

OPES-LCEF

England & Wales · Charity number 1147678

Details

Other names LCEF 2

Status Registered

Legal form Charitable company

Company number [07976404](#)

Registered 2012-06-13

Register [View on the Charity Commission register](#)

Contact

Address c/o TC Citroen Wells Ltd
5th Floor
3 Dorset Rise
London
EC4Y 8EN

Phone +39 0282875666

Activities

Objects: 3.1 TO PROMOTE FOR THE BENEFIT OF THE PUBLIC SUSTAINABLE DEVELOPMENT BY THE PRESERVATION, CONSERVATION AND PROTECTION OF THE PHYSICAL AND NATURAL ENVIRONMENT.3.2 TO RELIEVE POVERTY, SUFFERING AND HARDSHIP IN ANY PART OF THE WORLD. SUSTAINABLE DEVELOPMENT MEANS DEVELOPMENT THAT MEETS THE NEEDS OF THE PRESENT WITHOUT COMPROMISING THE ABILITY OF FUTURE GENERATIONS TO MEET THEIR OWN NEEDS.

Activities: An early stage impact fund that provides patient capital investment, technical and management support to social enterprises that improve the lives of low-income people and marginalised ones in developing countries and developed ones. It invests in early stage ventures where capital need is greatest.

Classification

- **How:** Provides Other Finance, Provides Services
- **What:** The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Guatemala
- Guyana
- India
- Indonesia
- Kenya
- Tanzania
- Uganda
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£292,349	£95,178	-	-
2024-03-31	£430,160	£123,177	-	-
2023-03-31	£478,227	£109,151	-	-
2022-03-31	£155,607	£103,373	-	-
2021-03-31	£360,358	£161,355	-	-

Trustees

Name	Role	Appointed
Birgit Wenz		2020-04-19
Elena Casolari		2017-06-28
Giovanni Freato		2017-06-28

OPES-LCEF

England & Wales - Charity number 1147678

Accounts

Charity registration number 1147678

Company registration number 07976404 (England and Wales)

OPES-LCEF

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

OPES-LCEF

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Casolari G Freato B Wenz
Charity number	1147678
Company number	07976404
Registered office	5th Floor 3 Dorset Rise London EC4Y 8EN
Auditor	TC Group 5th Floor 3 Dorset Rise London EC4Y 8EN
Bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN

OPES-LCEF

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OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

OPES-LCEF's object, as set out in Paragraph 3 of its Articles of Association is "to promote for the benefit of the public sustainable development by the preservation, conservation, and protection of the physical and natural environment and to relieve poverty, suffering and hardship in any part of the world. Sustainable development means development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

OPES-LCEF is a charitable company registered in England. In meeting its objectives, OPES-LCEF supports a portfolio of low-carbon and social impact enterprises.

OPES-LCEF selects ventures to invest in that have a clear low carbon and social impact, in doing this OPES-LCEF supports sustainable development and the creation of local livelihoods. OPES-LCEF works with a wide range of partners to achieve its goals. It works with not-for-profit, private, and public sector organisations, both overseas and in the UK.

OPES-LCEF seeks through its programmes and partnerships to provide financial resources in a way that results in a better global environment achieved through sustainable and equitable development.

OPES-LCEF aims to be a responsive and learning organisation that is knowledgeable about the development, aspirations, needs, culture, and environment of its partners. It is committed to encouraging diversity, professionalism, and contestability of ideas among all its members, staff and volunteers.

In 2012, OPES-LCEF (under its previous name LCEF II) entered into a loan agreement with the DOEN Foundation, a Dutch not-for-profit organisation, to support low-carbon enterprises. These funds were used to provide financial support (equity and/or debt) for small-scale enterprises in lower-income countries that are developing and/or delivering low carbon service or products. In total, seven social enterprises have been supported of which two are still in our portfolio.

In 2019, OPES-LCEF received donations from Stichting Opint, a Dutch not-for-profit organisation, in the form of unrestricted cash donations and assets in the form of social enterprises portfolio debt/equity contracts.

Amid a tough landscape for social enterprises across the world as consequence of the Covid pandemic, in 2020, OPES-LCEF received recoverable grants and grants from the DOEN Foundation and the Good Energies Foundation for the facility "Restart East Africa" that was set up with the specific aim at deploying flexible and patient capital to benefit impact enterprises with temporary cash constraints. Restart East Africa targeted promising impact enterprises affected by Covid-19 directly or indirectly or those enterprises which had come up with innovative solutions tackling social and environmental issues. Special attention was given to enterprises founded by local female-founders. Within the Restart East Africa program, five social enterprises were supported.

In 2022, the "Restart Catalyst" facility was established with the support of the DOEN Foundation, the Good Energies Foundation, and Fondazione Umano Progresso, to continue supporting impact enterprises in East Africa. This initiative highlights the ongoing commitment to empowering women entrepreneurs in the region by providing financial resources and strategic support to help them scale their impact-driven businesses.

In 2025, a partnership with Shamba Pride was established. This partnership will allow for investment to support a project to create 100 climate-smart villages in Africa. This investment will allow support of farmers with climate-smart inputs and reduced carbon emissions.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing OPES-LCEF's aims and objectives and when planning future activities and setting the loan-making policy for the next year.

OPES-LCEF supports environmental, community and sustainable development causes that are of benefit to the public through appropriate charitable, educational, and scientific means. Specifically, OPES-LCEF provides financial and technical support to low-carbon and social enterprises mainly in the developing world. Emphasis is placed on ventures that also offer broader social benefits to the communities in which they operate. These include protecting local livelihoods, increasing access to clean energy, creating access to clean water, and supporting sustainable employment.

Achievements and performance

During the financial year 2024/2025, OPES LCEF finalized investments in the Restart Catalyst facility and continued to provide active support to the social enterprises in its current portfolio.

Restart Catalyst is a facility that supports companies working at the intersection of Climate, impact, and gender. It supports locally rooted, female-founded and/or co-founded impact enterprises. The facility offers an impact incentive-linked financial instrument to serve as a bridge before accessing risk capital at market rates. These companies, the missing middle, usually have difficulties in accessing funding. OPES-LCEF, in many companies, is the first investor and this patient capital can create a history of engaging with institutional investors and a repayment history that can facilitate additional capital raise. The facility has been supported by the DOEN Foundation, Fondazione Umano Progresso, and Good Energies Foundation.

This year, OPES-LCEF has completed the investments in the facility by adding four new social enterprises:

- **Lanforce Trading (Zimbabwe):** Lanforce is a women-led for-profit social enterprise providing clean energy alternatives and agricultural solutions in the form of biogas digesters and solar home systems to the rural communities of Zimbabwe. The company began operations in 2018 after realizing the challenges that women and children face in sourcing energy for cooking and lighting. The company constructs fixed dome biogas digesters for farms, households, hotels, and institutions, as well as provide training on installation and maintenance of prefabricated biodigester from Sistema Bio.
- **Rio Fish (Kenya):** Rio Fish is a social enterprise providing sustainable livelihoods and increasing food security through strengthening market systems around aquaculture in Lake Victoria. Through aquaculture practices, Rio Fish is providing a consistent supply of nutrient-rich fish to traders as well as stable livelihoods for fish farmers. Rio Fish links women fish farmers with economic opportunities, as women have been most affected by the reduced supplies of wild caught fish. They also supply women traders, who constitute the majority of the fish traders, and in this way protect them from exploitation.
- **Giraffe Bioenergy (Kenya):** Giraffe Bioenergy is aiming to build, own, and operate an integrated cassava-to-fuel-ethanol system to produce ethanol for the domestic cooking fuel market, substituting harmful fuels such as wood, kerosene, and charcoal. The company is also addressing energy access and gender inequality by equipping local women with the tools and training to lead in the bioenergy sector.
- **Bottle Logistics (Kenya):** Bottle Logistics specializes in efficiently recovering industrial and post-consumer glass waste and processes it into refined glass cullet and clean reusable bottles for brand owners. The company addresses key market challenges through 1) building a lean and efficient glass recovery model, 2) providing a commercial market for glass waste, and 3) improving access for glass manufacturers and industries to raw materials for glass products.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

External Events

The unstable political situation in many East Africa countries, the invasion of the Russian armed forces in Ukraine and the Israel Gaza war are having consequences on all areas of the economy. Many companies have been severely affected by these unfortunately long-lasting conflicts and disruptions. Even if the portfolio companies have not had their supply chains damaged and commercial drawbacks, we cannot rule out that in the foreseeable future they will be consequences also for these companies.

