and can be understood by a broad audience. The USAID INSPIRE Online Dialogue project contributed towards filling this gap through this poster that informs about REIPPPP, its community development opportunities and speaks about the online resource library as a portal to find further resources. This poster was created with the intention to boost industry's ability to communicate to wide variety of stakeholders and to build community capacity to engage with REIPPPP's economic development opportunities.



## DIALOGUE OUTPUTS

There were a total of 5 dialogues; ED Plan Development, Academic Circle, Trustee Tea, M&E Roundtables as well as the Offload and Learn: Case Clinics, each facilitated to address the need for the creation of spaces that allow economic development practitioners in REIPPPP to co-create ideas and solutions.



## 03 PARTNERSHIPS

INSPIRE works toward driving transformation and collaboration through engagement and networking with key stakeholders. INSPIRE discussed, workshopped and collaborated with various new and established partners. A few examples of our partnership work:

- INSPIRE supported Democracy Work Foundation's Fostering Inclusive Climate Change Champions (FIGCCC) project through co-facilitation of a full-day session on INSPIRE's work and possible engagement strategies for civil society with the renewable energy industry at 'Cross Provincial CSO Network Workshop' in May in Johannesburg. The audience was 40 plus people representing community based and other non-profit organisations from the Northern Cape.
- INSPIRE followed the invitation by the Coastal 6 Collaboration Forum of wind IPP's to assist them to revitalise the forum and support vision and strategy building to allow for collaborative community benefit investments to be planned and implemented.
- INSPIRE participated in the pre-Windaba conference workshop focussed on Economic Development in REIPPPP, where we presented about our work with the Coastal 6 Collaboration Forum and raised awareness about the potential of this work to be replicated in other renewable energy hot spots.
- INSPIRE co-hosted with the Womxn in Energy network WE Connect a stand in the exhibit hall at the Windaba conference for 2 days, allowing for easy networking and engagements with visitors.
- INSPIRE was invited by Anglo American's Project Gaia (new RE business unit) to present its work to the company-wide internal 'Energy Policy webinar' series.
- INSPIRE is a knowledge partner to the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT). DEDEAT and INSPIRE are utilising synergies where possible in their work towards these objectives defined by the Department.



- INSPIRE participated in the JETP-IP expert consultations held in September and assisted the JETP secretariat in convening a discussion forum on social ownership, drawing on INSPIRE's wide network of relevant stakeholders.
- INSPIRE was invited to join the USAID mission director and team on a site visit of a renewable energy project in Kimberley. A presentation about INSPIRE's work was given during this meeting.
- INSPIRE, in conversation with the Devonshire Initiative in Canada, has started this Learning Lab

for multi-stakeholder initiatives. Every initiative in the Lab is working to foster dialogues in and around the energy transition, with renewable energy and/or mining specific stakeholders. The Lab members met for a first meeting in October, which brought six initiatives from Mexico, Zambia/South Africa, Canada, USA, South Africa and Argentina together. Already, we exchanged some initial lessons learnt and discussed ideas for how we could work in more connected ways across these regional initiatives. Over the coming months, we will continue to learn

from each other about various topics, including our respective Theories of Change, the positioning and framing of our work and how we raise funding.

- INSPIRE was the keynote speaker on the topic "Leveraging Renewable Energy policy to increase regional energy and economic resilience: Lessons learned from REIPPP" in the seminar: Inspiring Innovation in the Public Service for the Western Cape Provincial Treasury team and colleagues from related government departments.



March 29, 2022

Dear Dr. Holle Wlokas,

Thank you very much for our engagement on the social performance of renewable energy projects at the Droogfontein Solar Power Plant in Kimberley.

On behalf of our USAID delegation, I greatly valued the opportunity to meet and exchange with your team and stakeholders. I especially appreciated the opportunity to learn, see, and feel firsthand your impactful work in the area of socio-economic development of host communities of renewable energy power plants.

I was particularly encouraged by your strategic interventions and impacts with regard to fostering dialogues between stakeholders of REIPPP's community development program.

Please extend my thanks and appreciation to your team for our time together and for sharing your experience and passionate dedication with me.

USAID/Southern Africa is very grateful for your partnership and commitment.

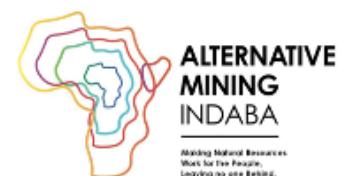
Thank you again.

