

The Amandla Omoya Trust
(Registration number: IT2221/2011)

Annual Financial Statements
for the year ended 28 February 2023

The Amandla Omoya Trust

(Registration number: IT2221/2011)

Financial Statements for the year ended 28 February 2023

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The reports and statements set out below comprise the financial statements presented to the trustees:

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The Amandla Omoya Trust

(Registration number: IT2221/2011)

Financial Statements for the year ended 28 February 2023

Trustee's Responsibilities and Approvals

The trustees are responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements of the Trust. The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the trust deed, and include amounts based on judgements and estimates by management.

The trustees considered that in preparing the financial statements they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all International Reporting Standards for Small and Medium-sized Entities that they consider to be applicable, have been followed. The Trustees are satisfied that the information contained in the financial statements fairly presents the results of operations for the year and the financial position of the Trust at year end. The trustees also prepared the other information included in the trustees report and is responsible for its accuracy and its consistency with the financial statements.

The going concern basis has been adopted in preparing the financial statements. The trustees have no reason to believe that the Trust will not be a going concern in the foreseeable future based on forecasts and available cash resources. These financial statements support the viability of the trust.

The financial statements have been audited by the Independent Auditors, Ernst & Young Inc, who were given unrestricted access to all financial records and related data, including minutes of all meetings of the board of trustees. The trustees believe that all representations made to the independent auditors during their audit are valid and appropriate.

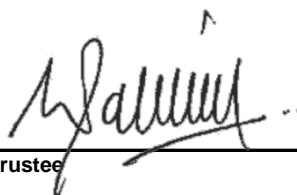
The audit report of Ernst & Young Inc. is presented on page 4 and 5.

The financial statements set out on pages 7 to 14 were approved by the trustees on 17 April 2024 and are signed on its behalf by:



Trustee

Jeffreys Bay



Trustee

Independent Auditor's Report

To the Trustees of The Amandla Omoya Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Amandla Omoya Trust ('the trust') set out on pages 7 to 14, which comprise the statement of financial position as at 28 February 2023, and the statement of comprehensive surplus, statement of changes in reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Amandla Omoya Trust as at 28 February 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the trust 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 financial statements of the trust and 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 of the trust and 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 trustees are responsible for the other information. The other information comprises the information included in the 14-page document titled "The Amandla Omoya Trust Annual Financial Statements for the year ended 28 February 2023", which includes the Trustee's Report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Trustees for Financial Statements

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the trust'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 trustees either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

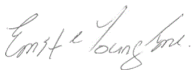
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 trust'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 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 trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees 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.

DocuSigned by:



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Ernst & Young Inc
Director - Pierre Du Plessis
Registered Auditor
Chartered Accountant (South Africa)
17 April 2024
Cape Town

The Amandla Omoya Trust

(Registration number: IT2221/2011)

Financial Statements for the year ended 28 February 2023

Trustee's Report

The trustees submit their report on the activities of the Trust for the year ended 28 February 2023.

Country of incorporation

The Trust is incorporated in South Africa.

Nature of business

The principal objective of the Trust is to carry on public benefit activities within a 50 kilometre radius of the Jeffreys Bay wind project by providing funds and resources to other organisations which are engaged in land reform, enterprise development, energy, education and healthcare activities. The Trust has an effective ownership of 6% of Jeffreys Bay Wind Farm (RF) (Pty) Ltd which is the entity that owns the Jeffreys Bay wind project. The Trust's holding in the wind project is through a wholly-owned special purpose entity called Jeffreys Bay Renewable Energy Company (RF) (Pty) Ltd.

Financial Results

The results of the Trust are clearly set out in the accompanying financial statements.

Trustee and secretary

The trustees of the Trust during the financial period and at the date of this report are as follows:

NA Gabriel (Chairperson)

MT Green-Thompson

HT Radebe

MC Vika

NM Mengu

Trust secretarial work is performed by Kilgetty Statutory Services (Pty) Ltd.

Registered Office

Business and postal address

5th Floor

Sunclare Building

21 Dreyer Street

Claremont

7708

South Africa

Going concern

The financial statements have been prepared on the going concern basis, since the trustees have every reason to believe that the Trust has adequate resources in place to continue in operation for the foreseeable future.

Audited financial statements

The financial statements have been audited in terms of clause 38 of the Trust Deed.