OPES-LCEF has undertaken an assessment of its plans, as part of its continuity and contingency planning, and the trustees believe it is well placed financially and operationally to withstand the uncertainties ahead. At the date of approval of the financial statements, OPES-LCEF is unable to determine a reliable estimate of the financial impact of the two events on its financial performance and position. The trustees have a reasonable expectation that OPES-LCEF has adequate resources to continue in operational existence for the foreseeable future.

Financial review

The Statement of Financial Activities, which shows the OPES-LCEF's incoming resources and expenditure for the year, is set out on page 9.

Total incoming resources amount to \$373,066 (2024: \$538,947), which comprised restricted donations of \$356,292 (2024: \$279,800), unrestricted donations of \$Nil (2024: \$253,927), investment income from programme related investments of \$16,659 (2024: \$5,220) and other investment income of \$115 (2024: \$Nil).

Resources expended on charitable activities amounted to \$269,846 (2024: \$142,160), of which \$88,556 (2024: \$121,032) was defrayed on management of programme related investments and \$27,759 (2024: \$21,128) defrayed on support and governance costs. In the year OPES-LCEF made impairment losses on its programme-related investments of \$153,531 (2024: \$210,414).

OPES-LCEF made foreign exchange losses on its cash balances held in GBP of \$1,749 (2024: gain of \$443). OPES-LCEF also made foreign exchange losses on debtor balances denominated in EUR of \$2,926 (2024: \$12,611).

The resulting net surplus for the year was \$98,545 (2024: \$174,205).

The charity's statement of financial position, which shows the financial position of the charity as at 31 March 2025, is set out on page 10.

The net book value of the OPES-LCEF's programme related investments at 31 March 2024 was \$2,692,406 (2024: \$1,939,979).

The entity also owns a subsidiary in Kenya, for which share capital of \$803 is held (2024: \$803).

Current assets of \$292,721 are represented by cash of \$26,429 (2024: \$518,131), and amounts due from donors of \$266,292 (2024: \$135,139).

OPES-LCEF's liabilities are represented by current liabilities of \$22,529 (2024: \$24,196) and non-current liabilities including long term loans of \$860,000 (2024: \$565,000).

The resulting net assets at 31 March 2025 were \$2,103,401 (2024: \$2,004,856), which represents \$1,099,574 (2024: \$846,745) of restricted funds, and \$1,003,827 (2024: \$1,158,111) of unrestricted funds.

Reserves policy

OPES-LCEF is committed to maintaining a level of reserves which is prudent to meet on-going liabilities sufficient to protect the long-term future of its activities. OPES-LCEF has unrestricted funds of \$939,822, all of which is represented by programme related investments. Notwithstanding this, included within the agreed budget with donor's and lenders for certain restricted funds are entries for the governance costs of OPES-LCEF. Accordingly, on this basis the trustees are satisfied that at 31 March 2025, the charity has adequate resources to meet its future costs in order to continue to operate for the foreseeable future.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Risk factors

The trustees have identified, monitored, and reviewed significant risks and have implemented systems and processes to manage and mitigate those risks. The main risks are associated with the financial viability of the investee companies, and their ability to deliver environmental and social benefits for low income communities. The trustees review each investee company during trustee meetings. Where trustees decide that the investee company is unlikely to succeed, the trustees may consider writing down or writing off the investment. No recoverability issues surrounding these loans were identified. The trustees are satisfied with the current risk management procedures in place which they believe satisfactorily mitigate the identified risks.

Plans	for	future	periods
OPES-LCEF's future plans are to continue to support low carbon and social enterprise entities to benefit low-income communities. OPES-LCEF plans to continually support its existing portfolio of programme related investments, to ensure they work in the most efficient and effective way towards achieving their objectives, and will explore opportunities for further funding and investments, in accordance with OPES-LCEF's objectives.			

Structure, governance and management

OPES-LCEF is a company limited by guarantee, incorporated on 5 March 2012. OPES-LCEF is also a registered charity and is governed by its Memorandum and Articles of Association and the Charities Act 2011. The objectives of OPES-LCEF are as follows:

- To promote for the benefit of the public, sustainable development by the preservation, conservation and protection of the physical and natural environment.
- To relieve poverty, suffering and hardship in any part of the world.

Sustainable development means "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E Casolari
G Freato
B Wenz

None of the trustees have any beneficial interest in OPES-LCEF. All of the trustees are members of the company and guarantee to contribute \$1 in the event of a winding up.

Board members use their own network of contacts to identify suitable candidates possessing the necessary knowledge and skills to act as trustees of OPES-LCEF. At the present time, OPES-LCEF has three trustees, which is considered adequate for its purposes. In accordance with paragraph 8.2 of OPES-LCEF's Articles of Association the number of trustees shall not be less than three.

Trustees are recruited on the basis of their existing relevant knowledge. Information relating to OPES-LCEF's legal status, finances and activities are provided in advance of appointment. Trustees are expected to identify their training needs and to take measures to ensure that these needs are met.

The trustees may appoint or re-appoint a person who is willing to be a trustee, either to fill a vacancy or as an additional trustee.

The normal term of office for a trustee is three years. A trustee will be eligible for re-election for two further terms of three years.

After a trustee has served three consecutive terms in office, he or she shall be eligible for re-election only after a year has elapsed since he or she retired, unless the board considers it would be in the best interests of OPES-LCEF to be eligible for re-election on his or her retirement for such number of terms as the trustees shall resolve.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

OPES-LCEF's policy is set by the trustees. The trustees are also responsible for the management of the charity. Two consultants support the trustees for the day-to-day management, i.e. monitoring and risk assessment of current portfolio, providing management and technical support the entrepreneurs, and identifying and developing relationships with new enterprises.

Fundraising statement

OPES-LCEF's fundraising model has been focused on existing relationships with institutions, and OPES-LCEF does not solicit or directly contact members of the public.

OPES-LCEF has not engaged with third parties to raise funds. No complaints were received in relation to OPES-LCEF's fundraising activities.

Statement of trustees' responsibilities

The trustees, who are also the directors of OPES-LCEF for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' report was approved by the Board of Trustees.

E Casolari

Trustee

Dated: 10 November 2025

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OPES-LCEF

Opinion

We have audited the financial statements of OPES-LCEF (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the statement of financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - impairment of programme related investments

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of provisions made for the impairment of the charitable company's programme related investments and the adequacy of the disclosures in Notes 2 and 13 to the financial statements.

The programme related investments are principally situated in jurisdictions where the political and economic landscape is uncertain. Whilst the Trustees have considered this in their impairment review of the programme related investments and have made provisions accordingly, the accuracy of any impairment will only be ascertained when the Trustees start the disinvestment process on a given programme related investment.

We consider this matter should be brought to your attention but our opinion is not modified in this respect.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF OPES-LCEF

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charity'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 charity 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 (UK) 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.