Sincerely,

*AKaras*  
Andy Karas  
Mission Director



LEARNING | KNOWLEDGE | PARTNERSHIPS | INNOVATION



# 04 RESEARCH & INNOVATION

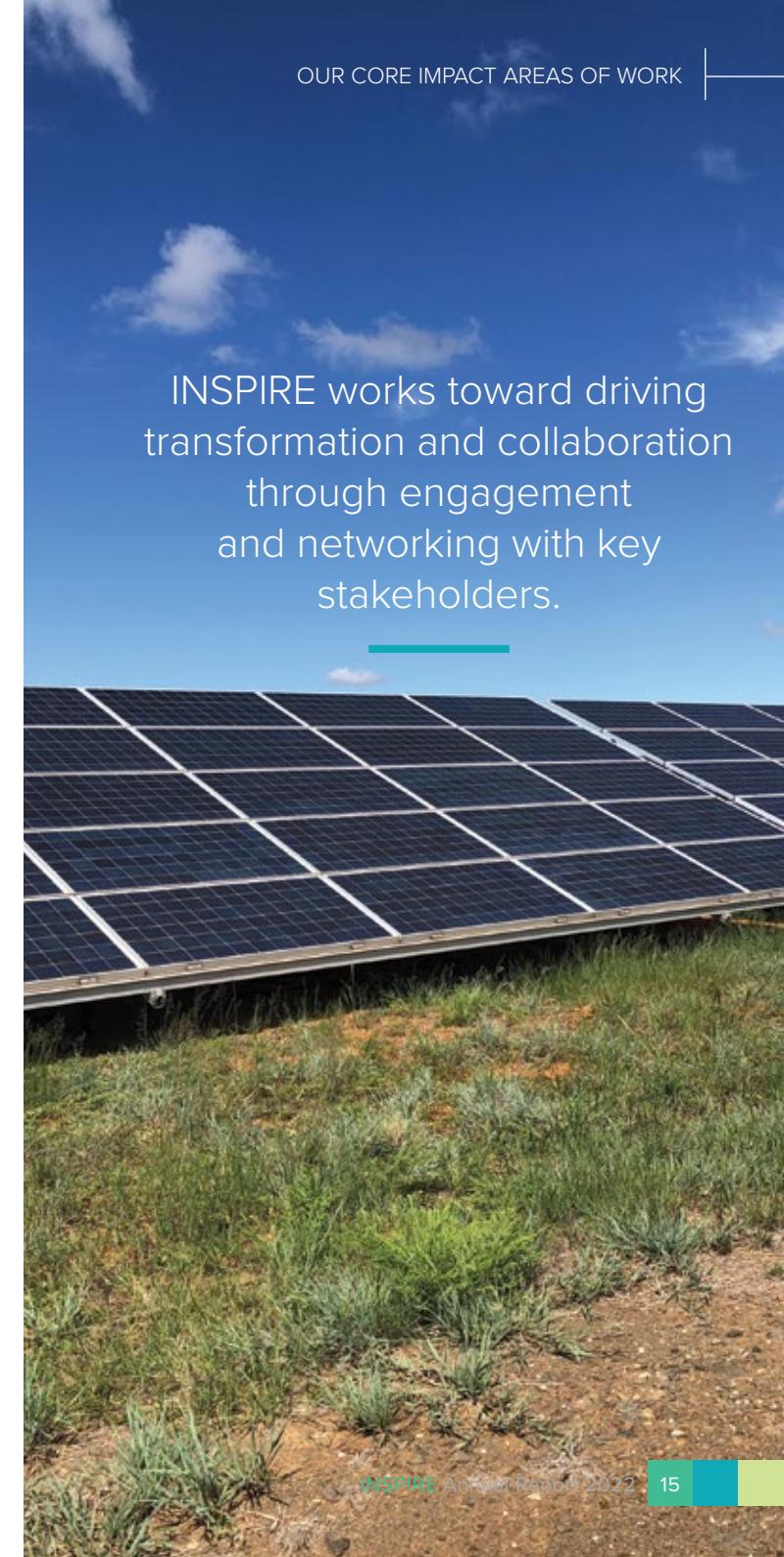
INSPIRE works toward conducting action-oriented research to support improved practices and policy. Prototyping and incubating transformation-focussed approaches and investments.

INSPIRE's work commenced with this research study. Published in 2021, the first INSPIRE Insights enquires into skills gaps and trainings needs amongst economic development and social performance practitioners in South Africa's RE programme.

INSPIRE's online library of economic development related resources relevant to REIPPPP, curated on the

INSPIRE website, is well used for literature research by researchers, academic and others, as well as practitioners and government.

The USAID INSPIRE Online Dialogue project also allowed academic researchers and students to gather, network and exchange research advice and insights.



INSPIRE works toward driving transformation and collaboration through engagement and networking with key stakeholders.

# INVITATION TO JOIN INSPIRE'S WORK

As a collaborative initiative that brings together organisations that are interested in driving system-wide change, we

aim to support and connect people, projects, and processes. We, therefore, invite further partners to join the initiative to strengthen and deepen its impact.

Funding and active partnerships are welcome.