Events after reporting date

The trustees are not aware of any matter or circumstance arising since the end of the financial period, not otherwise dealt with in the financial statements, which significantly affects the financial position of the Trust or the results of its operations.

Preparation of the financial statements

These financial statements have been audited by our external auditor Ernst & Young Inc. in compliance with the applicable requirements of the Trust Deed. They were prepared by Tasneem Edwards, CA (SA).

The Amandla Omoya Trust

(Registration number: IT2221/2011)

Financial Statements for the year ended 28 February 2023

Statement of Financial Position as at 28 February 2023

	Notes	<u>R</u> <u>2023</u>	<u>R</u> <u>2022</u>
Assets			
Non - Current Assets			
Investment	4	1,000	1,000
		<u>1,000</u>	<u>1,000</u>
Current Assets			
Other receivables	5	100	100
Cash and cash equivalent	6	28,764,611	27,213,484
Prepayments	7	4,565,508	-
		<u>33,330,219</u>	<u>27,213,584</u>
Total Assets		<u>33,331,219</u>	<u>27,214,584</u>
Capital and reserves			
Trust capital	8	100	100
Accumulated surplus / (deficit)		32,753,350	26,003,276
		<u>32,753,450</u>	<u>26,003,376</u>
Current Liabilities			
Trade and other payables	9	577,769	1,211,208
		<u>577,769</u>	<u>1,211,208</u>
Total Liabilities		<u>577,769</u>	<u>1,211,208</u>
Total Reserves and Liabilities		<u>33,331,219</u>	<u>27,214,584</u>

The Amandla Omoya Trust

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Financial Statements for the year ended 28 February 2023

Statement of Comprehensive Surplus for the year ended 28 February 2023

	Notes	<u>R</u> <u>2023</u>	<u>R</u> <u>2022</u>
Dividend income	10	20,400,000	17,650,000
Operating costs	11	(4,168,440)	(3,579,512)
Grant funding		(10,652,936)	(1,185,500)
Operating surplus for the year		5,578,624	12,884,988
Interest income		1,171,450	446,800
Surplus before taxation		6,750,074	13,331,788
Taxation	12	-	-
Surplus for the year		6,750,074	13,331,788
Total comprehensive surplus attributable to: Equity holders of the trust		6,750,074	13,331,788

The Amandla Omoya Trust

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Financial Statements for the year ended 28 February 2023

Statement of Changes in Reserves for the period ended 28 February 2023

	R	R	R
	Trust Capital	Accumulated (Loss) / Profit	Total
Balance at 1 March 2021	100	12,671,488	12,671,588
Surplus for the year	-	13,331,788	13,331,788
Balance at 1 March 2022	100	26,003,276	26,003,376
Surplus for the year	-	6,750,074	6,750,074
Balance at 29 February 2022	100	32,753,350	32,753,450

Note(s) 8

The Amandla Omoya Trust

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Financial Statements for the year ended 28 February 2023

Statement of Cash Flows for the period ended 28 February 2023

	Notes	<u>R</u> <u>2023</u>	<u>R</u> <u>2022</u>
Cash flows from operating activities			
Cash utilised by operations	12	(20,020,323)	(3,822,697)
Interest received		1,171,450	446,800
Net cash in outflow from operating activities		(18,848,873)	(3,375,897)
Cash flows from investing activities			
Dividends received		20,400,000	17,650,000
Net cash inflow from investing activities		20,400,000	17,650,000
Net increase in cash and cash equivalents for the year		1,551,127	14,274,103
Cash and cash equivalents at the beginning of the year		27,213,484	12,939,381
Cash and cash equivalents at the end of the year	6	28,764,611	27,213,484

The Amandla Omoya Trust

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Financial Statements for the year ended 28 February 2023

Accounting Policies

1 Accounting policies

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized entities issued by the International Accounting Standards Board. They are presented in South African Rands.

1.1 Basis of preparation

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards for Small and Medium-sized entities. The financial statements have been prepared on the historical basis and incorporate the policies as set out below.

1.2 Investments in associates

IFRS for SME's allows for investments in associates to be accounted for on the cost model, equity method and fair value model. The entity accounts for its investment on the cost model.

The investment is recorded at cost less any accumulated impairment losses.

Dividend income from investments in associates is recognised as Dividend Income when the entity's right to receive payment has been established.