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF OPES-LCEF

The extent to which the audit was considered capable of detecting irregularities including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are those that relate to the reporting framework being the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Charities Act 2011, and the relevant direct and indirect tax compliance regulation in the United Kingdom.
- We understood how the charitable company is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance. We corroborated our understanding by reviewing supporting documentation including board meeting minutes and correspondence with regulatory bodies.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating income recognition as a fraud risk. We tested specific transactions reconciling to source documentation, ensuring appropriate authorisation of the transactions, and ensuring that income was applied in accordance with the charitable company's Memorandum and Articles of Association and the restricted terms of grants and donations, where applicable.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of investments made, review of legal and professional expenses and review of board meeting minutes.
- The charitable company is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hannah Sibley FCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditor

20 November 2025
5th Floor
3 Dorset Rise
London
EC4Y 8EN

OPES-LCEF

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 2025	Restricted funds 2025 2025	Total 2025 2025	Unrestricted funds 2024 2024	Restricted funds 2024 2024	Total 2024 2024
	Notes	\$	\$	\$	\$	\$	\$
Income from:							
Donations and legacies	3	-	356,292	356,292	253,927	279,800	533,727
Investments	4	16,774	-	16,774	5,220	-	5,220
Total income		16,774	356,292	373,066	259,147	279,800	538,947
Charitable activities	5	169,309	100,537	269,846	21,128	121,032	142,160
Other expenditure	9	1,749	2,926	4,675	(443)	12,611	12,168
Total expenditure		171,058	103,463	274,521	20,685	133,643	154,328
Net losses on investments	11	-	-	-	(210,414)	-	(210,414)
Net income/(expenditure)		(154,284)	252,829	98,545	28,048	146,157	174,205
Transfers between funds		-	-	-	21,128	(21,128)	-
Net movement in funds		(154,284)	252,829	98,545	49,176	125,029	174,205
Reconciliation of funds:							
Fund balances at 1 April 2024		1,158,111	846,745	2,004,856	1,108,935	721,716	1,830,651
Fund balances at 31 March 2025		1,003,827	1,099,574	2,103,401	1,158,111	846,745	2,004,856

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

OPES-LCEF

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Notes	2025 \$	\$	2024 \$	\$
Fixed assets					
Investments	12		803		803
Programme related investments	13		2,692,406		1,939,979
			<u>2,693,209</u>		<u>1,940,782</u>
Current assets					
Other receivables	14	266,292		135,139	
Cash at bank and in hand		26,429		518,131	
		<u>292,721</u>		<u>653,270</u>	
Current liabilities	15	(22,529)		(24,196)	
Net current assets			<u>270,192</u>		<u>629,074</u>
Total assets less current liabilities			2,963,401		2,569,856
Non-current liabilities	16		(860,000)		(565,000)
Net assets			<u>2,103,401</u>		<u>2,004,856</u>
Income funds					
Restricted funds	18		1,099,574		846,745
Unrestricted funds			1,003,827		1,158,111
			<u>2,103,401</u>		<u>2,004,856</u>

The financial statements were approved by the Trustees on 10 November 2025

E Casolari
Trustee

Company Registration No. 07976404

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

OPES-LCEF is a private company limited by guarantee incorporated in England and Wales. The registered office is 5th Floor, 3 Dorset Rise, London, EC4Y 8EN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in US dollars, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest \$.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees have considered the financial position of the charity, the financial position of its sister charity based in Italy Fondazione OPES-LCEF and its ability and intention to support the charity, the pipeline of grants receivable and the fact that some of the restricted funds are available for governance costs, in accordance with the terms of the restricted grant.

Based on the foregoing the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably and it is probable that income will be received.

Grants are credited to the Statement of Financial Activities when they are receivable. Grants that are awarded for specific purposes are treated as restricted incoming resources.

All other income is unrestricted for the use of achieving the charity's objectives.

1.5 Resources expended

Expenditure is included on an accruals basis. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.6 Programme related investments

Programme related investments are accounted for at cost less any impairment.

Programme related investments arise when OPES-LCEF provides financial support in the form of low interest loans and/or equity stakes to small entrepreneurial businesses seeking to build a low carbon and social impact business or social enterprise, in line with its objects.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the charity holds a long-term interest and where the charity has significant influence. The charity considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. Associates are measured at cost less impairment.

1.7 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in OPES-LCEF's balance sheet when the OPES-LCEF becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include cash and bank balances and other receivables, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including other payables and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when OPES-LCEF's contractual obligations expire or are discharged or cancelled.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

1.9 Foreign exchange

Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

1.10 Concessionary loans

Concessionary loans are initially measured at amortised cost and then subsequently stated at carrying value adjusted for accrued interest payable.

2 Critical accounting estimates and judgements

In the application of OPES-LCEF's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Programme related investments

Programme related investments are stated at cost less any provision for impairment. The trustees perform an impairment review of the programme related investments, on a line by line basis, taking into consideration the financial performance, macro-economic factors of the jurisdiction, micro-economic factors and the political landscape surrounding the investments. There is an inevitable degree of judgement involved and the accuracy of any impairment can only be ascertained when the trustees start the disinvestment process.

3 Donations and legacies

	Restricted funds 2025 \$	Unrestricted funds 2024 \$	Restricted funds 2024 \$	Total 2024 \$
Donations and gifts	356,292	253,927	279,800	533,727

4 Investments

	Unrestricted funds 2025 \$	Unrestricted funds 2024 \$
Income from programme related investments	16,659	5,220
Interest receivable	115	-
	<u>16,774</u>	<u>5,220</u>

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

5 Charitable activities

	2025 \$	2024 \$
Impairment of programme related investments	153,531	-
Management of programme related investments	87,064	121,032
	<u>240,595</u>	<u>121,032</u>
Support costs (see note 7)	2,015	3,870
Governance costs (see note 7)	27,236	17,258
	<u>269,846</u>	<u>142,160</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Support costs

	Support costs \$	Governance costs \$	2025 \$	2024 \$
Bank charges	2,015	-	2,015	1,604
Sundry	-	-	-	2,266
Legal and professional	-	1,492	1,492	2,761
Audit and non-audit remuneration paid to auditors	-	25,744	25,744	14,213
Trustees' expenses	-	-	-	284
	<u>2,015</u>	<u>27,236</u>	<u>29,251</u>	<u>21,128</u>

8 Employees

The charity did not have any employees during the current or prior year.

9 Other gains and losses

	Unrestricted funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Restricted funds 2024	Total 2024
Foreign exchange losses/ (gains)	<u>1,749</u>	<u>2,926</u>	<u>4,675</u>	<u>(443)</u>	<u>12,611</u>	<u>12,168</u>

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Net gains/(losses) on investments

	Total 2025 \$	Total 2024 \$
Revaluation of investments	(153,531)	(210,414)

12 Fixed asset investments

		Other investments \$
Cost or valuation		
At 1 April 2024 & 31 March 2025		803
Carrying amount		
At 31 March 2025		803
At 31 March 2024		803
Other investments comprise:	Notes	2025 \$
Investments in subsidiaries	21	803

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Programme related investments

	\$
At 1 April 2024	1,939,979
Additions	942,540
Impairments	(153,531)
Recovered amounts	(36,582)
At 31 March 2025	2,692,406

Programme related investments arise when OPES-LCEF provides financial support in the form of low-interest loans and/or equity stakes to small entrepreneurial businesses engaged in low-carbon and social impact enterprises.

Programme related investments comprise \$1,562,552 (2024: \$706,285) of investments made from restricted funds and \$1,129,854 (2024: \$1,233,694) of investments made from unrestricted funds.

The historical cost of the charity's programme related investments held at 31 March 2024 was \$3,187,029 (2024: \$2,281,701).

Included within programme related investments is an investment in an associate, Fabrica SRL, which has a carrying value of \$237,040 (2024: \$169,500).