We would love to hear from stakeholders in the renewable energy sector, social and development consulting or intermediaries, representatives of civil society, government, community trusts, or any other interested parties. All are welcome to share their ideas with us on how!



# INDEX

The reports and statements set out below comprise the audited annual financial statements presented to the shareholders:

Directors' Responsibilities and Approval	18
Directors' Report	19
Independent Auditor's Report	20
Statement of Financial Position as at 31 Dec 2022	22
Statement of Comprehensive Income	22
Statement of Changes in Equity	23
Statement of Cash Flows	23
Accounting Policies	24
Notes to the Audited Annual Financial Statements	25
Statement of Financial Performance	26
Tax Computation	26

## LEVEL OF ASSURANCE

These audited annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

## Preparer

Clear Cut Accounting CC

# ANNUAL FINANCIAL STATEMENTS

## DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required by the Companies Act of South Africa, to maintain adequate accounting records and are responsible for the content and integrity of the audited annual financial statements and related financial information included in this report. It is their responsibility to ensure that the audited annual financial statements fairly present the state of affairs of the company as at the end of the financial 9 months and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the audited annual financial statements.

The audited annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the audited annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the 9 months to 31 December 2023 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's audited annual financial statements. The audited annual financial statements have been examined by the company's external auditors and their report is presented on page 6 - 5.

The audited annual financial statements set out on pages 6 to 13, which have been prepared on the going concern basis, were approved by the board on 07 February 2023 and were signed on its behalf by:

Approval of audited annual financial statements

**J BOCA | EC HIRSHON | HL WLOKAS**

# DIRECTORS' REPORT

The directors have pleasure in submitting their report on the audited annual financial statements of Initiative for Social Performance in Renewable Energy NPC for the 9 months ended 31 December 2022.

## 1. INCORPORATION

The company was incorporated on 6 April 2022 and obtained its certificate to commence business on the same day.

## 2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The audited annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior 9 months.

Full details of the financial position, results of operations and cash flows of the company are set out in these audited annual financial statements.

## 3. DIRECTORS

The directors in office at the date of this report are as follows:

Designation

J Boca	Non-executive
EC Hirshon	Non-executive
HL Wlokas	Non-executive

There have been no changes to the directorate for the period under review.

## 4. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

## 5. GOING CONCERN

The audited annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds

will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the audited annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

## 6. AUDITORS

Optimal Finance Incorporated continued in office as auditors for the company for 2022.

At the AGM, the shareholders will be requested to reappoint Optimal Finance Incorporated as the independent external auditors of the company and to confirm Mrs JL Wilkes CA(SA) as the designated lead audit partner for the 2023 financial year.

## 7. SECRETARY

The company had no secretary during the period under review.

# INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Initiative for Social Performance in Renewable Energy NPC  
Opinion

We have audited the audited annual financial statements of Initiative for Social Performance in Renewable Energy NPC (the company) set out on pages 6 to 13, which comprise the statement of financial position as at 31 December 2022, statement of comprehensive income, statement of changes in equity and statement of cash flows for the 9 months then ended, and the notes to the audited annual financial statements, including a summary of significant accounting policies.

In our opinion, the audited annual financial statements present fairly, in all material respects, the financial position of Initiative for Social Performance in Renewable Energy NPC as at 31 December 2022, and its financial performance and cash flows for the 9 months then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

## BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Audited Annual Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of audited annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in

accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for

Accountants' International Code of Ethics for Professional Accountants (including

International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Initiative for Social Performance in Renewable Energy NPC audited annual financial statements for the 9 months ended 31 December 2022", which includes the Directors' Report as required by the Companies Act of South Africa and the supplementary information as set out on pages 14 to 15. The other information does not include the audited annual financial statements and our auditor's report thereon.

Our opinion on the audited annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the audited annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE AUDITED ANNUAL FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the audited annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of audited annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the audited annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE AUDITED ANNUAL FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the audited annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these audited annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the audited annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the audited annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the audited annual financial statements, including the disclosures, and whether the audited annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

---

Optimal Finance Incorporated  
Chartered Accountants (SA)  
Registered Auditors  
Per: JL Wilkes CA(SA)

07 February 2023  
*Benoni*

## STATEMENT OF FINANCIAL POSITION AS AT 31 DEC 2022

<i>Figures in Rand</i>	<i>Note(s)</i>	<i>9 months ended 31 Dec 2022</i>
Assets		
Current Assets		
Trade and other receivables	2	671 125
Cash and cash equivalents	3	417 260
		<u>1 088 385</u>
Total Assets		<b><u>1 088 385</u></b>
Equity and Liabilities		
Equity		
Retained income		<u>810 969</u>
Liabilities		
Current Liabilities		
Trade and other payables	4	277 416
Total Equity and Liabilities		<b><u>1 088 385</u></b>