1.3 Financial instruments

Initial recognition

Financial Instruments are initially measured at the transaction price (this includes transaction cost except in the initial measurement of financial assets and liabilities that will be measured at fair value through profit or loss). If however the arrangement constitutes a financing transaction it is then measured at the present value of the future payments, discounted at a market related interest rate.

Other receivables

Receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

Trade and other payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translated into currency using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

1.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.5 Taxation

The Trust is a registered Public Benefit Organisation (PBO) for tax purposes. This status provides for the exemption from normal tax of certain receipts and accruals.

2. Changes in accounting policies

No changes to the accounting policies were identified and the comparative information has accordingly remained unchanged since the prior reporting period.

3. Use of estimates and judgements in the preparation of annual financial statements

In the preparation of the annual financial statements, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the financial statements within the next financial period.

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Financial Statements for the year ended 28 February 2023

Notes to the Annual Financial Statements

	<u>R</u> <u>2023</u>	<u>R</u> <u>2022</u>
4 INVESTMENT		
Cost	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<p>The Trust has a 100% shareholding in a special purpose entity called Jeffreys Bay Renewable Energy Company (RF) (Pty) Ltd. This company in turn owns 6% of Jeffreys Bay Wind Farm (RF) (Pty) Ltd.</p> <p>The investment in the operating entity is carried at cost in terms of the entity's accounting policies. At the end of each reporting period, an entity is required to assess whether there is any indication that an asset may be impaired (i.e. its carrying amount may be higher than its recoverable amount). The investments value in use will be determined by the present value of the future cash flows expected to be derived and any impairments will be recognised through profit and loss.</p>		
5 OTHER RECEIVABLES		
Trust capital receivable	100	100
	<u>100</u>	<u>100</u>
<p>The other receivable balance is made up of an irrevocable donation as defined by the Trust Deed due from Jeffreys Bay Wind Farm (RF) (Pty) Ltd, and dividends declared by Jeffreys Bay Renewable Energy Company but not yet distributed.</p>		
6 CASH AND CASH EQUIVALENT		
Cash at bank	28,764,611	27,213,484
	<u>28,764,611</u>	<u>27,213,484</u>
<p>All cash and cash equivalent balances, as recorded, approximate fair value.</p>		
7 PREPAYMENTS		
Prepayments	4,565,508	-
	<u>4,565,508</u>	<u>-</u>
<p>The Oceanview property purchased by the Trust was in the process of being registered in the name of the Trust. The title deed is dated 30 march 2023, which is after the current financial year end. All costs in relation to the purchase of the property is therefore captured as a prepayment.</p>		
8 TRUST CAPITAL		
Trust Capital	100	100
	<u>100</u>	<u>100</u>
<p>A contribution to Trust Capital was made by Jeffreys Bay Wind Farm (RF) (Pty) Ltd.</p>		
9 TRADE AND OTHER PAYABLES		
Trade payables	482,641	1,140,858
Accrued expenses	95,128	70,350
	<u>577,769</u>	<u>1,211,208</u>
10 DIVIDEND INCOME		
<p>Income for the Trust is in the form of Dividends received from the Jeffreys Bay Renewable Energy Company (RF) (Pty) Ltd. The Trust received R20,400,000 as dividend income; R6,900,000 in July 2022 and R13,500,000 in November 2022.</p>		
11 OPERATING COSTS		
<p>Operating costs include the following:</p>		
Audit fees - Current year	42,720	60,000
Management Fees	2,321,578	2,145,781
Consulting Fees	166,767	20,800
Travel and Accommodation	590,079	379,043
12 TAXATION		
<p>The Trust is a registered Public Benefit Organisation (PBO) for tax purposes. This status provides for the exemption from normal tax of certain receipts and accruals.</p>		
13 CASH UTILISED BY OPERATIONS		
Comprehensive surplus / (deficit) before taxation	6,750,074	13,331,788
Adjustments for:		
Interest received	(1,171,450)	(446,800)
Dividend income	(20,400,000)	(17,650,000)
Changes in working capital:		
Decrease / (Increase) in trade and other receivables	(4,565,507)	-
Increase / (Decrease) in trade and other payables	(633,439)	942,315
	<u>(20,020,323)</u>	<u>(3,822,697)</u>

The Amandla Omoya Trust

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Financial Statements for the year ended 28 February 2023

Notes to the Annual Financial Statements

14 FINANCIAL INSTRUMENTS

Capital risk

The Trust manages its capital to ensure that the entity will be able to continue as a going concern. The capital structure of the Trust consists of equity attributable to the Trust, comprising a donation to Trust capital and retained earnings as disclosed in the statement of changes in equity.