14 Other receivables

	2025 \$	2024 \$
Amounts falling due within one year:		
Other receivables	266,292	135,139

15 Current liabilities

	2025 \$	2024 \$
Accruals and deferred income	22,529	24,196

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Non-current liabilities

	2025 \$	2024 \$
Concessionary loans	860,000	565,000

Concessionary loans comprise \$750,000 from the DOEN Foundation in respect of funding for the Restart Catalyst Fund and \$110,000 from Fondazione OPES-LCEF in respect of funding for an investment in Bottle Logistics East Africa. The \$750,000 in respect of funding for the Restart Catalyst Fund (see note 18) is interest free, unsecured and repayable by February 2029, subject to a potential waiver of part of the loan, dependent on certain performance conditions. The \$110,000 in respect of funding for Bottle Logistics East Africa is interest free, unsecured and repayable at the discretion of OPES-LCEF.

In the prior year, concessionary loans were comprised of \$500,000 in respect of funding for the Restart Catalyst Fund and \$65,000 from Fondazione OPES-LCEF in respect of funding for operating costs.

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 \$	Incoming resources \$	Resources expended \$	Transfers \$	Gains and losses \$	At 31 March 2025 \$
General funds	1,158,111	16,774	(171,058)	-	-	1,003,827
Previous year:	At 1 April 2023 \$	Incoming resources \$	Resources expended \$	Transfers \$	Gains and losses \$	At 31 March 2024 \$
General funds	1,108,935	259,147	(20,685)	21,128	(210,414)	1,158,111

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18 Restricted funds

The income funds of the charity include restricted funds which are held on trust for the specific purposes of the Restart Fund for East Africa, Restart Catalyst Fund, and a Partnership with Shamba Pride.

Current year

	Movement in funds			
	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers
	\$	\$	\$	\$
Restart Fund For East Africa	452,516	-	-	-
Restart Catalyst Fund	394,229	90,000	(103,463)	-
Partnership with Shamba Pride	-	266,292	-	-
	<u>846,745</u>	<u>356,292</u>	<u>(103,463)</u>	<u>-</u>
				<u>1,099,574</u>

Prior year

	Movement in funds			
	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers
	\$	\$	\$	\$
Restart Fund For East Africa	452,516	-	-	-
Restart Catalyst Fund	269,200	267,189	(121,032)	(21,128)
	<u>721,716</u>	<u>267,189</u>	<u>(121,032)</u>	<u>(21,128)</u>
				<u>846,745</u>

Restart Fund for East Africa

In 2021, grants totalling \$450,000 were received from the DOEN Foundation and the Good Energies Foundation for the Restart Fund for East Africa. Restart Fund for East Africa targets promising impact-driven enterprises affected by Covid-19 directly or indirectly or those enterprises that have come up with innovative solutions for a more sustainable future. The initiative focuses on the following sectors: Sustainable Agriculture & Food, Sustainable Energy, Education & Skilling, and Mobility & Transportation.

As at 31 March 2025, the charity had invested \$75,000 in Munyox Eco Ltd, a company registered in Rwanda which provides solar water heaters, energy access systems as well as providing electric power generation, there were capital repayments of \$18,732 in the year, \$100,000 in WidEnergy Africa Ltd, a company registered in Zambia which provides affordable solar home solutions, \$100,000 in Exotic EPZ Ltd, a company registered in Kenya which collects and processes macadamia nuts for the export market, \$100,000 in Ecodulu Ltd, a company registered in Kenya who recycles organic waste into animal feed and organic fertilizer, and \$75,000 in Kilimo Fresh, a company registered in Tanzania, which offers a platform linking smallholder farmers and buyers in urban areas.

Total invested as at 31 March 2025; \$433,784, which is included in programme related investments, see note 13.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18 Restricted funds

(Continued)

Restart Catalyst Fund

In 2023, a grant totaling \$269,200 was received from the Good Energies Foundation for the Restart Catalyst Fund. Furthermore, OPES-LCEF received a loan from the DOEN Foundation of \$750,000 (see note 16) to fund programme related investments in respect of the Restart Catalyst Fund. During the prior year OPES-LCEF received a further \$267,189 (in the form of a donation of €250,000) from Fondazione Umano Progresso in respect of the Restart Catalyst Fund. In the current year, a grant totalling £90,000 and a loan of \$110,000 were received from Fondazione OPES-LCEF for the Restart Catalyst Fund. The Restart Catalyst Fund targets early stage enterprises in East Africa that work on impact-led solutions for a sustainable and inclusive climate resilient future for all.

As at 31 March 2025, the charity had invested \$200,000 in Shamba Pride Ltd, a company registered in Kenya which connects smallholder farmers to different services through digitally empowered argo-dealers called "Digi-shops", \$150,000 in Irri-Hub Ltd, a company registered in Kenya which provides climate smart irrigation solutions for smallholder farmers and \$250,000 in Lanforce Trading, a company registered in Zimbabwe which provides clean energy alternatives and agricultural solutions to the rural communities of Zimbabwe,

It has also invested \$200,000 in Rio Fish, a company registered in Kenya which provides a consistent supply of nutrient-rich fish to traders as well as stable livelihoods for fish farmers, \$150,000 in Giraffe Bioenergy, a company registered in Kenya which is looking to integrate agricultural technology and bio-ethanol manufacturing to produce clean-cooking fuel, and \$200,000 in Bottle Logistics East Africa, a company registered in Kenya which supports recycling glass waste to reduce the environmental and health risks to vulnerable communities.

Total invested as at 31 March 2025; \$1,150,000, which is included in programme related investments, see note 13.

The funds not yet deployed will be deployed by OPES-LCEF in the year ending 31 March 2026.

Partnership with Shamba Pride

In the current year, a grant totalling \$266,292 was received from World Resources Institute for the Partnership with Shamba Pride.

Under the Partnership, OPES-LCEF will invest in Shamba Pride, a company registered in Kenya. The investment will support a project to create 100 climate-smart villages in Africa, supporting farmers with climate-smart inputs and reducing carbon emissions.

As at 31 March 2025, no amounts have been invested, and no resources have been expended for the project.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

19 Analysis of net assets between funds

	Unrestricted funds 2025 \$	Restricted funds 2025 \$	Total 2025 \$	Unrestricted funds 2024 \$	Restricted funds 2024 \$	Total 2024 \$
Fund balances at 31 March 2025 are represented by:						
Investments	803	-	803	803	-	803
Programme related assets	1,129,854	1,562,552	2,692,406	1,233,694	706,285	1,939,979
Current assets/(liabilities)	(126,830)	397,022	270,192	(11,386)	640,460	629,074
Long term liabilities	-	(860,000)	(860,000)	(65,000)	(500,000)	(565,000)
	<u>1,003,827</u>	<u>1,099,574</u>	<u>2,103,401</u>	<u>1,158,111</u>	<u>846,745</u>	<u>2,004,856</u>

20 Capital commitments

An agreement is in place between OPES-LCEF and Fabrica s.r.l. for the charity to invest a total of €300,000 in the company, that will help make impact investments in early-stage enterprises that tackle critical social issues.

As at 31 March 2025, the charity has invested €216,789 (2024: €156,789) of the total commitment.

21 Subsidiaries

These financial statements are separate charity financial statements for OPES-LCEF.

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
OPES-LCEF Consulting Limited	Kenya	Consultancy services	Ordinary	100.00

22 Related party transactions

Included in programme related investments is \$237,040 (2024: \$169,500) representing an equity stake in Fabrica s.r.l., a company registered in Italy, in which the spouse of a E Casolari is a director on a complete pro-bono basis.

During the year OPES-LCEF received donations of \$90,000 (2024: \$256,293) from Fondazione OPES-LCEF, a charity registered in Italy with common trustees.