## STATEMENT OF COMPREHENSIVE INCOME

<i>Figures in Rand</i>	<i>Note(s)</i>	<i>9 months ended 31 Dec 2022</i>
Revenue	5	2 352 027
Operating expenses		<u>(1 541 058)</u>
Operating profit		<b><u>810 969</u></b>
Profit for the 9 months		<b><u>810 969</u></b>

## STATEMENT OF CHANGES IN EQUITY

<i>Figures in Rand</i>	<i>Retained income</i>	<i>Total equity</i>
<b>Profit for the 9 months</b>	<b>810 969</b>	<b>810 969</b>

## STATEMENT OF CASH FLOWS

<i>Figures in Rand</i>	<i>Note(s)</i>	<i>9 months ended 31 Dec 2022</i>
Cash flows from operating activities		
Cash receipts from customers		1 660 747
Cash paid to suppliers and employees		(1 243 487)
Cash generated from operations	7	417 260
<b>Net cash from operating activities</b>		<b>417 260</b>
<b>Total cash movement for the 9 months</b>		<b>417 260</b>
<b>Total cash at end of the 9 months</b>	3	<b>417 260</b>

# ACCOUNTING POLICIES

## 1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The audited annual financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act of South Africa. The audited annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

### 1.1 Significant judgements and sources of estimation uncertainty

#### Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the audited annual financial statements.

#### Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial 9 months as a result of the key estimation assumptions.

### 1.2 Financial instruments

#### Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

### 1.3 Grants received

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the fair value of the asset received or receivable.

### 1.4 Revenue

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

### 1.5 Foreign exchange

#### Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

All transactions in foreign currencies are initially recorded in Rand, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

# NOTES TO THE AUDITED ANNUAL FINANCIAL STATEMENTS

<i>Figures in Rand</i>	<i>9 months ended 31 Dec 2022</i>	<i>Figures in Rand</i>	<i>9 months ended 31 Dec 2022</i>
<b>2. TRADE AND OTHER RECEIVABLES</b>		<b>8. RELATED PARTIES</b>	
Trade receivables	671 125	<b>Relationships</b>	
<b>3. CASH AND CASH EQUIVALENTS</b>		Non-executive directors	J Boca EC Hirshon HL Wlokas
Cash and cash equivalents consist of:			
Bank balances	417 260	<b>Related party balances and transactions with entities with control, joint control or significant influence over the company</b>	
<b>4. TRADE AND OTHER PAYABLES</b>		<b>Related party transactions</b>	
Trade payables	277 416	<b>Consulting fees paid to related parties</b>	
<b>5. REVENUE</b>		HL Wlokas	773 509
BTE Renewables	876 624		
Grant received - European Climate Foundation	1 475 403		
	<b>2 352 027</b>		
<b>6. TAXATION</b>		<b>9. DIRECTORS' AND PRESCRIBED OFFICER'S REMUNERATION</b>	
Non provision of tax		No emoluments were paid to the directors or any individuals holding a prescribed office during the 9 months.	
No provision has been made for 2022 tax as the company has successfully applied for exemption from tax in terms of Section 10(1)(cN) of the Income Tax Act, 1962.			
<b>7. CASH GENERATED FROM OPERATIONS</b>		<b>10. COMPARATIVE FIGURES</b>	
Profit before taxation	810 969	No comparative figures have been presented as these are the first audited annual financial statements of the company.	
<b>Changes in working capital:</b>			
Trade and other receivables	(671 125)		
Trade and other payables	277 416		
	<b>417 260</b>		

# STATEMENT OF FINANCIAL PERFORMANCE

Figures in Rand	Note(s)	9 months ended 31 Dec 2022
Revenue		
Grant received		1 475 403
Funding received		876 624
	5	<b>2 352 027</b>
Operating expenses		
Accounting fees		24 021
Administration fees		84 373
Advertising		8 700
Bank charges		3 474
Conference expenses		4 345
Computer expenses		1 900
Consulting fees		1 321 350
Lease rentals		1 960
Legal expenses		20 798
Loss on exchange differences		1 496
Subscriptions		3 523
Travel costs		65 118
<b>Profit for the 9 months</b>		<b>1 541 058</b>
		<b>810 969</b>

# TAX COMPUTATION

Figures in Rand	2022
Net profit per income statement	810 969
<b>Permanent differences (Non-deductible/Non taxable items)</b>	(810 969)
Exempt income in terms of Section 10(1)(cN)	
<b>Tax thereon @ 28% in the Rand</b>	-



# INSPIRE

LEARNING | KNOWLEDGE | PARTNERSHIPS | INNOVATION



Initiative for Social  
Performance in  
Renewable Energy

[www.inspire-excellence.net](http://www.inspire-excellence.net)