The trustees will review the capital structure on an annual basis. As a part of this review, the trustees consider the cost of capital and the risks associated with each class of capital.

Credit risk management

Potential concentrations of credit risk consist mainly of investments and intercompany loans. At the end of the period the trustee did not consider there to be any significant concentration of credit risk which had not been adequately provided for.

Foreign exchange risk management

The trustee does not incur any expenses or receive any income in a foreign currency. There are no foreign currency balances at the period end.

Fair value of financial instruments

The carrying amounts of the financial assets and liabilities reported in the statement of financial position approximate fair value at the end of the period.

Interest rate risk management

As the Trust has no significant interest-bearing assets, the Trust's income and operating cash flows are substantially independent of changes in the market interest rates.

Liquidity risk management

The Trust manages liquidity risk through ongoing review of future commitments and credit facilities.

	Interest rate %	Year 1 R	Year 2-5 R	Over 5 years R	Total R
2023					
Assets					
Other receivables	Interest Free	100			100
		<u>100</u>	<u>-</u>	<u>-</u>	<u>100</u>
Liabilities					
Trade and other payables	Interest Free	577,769	-	-	577,769
		<u>577,769</u>	<u>-</u>	<u>-</u>	<u>577,769</u>
2022					
Assets					
Other receivables	Interest Free	100	-	-	100
		<u>100</u>	<u>-</u>	<u>-</u>	<u>100</u>
Liabilities					
Trade and other payables	Interest Free	1,211,208	-	-	1,211,208
		<u>1,211,208</u>	<u>-</u>	<u>-</u>	<u>1,211,208</u>
				R	R
				2023	2022

15 RELATED PARTIES

Related party relationships

Principal donor	Jeffreys Bay Wind Farm (Rf) (Pty) Ltd
Investee company	Jeffreys Bay Renewable Energy Company (Rf) (Pty) Ltd
Management entity	Sibona Ilanga Trust
Via key management personnel*	Rebuna Letsatsi De Aar Renewable Energy Company (RF) (Pty) Ltd
Via key management personnel*	Letsatsi Borutho Trust
Via key management personnel*	Droogfontein Renewable Energy Company (RF) (Pty) Ltd

* - no related party transactions took place between the entities for the year

Related party transactions

Cost recharges - Sibona Ilanga Trust	3,534,229	3,232,877
Trust capital - Principal Donor	100	100
Dividend income - Dividend declared by investee company	20,400,000	17,650,000

Related party balances

Trade payables - Sibona Ilanga Trust	421,431	392,557
Other receivable - Principal Donor	100	100

16 TRUSTEE EMOLUMENTS

N Gabriel	41,906	39,096
MT Green Thompson	41,906	39,096
H Radebe	-	-
MC Vika	41,906	39,096
NM Mengu	41,906	39,096

The Amandla Omoya Trust

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Financial Statements for the year ended 28 February 2023

Notes to the Annual Financial Statements

17 SUBSEQUENT EVENTS

There were no significant events requiring the adjustment of the financial statements after the reporting date, being 28 February 2023, to the date of approval of the financial statements.

18 GOING CONCERN

The 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 Trust receives dividends from the ultimate investee company, Jeffreys Bay Wind Farm (RF) (Pty) Ltd. The ultimate investee company entered into a 20 year Power Purchase Agreement with Eskom of which approximately 12 years remain. Management of the investee company have prepared a cash flow forecast for the next twelve months which indicate that the company will generate sufficient profits to pay distributions to shareholders. The sole trade debtor, Eskom Holdings (SOC) Limited, ("Eskom"), of the ultimate investee company is a state owned entity. The Purchasing Power Agreement also makes provision in the event that Eskom defaults on payment, the National Treasury will settle the outstanding debt. As the amounts owing by Eskom have been guaranteed by a governmental agency, all amounts owing by Eskom are considered fully recoverable.

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified.

The financial statements have therefore been prepared on the going concern basis as the trustees have every reason to believe that the trust has adequate resources in place to continue in operation for the foreseeable future.