Fondazione OPES-LCEF also advanced \$110,000 to OPES-LCEF, by way of loan, during the year. The full balance remained outstanding at the year end. \$65,000 advanced by Fondazione OPES-LCEF in a prior year was repaid by OPES-LCEF during the year. See note 16.

During the year OPES-LCEF paid \$28,946 (2024: \$29,496) to its subsidiary, OPES-LCEF Consulting Limited.

During the prior year OPES-LCEF paid \$284 for trustee's expenses. No amounts were paid on behalf of trustees in the current year.

OPES-LCEF

England & Wales - Charity number 1147678

Accounts

Charity registration number 1147678

Company registration number 07976404 (England and Wales)

OPES-LCEF

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

OPES-LCEF

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Casolari G Freato B Wenz
Charity number	1147678
Company number	07976404
Registered office	5th Floor 3 Dorset Rise London EC4Y 8EN
Auditor	TC Group 5th Floor 3 Dorset Rise London EC4Y 8EN
Bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN

OPES-LCEF

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OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

OPES-LCEF's object, as set out in Paragraph 3 of its Articles of Association is "to promote for the benefit of the public sustainable development by the preservation, conservation, and protection of the physical and natural environment and to relieve poverty, suffering and hardship in any part of the world. Sustainable development means development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

OPES-LCEF is a charitable company registered in England. In meeting its objectives, OPES-LCEF supports a portfolio of low-carbon and social impact enterprises.

OPES-LCEF selects ventures to invest in that have a clear low carbon and social impact, in doing this OPES-LCEF supports sustainable development and the creation of local livelihoods. OPES-LCEF works with a wide range of partners to achieve its goals. It works with not-for-profit, private, and public sector organisations, both overseas and in the UK.

OPES-LCEF seeks through its programmes and partnerships to provide financial resources in a way that results in a better global environment achieved through sustainable and equitable development.

OPES-LCEF aims to be a responsive and learning organisation that is knowledgeable about the development, aspirations, needs, culture, and environment of its partners. It is committed to encouraging diversity, professionalism, and contestability of ideas among all its members, staff and volunteers.

In 2012, OPES-LCEF (under its previous name LCEF II) entered into a loan agreement with the DOEN Foundation, a Dutch not-for-profit organisation, to support low-carbon enterprises. These funds were used to provide financial support (equity and/or debt) for small-scale enterprises in lower-income countries that are developing and/or delivering low carbon service or products. In total, seven social enterprises have been supported of which two are still in our portfolio.

In 2019, OPES-LCEF received donations from Stichting Opint, a Dutch not-for-profit organisation, in the form of unrestricted cash donations and assets in the form of social enterprises portfolio debt/equity contracts.

Amid a tough landscape for social enterprises across the world as consequence of the Covid pandemic, in 2020, OPES-LCEF received recoverable grants and grants from the DOEN Foundation and the Good Energies Foundation for the facility "Restart East Africa" that was set up with the specific aim at deploying flexible and patient capital to benefit impact enterprises with temporary cash constraints. Restart East Africa targeted promising impact enterprises affected by Covid-19 directly or indirectly or those enterprises which had come up with innovative solutions tackling social and environmental issues. Special attention was given to enterprises founded by local female-founders. Within the Restart East Africa program, five social enterprises were supported.

In 2022, the "Restart Catalyst" facility was established with the support of the DOEN Foundation, the Good Energies Foundation, and Fondazione Umano Progresso, to continue supporting female founded or co-founded impact enterprises in East Africa. Two social enterprises have been supported by the programme during the financial year 2023/24 (see below) and others were selected for capital injection. This initiative highlights the ongoing commitment to empowering women entrepreneurs in the region by providing financial resources and strategic support to help them scale their impact-driven businesses.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing OPES-LCEF's aims and objectives and when planning future activities and setting the loan-making policy for the next year.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

OPES-LCEF supports environmental, community and sustainable development causes that are of benefit to the public through appropriate charitable, educational, and scientific means. Specifically, OPES-LCEF provides financial and technical support to low-carbon and social enterprises mainly in the developing world. Emphasis is placed on ventures that also offer broader social benefits to the communities in which they operate. These include protecting local livelihoods, increasing access to clean energy, creating access to clean water, and supporting sustainable employment.

Achievements and performance

Building on the success of the “Covid-rescue” facility “Restart East Africa”, the DOEN Foundation and the Good Energies Foundation together with Fondazione Umano Progresso decided to support the creation of **“Restart Catalyst”** to continue supporting locally rooted female founded and/or co-founded impact enterprises. The facility supports companies that work in the intersection of **Climate, Impact & Gender**. “Restart Catalyst” offers an impact incentive-linked financial instrument to serve as a bridge before accessing risk capital at market rates.

The impact-linked loan provides early-stage social enterprises access to advantageous risk capital to grow the business and transition from grant-based financing to other forms. These companies, the missing middle, have less access to traditional risk capital. Furthermore, being most of the time, OPES-LCEF the first investor, this capital and process creates a history of engaging with institutional investors, a repayment history that can facilitate additional capital raise.

During the financial year 2023/24, OPES-LCEF has supported two social enterprises working in the intersection between climate, impact and gender enabling them to grow, creating a history of engaging with institutional investors, and, thus, facilitating additional capital raise:

- **Irri-Hub (Kenya):** an early-stage company that provides climate smart irrigation solutions for smallholder farmers. The products include drip irrigation kits, solar water pumps and others. It aims to promote and install solar powered and IoT enabled irrigation solutions to smallholder farmers as they scale. Irri-hub offers climate mitigative solutions for farmers in the form of: 1) Higher yields – farmers reported a 2-5x yield increases; 2) Income increase - Farmers have reported increase in income by 5-10X due to higher yields; 3) Production delinked from rains – Farmers are able to do three planting seasons a year without depending on rain.
- **Shamba Pride (Kenya):** a technology-led company that connects smallholder farmers to different services through digitally empowered agro-dealers called “Digi-shops”. It supports the rural distribution of agricultural inputs and services by solving supply chain inefficiencies and connecting input manufacturers, agri-retailers and farmers through online to offline commerce platform. The company has a network of 2,000 agro-dealers and supplied products to over 50,000 farmers. Shamba Pride improves land productivity for farmers by providing reliable and consistent access to quality inputs, fertilizers and other farm supplies. Through the market linkage program for farmers, Shamba Pride reduces the time to market while providing reliable access to buyers, thereby reducing post-harvest losses for the farmers.

Since 31 March 2024, OPES-LCEF has supported a third social enterprise, Lanforce Trading from Zimbabwe. Lanforce Energy is a women-led for-profit social enterprise providing clean energy alternatives and agricultural solutions in the form of biogas digesters and solar home systems to the rural communities of Zimbabwe. The company began operations in 2018 after realizing the challenges that women and children face in sourcing energy for cooking and lighting. The company constructs fixed dome biogas digesters for farms, households, hotels, and institutions as well as provide training on installation and maintenance of prefabricated biodigester from Sistema Bio. Additionally, three other social enterprises are currently under analysis, with legal due diligences being conducted.

To better support the operations in East Africa, OPES-LCEF Consulting Limited was established at the end of 2022. The company is fully owned by OPES-LCEF.

External Events

The unstable political situation in many East Africa countries, the invasion of the Russian armed forces in Ukraine and the Israel Gaza war are having consequences on all areas of the economy. Many companies have been severely affected by these unfortunately long-lasting conflicts and disruptions. Even if the portfolio companies have not had their supply chains damaged and commercial drawbacks, we cannot rule out that in the foreseeable future they will be consequences also for these companies.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

OPES-LCEF has undertaken an assessment of its plans, as part of its continuity and contingency planning, and the trustees believe it is well placed financially and operationally to withstand the uncertainties ahead. At the date of approval of the financial statements, OPES-LCEF is unable to determine a reliable estimate of the financial impact of the two events on its financial performance and position. The trustees have a reasonable expectation that OPES-LCEF has adequate resources to continue in operational existence for the foreseeable future.

Financial review

The Statement of Financial Activities, which shows the OPES-LCEF's incoming resources and expenditure for the year, is set out on page 9.

Total incoming resources amount to \$538,947 (2023: \$583,086), which comprised restricted donations of \$279,800 (2023: \$461,123), unrestricted donations of \$253,927 (2023: \$65,000), and investment income from programme related investments of \$5,220 (2023: \$56,963).

Resources expended on charitable activities amounted to \$142,160 (2023: \$127,499), of which \$121,032 (2023: \$101,799) was defrayed on management of programme related investments and \$21,128 (2023: \$25,700) defrayed on support and governance costs.

OPES-LCEF made foreign exchange gains on its cash balances held in GBP of \$443 (2023: loss of \$5,585). OPES-LCEF also made foreign exchange gains on debtor balances denominated in EUR of \$12,611 (2023: \$nil). In the year OPES-LCEF made impairment losses on its programme-related investments of \$210,414 (2023: \$75,347).

The resulting net surplus for the year was \$174,205 (2023: \$374,655).

The charity's statement of financial position, which shows the financial position of the charity as at 31 March 2024, is set out on page 10.

The net book value of the OPES-LCEF's programme related investments at 31 March 2024 was \$1,939,979 (2023: \$1,852,849).

During the prior year, the entity incorporated a subsidiary in Kenya, OPES-LCEF Consulting Limited, subscribing for share capital of \$803.

Current assets of \$653,270 are represented by cash of \$518,131 (2023: \$575,957), and amounts due from donors of \$135,139 (2023: \$nil). In the prior year, amounts were also due from the charity's subsidiary of \$595.

OPES-LCEF's liabilities are represented by current liabilities of \$24,196 (2023: \$25,714) and non-current liabilities including long term loans of \$565,000 (2023: \$573,839).

The resulting net assets at 31 March 2024 were \$2,004,856 (2023: \$1,830,651), which represents \$846,745 (2023: \$721,716) of restricted funds, and \$1,158,111 (2023: \$1,108,935) of unrestricted funds.

Reserves policy

OPES-LCEF is committed to maintaining a level of reserves which is prudent to meet on-going liabilities sufficient to protect the long-term future of its activities. OPES-LCEF has unrestricted funds of \$1,158,111 all of which is represented by programme related investments. Notwithstanding this, included within the agreed budget with donor's and lenders for certain restricted funds are entries for the governance costs of OPES-LCEF. Accordingly, on this basis the trustees are satisfied that at 31 March 2024, the charity has adequate resources to meet its future costs in order to continue to operate for the foreseeable future.

Risk factors

The trustees have identified, monitored, and reviewed significant risks and have implemented systems and processes to manage and mitigate those risks. The main risks are associated with the financial viability of the investee companies, and their ability to deliver environmental and social benefits for low income communities. The trustees review each investee company during trustee meetings. Where trustees decide that the investee company is unlikely to succeed, the trustees may consider writing down or writing off the investment. No recoverability issues surrounding these loans were identified. The trustees are satisfied with the current risk management procedures in place which they believe satisfactorily mitigate the identified risks.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods
OPES-LCEF's future plans are to continue to support low carbon and social enterprise entities to benefit low-income communities. OPES-LCEF plans to continually support its existing portfolio of programme related investments, to ensure they work in the most efficient and effective way towards achieving their objectives, and will explore opportunities for further funding and investments, in accordance with OPES-LCEF's objectives.

Structure, governance and management

OPES-LCEF is a company limited by guarantee, incorporated on 5 March 2012. OPES-LCEF is also a registered charity and is governed by its Memorandum and Articles of Association and the Charities Act 2011. The objectives of OPES-LCEF are as follows:

- To promote for the benefit of the public, sustainable development by the preservation, conservation and protection of the physical and natural environment.
- To relieve poverty, suffering and hardship in any part of the world.

Sustainable development means "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E Casolari
G Freato
B Wenz

None of the trustees have any beneficial interest in OPES-LCEF. All of the trustees are members of the company and guarantee to contribute \$1 in the event of a winding up.

Board members use their own network of contacts to identify suitable candidates possessing the necessary knowledge and skills to act as trustees of OPES-LCEF. At the present time, OPES-LCEF has three trustees, which is considered adequate for its purposes. In accordance with paragraph 8.2 of OPES-LCEF's Articles of Association the number of trustees shall not be less than three.

Trustees are recruited on the basis of their existing relevant knowledge. Information relating to OPES-LCEF's legal status, finances and activities are provided in advance of appointment. Trustees are expected to identify their training needs and to take measures to ensure that these needs are met.

The trustees may appoint or re-appoint a person who is willing to be a trustee, either to fill a vacancy or as an additional trustee.

The normal term of office for a trustee is three years. A trustee will be eligible for re-election for two further terms of three years.

After a trustee has served three consecutive terms in office, he or she shall be eligible for re-election only after a year has elapsed since he or she retired, unless the board considers it would be in the best interests of OPES-LCEF to be eligible for re-election on his or her retirement for such number of terms as the trustees shall resolve.

OPES-LCEF's policy is set by the trustees. The trustees are also responsible for the management of the charity. Two consultants support the trustees for the day-to-day management, i.e. monitoring and risk assessment of current portfolio, providing management and technical support the entrepreneurs, and identifying and developing relationships with new enterprises.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Fundraising statement

OPES-LCEF's fundraising model has been focused on existing relationships with institutions, and OPES-LCEF does not solicit or directly contact members of the public.

OPES-LCEF has not engaged with third parties to raise funds. No complaints were received in relation to OPES-LCEF's fundraising activities.

Statement of trustees' responsibilities

The trustees, who are also the directors of OPES-LCEF for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' report was approved by the Board of Trustees.

E Casolari

Trustee

Dated: 21 October 2024

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OPES-LCEF

Opinion

We have audited the financial statements of OPES-LCEF (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the statement of financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - impairment of programme related investments

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of provisions made for the impairment of the charitable company's programme related investments and the adequacy of the disclosures in Notes 2 and 13 to the financial statements.

The programme related investments are principally situated in jurisdictions where the political and economic landscape is uncertain. Whilst the Trustees have considered this in their impairment review of the programme related investments and have made provisions accordingly, the accuracy of any impairment will only be ascertained when the Trustees start the disinvestment process on a given programme related investment.

We consider this matter should be brought to your attention but our opinion is not modified in this respect.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF OPES-LCEF

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charity'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 charity 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 (UK) 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.

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF OPES-LCEF

The extent to which the audit was considered capable of detecting irregularities including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are those that relate to the reporting framework being the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Charities Act 2011, and the relevant direct and indirect tax compliance regulation in the United Kingdom.
- We understood how the charitable company is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance. We corroborated our understanding by reviewing supporting documentation including board meeting minutes and correspondence with regulatory bodies.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating income recognition as a fraud risk. We tested specific transactions reconciling to source documentation, ensuring appropriate authorisation of the transactions, and ensuring that income was applied in accordance with the charitable company's Memorandum and Articles of Association and the restricted terms of grants and donations, where applicable.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of investments made, review of legal and professional expenses and review of board meeting minutes.
- The charitable company is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hannah Sibley FCA (Senior Statutory Auditor)
for and on behalf of TC Group
Statutory Auditor

21 October 2024
5th Floor
3 Dorset Rise
London
EC4Y 8EN

OPES-LCEF

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 2024	Restricted funds 2024 2024	Total 2024 2024	Unrestricted funds 2023 2023	Restricted funds 2023 2023	Total 2023 2023
	Notes	\$	\$	\$	\$	\$	\$
Income from:							
Donations and legacies	3	253,927	279,800	533,727	65,000	461,123	526,123
Investments	4	5,220	-	5,220	56,963	-	56,963
Total income		259,147	279,800	538,947	121,963	461,123	583,086
Charitable activities	5	21,128	121,032	142,160	127,499	-	127,499
Other expenditure	9	(443)	12,611	12,168	5,585	-	5,585
Total expenditure		20,685	133,643	154,328	133,084	-	133,084
Net losses on investments	11	(210,414)	-	(210,414)	(75,347)	-	(75,347)
Net income		28,048	146,157	174,205	(86,468)	461,123	374,655
Transfers between funds		21,128	(21,128)	-	191,923	(191,923)	-
Net movement in funds		49,176	125,029	174,205	105,455	269,200	374,655
Reconciliation of funds:							
Fund balances at 1 April 2023		1,108,935	721,716	1,830,651	1,003,480	452,516	1,455,996
Fund balances at 31 March 2024		1,158,111	846,745	2,004,856	1,108,935	721,716	1,830,651

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

OPES-LCEF

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Notes	2024 \$	\$	2023 \$	\$
Fixed assets					
Investments	12		803		803
Programme related investments	13		1,939,979		1,852,849
			<u>1,940,782</u>		<u>1,853,652</u>
Current assets					
Other receivables	14	135,139		595	
Cash at bank and in hand		518,131		575,957	
		<u>653,270</u>		<u>576,552</u>	
Current liabilities	15	(24,196)		(25,714)	
Net current assets			<u>629,074</u>		<u>550,838</u>
Total assets less current liabilities			2,569,856		2,404,490
Non-current liabilities	16		(565,000)		(573,839)
Net assets			<u>2,004,856</u>		<u>1,830,651</u>
Income funds					
Restricted funds	18		846,745		721,716
Unrestricted funds			1,158,111		1,108,935
			<u>2,004,856</u>		<u>1,830,651</u>

The financial statements were approved by the Trustees on 21 October 2024

E Casolari
Trustee

Company Registration No. 07976404

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

OPES-LCEF is a private company limited by guarantee incorporated in England and Wales. The registered office is 5th Floor, 3 Dorset Rise, London, EC4Y 8EN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in US dollars, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest \$.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees have considered the financial position of the charity, the financial position of its sister charity based in Italy Fondazione OPES-LCEF and its ability and intention to support the charity, the pipeline of grants receivable and the fact that some of the restricted funds are available for governance costs, in accordance with the terms of the restricted grant.

Based on the foregoing the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably and it is probable that income will be received.

Grants are credited to the Statement of Financial Activities when they are receivable. Grants that are awarded for specific purposes are treated as restricted incoming resources.

All other income is unrestricted for the use of achieving the charity's objectives.

1.5 Resources expended

Expenditure is included on an accruals basis. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.6 Programme related investments

Programme related investments are accounted for at cost less any impairment.

Programme related investments arise when OPES-LCEF provides financial support in the form of low interest loans and/or equity stakes to small entrepreneurial businesses seeking to build a low carbon and social impact business or social enterprise, in line with its objects.

The expectation is that the loans will be repaid. The trustees review the loans every six months and if there is a risk of non-payment, the loans are provided for.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the charity holds a long-term interest and where the charity has significant influence. The charity considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. Associates are measured at cost less impairment.

1.7 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in OPES-LCEF's balance sheet when the OPES-LCEF becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include cash and bank balances and other receivables, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including other payables and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when OPES-LCEF's contractual obligations expire or are discharged or cancelled.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (Continued)

1.9 Foreign exchange

Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

1.10 Concessionary loans

Concessionary loans are initially measured at amortised cost and then subsequently stated at carrying value adjusted for accrued interest payable.

2 Critical accounting estimates and judgements

In the application of OPES-LCEF's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Programme related investments

Programme related investments are stated at cost less any provision for impairment. The trustees perform an impairment review of the programme related investments, on a line by line basis, taking into consideration the financial performance, macro-economic factors of the jurisdiction, micro-economic factors and the political landscape surrounding the investments. There is an inevitable degree of judgement involved and the accuracy of any impairment can only be ascertained when the trustees start the disinvestment process.

3 Donations and legacies

	Unrestricted funds 2024 \$	Restricted funds 2024 \$	Total 2024 \$	Unrestricted funds 2023 \$	Restricted funds 2023 \$	Total 2023 \$
Donations and gifts	253,927	279,800	533,727	65,000	461,123	526,123

4 Investments

	Unrestricted funds 2024 \$	Unrestricted funds 2023 \$
Income from programme related investments	5,220	56,963

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Charitable activities

	2024 \$	2023 \$
Management of programme related investments	121,032	101,799
Support costs (see note 7)	3,870	2,607
Governance costs (see note 7)	17,258	23,093
	<u>142,160</u>	<u>127,499</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Support costs

	Support costs \$	Governance costs \$	2024 \$	2023 \$
Bank charges	1,604	-	1,604	1,113
Sundry	2,266	-	2,266	1,494
Legal and professional	-	2,761	2,761	4,022
Audit and non-audit remuneration paid to auditors	-	14,213	14,213	19,071
Trustees' expenses	-	284	284	-
	<u>3,870</u>	<u>17,258</u>	<u>21,128</u>	<u>25,700</u>

8 Employees

The charity did not have any employees during the current or prior year.

9 Other gains and losses

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023
Foreign exchange losses/(gains)	<u>(443)</u>	<u>12,611</u>	<u>12,168</u>	<u>5,585</u>

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Net gains/(losses) on investments

	Total 2024 \$	Total 2023 \$
Revaluation of investments	(210,414)	(75,347)

12 Fixed asset investments

		Other investments \$
Cost or valuation		
At 1 April 2023 & 31 March 2024		803
Carrying amount		
At 31 March 2024		803
At 31 March 2023		803
Other investments comprise:		
	Notes	2024 \$
Investments in subsidiaries	21	803

13 Programme related investments

	\$
At 1 April 2023	1,852,849
Additions	324,758
Impairments	(210,414)
Recovered amounts	(27,214)
At 31 March 2024	1,939,979

Programme related investments arise when OPES-LCEF provides financial support in the form of low-interest loans and/or equity stakes to small entrepreneurial businesses engaged in low-carbon and social impact enterprises.

Programme related investments comprise \$706,285 (2023: \$431,285) of investments made from restricted funds and \$1,283,694 (2023: \$1,421,564) of investments made from unrestricted funds.

The historical cost of the charity's programme related investments held at 31 March 2024 was \$2,281,701 (2023: \$2,051,503).

Included within programme related investments is an investment in an associate, Fabrica SRL, which has a carrying value of \$169,500.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

14 Other receivables

	2024	2023
	\$	\$
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	-	595
Other receivables	135,139	-
	<u>135,139</u>	<u>595</u>

15 Current liabilities

	2024	2023
	\$	\$
Accruals and deferred income	<u>24,196</u>	<u>25,714</u>

16 Non-current liabilities

	2024	2023
	\$	\$
Concessionary loans	<u>565,000</u>	<u>573,839</u>

Concessionary loan comprise \$500,000 from the DOEN Foundation in respect of funding for the Restart Catalyst Fund and \$65,000 from Fondazione OPES-LCEF in respect of funding for operating costs. The \$500,000 in respect of funding for the Restart Catalyst Fund (see note 18) is interest free, unsecured and repayable by February 2029, subject to a potential waiver of part of the loan, dependent on certain performance conditions. The \$65,000 in respect of funding for operating costs is interest free, unsecured and repayable at the discretion of OPES-LCEF itself.

In the prior year there was a further a concessionary loan from Stichting DOEN of \$600,000 of which \$258,839 was outstanding. In the year, a further \$5,000 was repaid following which the loan was closed by Stichting DOEN on the condition that a minimum of 50% of any repayments or exits from programme related investments financed by this loan are injected into the Restart Catalyst Fund.

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2024
	\$	\$	\$	\$	\$	\$
General funds	<u>1,108,935</u>	<u>259,147</u>	<u>(20,685)</u>	<u>21,128</u>	<u>(210,414)</u>	<u>1,158,111</u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2023
	\$	\$	\$	\$	\$	\$
General funds	<u>1,003,480</u>	<u>121,963</u>	<u>(133,084)</u>	<u>191,923</u>	<u>(75,347)</u>	<u>1,108,935</u>

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Restricted funds

The income funds of the charity include restricted funds which are held on trust for the specific purposes of the Restart Fund for East Africa, Restart Catalyst Fund, and the Giffoni Innovation Hub.

Current year

	Movement in funds			
	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers
	\$	\$	\$	\$
Restart Fund For East Africa	452,516	-	-	-
Restart Catalyst Fund	269,200	267,189	(121,032)	(21,128)
	<u>721,716</u>	<u>267,189</u>	<u>(121,032)</u>	<u>(21,128)</u>
	<u>846,745</u>			

Prior year

	Movement in funds			
	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers
	\$	\$	\$	\$
Restart Fund For East Africa	452,516	-	-	-
Giffoni Innovation Hub	-	191,923	-	(191,923)
Restart Catalyst Fund	-	269,200	-	-
	<u>452,516</u>	<u>(461,123)</u>	<u>-</u>	<u>191,923</u>
	<u>721,716</u>			

Restart Fund for East Africa

In 2021, grants totalling \$450,000 were received from the DOEN Foundation and the Good Energies Foundation for the Restart Fund for East Africa. Restart Fund for East Africa targets promising impact-driven enterprises affected by Covid-19 directly or indirectly or those enterprises that have come up with innovative solutions for a more sustainable future. The initiative focuses on the following sectors: Sustainable Agriculture & Food, Sustainable Energy, Education & Skilling, and Mobility & Transportation.

As at 31 March 2024, the charity had invested \$75,000 in Munyox Eco Ltd, a company registered in Rwanda which provides solar water heaters, energy access systems as well as providing electric power generation, there was capital repayments of \$18,715 in the year, \$100,000 in WidEnergy Africa Ltd, a company registered in Zambia which provides affordable solar home solutions, \$100,000 in Exotic EPZ Ltd, a company registered in Kenya which collects and processes macadamia nuts for the export market, \$100,000 in Ecodulu Ltd, a company registered in Kenya who recycles organic waste into animal feed and organic fertilizer, and \$75,000 in Kilimo Fresh, a company registered in Tanzania, which offers a platform linking smallholder farmers and buyers in urban areas. Total invested as at 31 March 2024; \$452,516, which is included in programme related investments, see note 13.

Giffoni Innovation Hub

A donation of \$191,923 was received on 7 December 2022 from Fondazione OPES-LCEF solely for the purpose of investing in Giffoni Innovation Hub Srl. Following the completion of the investment on 15 December 2022 the restriction placed on the above donation has been satisfied. Accordingly, it fell to be classified as unrestricted funds in the prior year.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Restricted funds

(Continued)

Restart Catalyst Fund

During the prior year, a grant totaling \$269,200 was received from the Good Energies Foundation for the Restart Catalyst Fund. Furthermore, OPES-LCEF received a loan from the DOEN Foundation of \$500,000 (see note 16) to fund programme related investments in respect of the Restart Catalyst Fund. During the current year OPES-LCEF received a further \$267,189 (in the form of a donation of €250,000) from Fondazione Umano Progresso in respect of the Restart Catalyst Fund. The Restart Catalyst Fund targets early stage enterprises in East Africa that work on impact-led solutions for a sustainable and inclusive climate resilient future for all.

As at 31 March 2024, the charity had invested \$200,000 in Shamba Pride Ltd, a company registered in Kenya which connects smallholder farmers to different services through digitally empowered argo-dealers called "Digi-shops" and \$75,000 in Irri-Hub Ltd, a company registered in Kenya which provides climate smart irrigation solutions for smallholder farmers. Total invested as at 31 March 2024; \$275,000, which is included in programme related investments, see note 13.

The funds not yet deployed will be deployed by OPES-LCEF in the year ending 31 March 2025.

The budget for Restart Catalyst Fund comprises a line for governance costs and audit fees. Accordingly, a transfer of \$21,128 has been made to the charity's unrestricted reserves.

19 Analysis of net assets between funds

	Unrestricted funds 2024 \$	Restricted funds 2024 \$	Total 2024 \$	Unrestricted funds 2023 \$	Restricted funds 2023 \$	Total 2023 \$
Fund balances at 31 March 2024 are represented by:						
Investments	803	-	803	803	-	803
Programme related assets	1,233,694	706,285	1,939,979	1,421,564	431,285	1,852,849
Current assets/(liabilities)	(11,386)	640,460	629,074	10,407	540,431	550,838
Long term liabilities	(65,000)	(500,000)	(565,000)	(323,839)	(250,000)	(573,839)
	<u>1,158,111</u>	<u>846,745</u>	<u>2,004,856</u>	<u>1,108,935</u>	<u>721,716</u>	<u>1,830,651</u>

20 Capital commitments

An agreement is in place between OPES-LCEF and Fabrica s.r.l. for the charity to invest a total of €300,000 in the company, that will help make impact investments in early-stage enterprises that tackle critical social issues.

As at 31 March 2024, the charity has invested €156,789 of the total commitment.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

21 Subsidiaries

These financial statements are separate charity financial statements for OPES-LCEF.

Details of the charity's subsidiaries at 31 March 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
OPES-LCEF Consulting Limited	Kenya	Consultancy services	Ordinary	100.00	

22 Related party transactions

Included in programme related investments is \$169,500 (2023: \$119,742) representing an equity stake in Fabrica s.r.l., a company registered in Italy, in which the spouse of a E Casolari is a director on a complete pro-bono basis.

During the prior year OPES-LCEF received donations of \$256,293 from Fondazione OPES-LCEF, a charity registered in Italy with common trustees. No such donations were received in the current year.

Fondazione OPES-LCEF also advanced \$65,000 to OPES-LCEF, by way of loan, during the prior year. The full balance remained outstanding at the year end. See note 15.

During the year OPES-LCEF paid \$29,496 (2023: \$nil) to its subsidiary, OPES-LCEF Consulting Limited.

During the year OPES-LCEF paid \$284 for trustee's expenses.

OPES-LCEF

England & Wales - Charity number 1147678

Accounts

Charity registration number 1147678

Company registration number 07976404 (England and Wales)

OPES-LCEF

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

OPES-LCEF

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Casolari G Freato B Wenz
Charity number	1147678
Company number	07976404
Registered office	Devonshire House 1 Devonshire Street London W1W 5DR
Auditor	Citroen Wells Chartered Accountants Devonshire House 1 Devonshire Street London W1W 5DR
Bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN
Solicitors	IBB Solicitors Capital Court 30 Windsor Street Uxbridge Middlesex UB8 1AB

OPES-LCEF

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OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

OPES-LCEF's object, as set out in Paragraph 3 of its Articles of Association is "to promote for the benefit of the public sustainable development by the preservation, conservation, and protection of the physical and natural environment and to relieve poverty, suffering and hardship in any part of the world. Sustainable development means development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

OPES-LCEF is a charitable company registered in England. In meeting its objectives, OPES-LCEF supports a portfolio of low-carbon and social impact enterprises.

OPES-LCEF selects ventures to invest in that have a clear low carbon and social impact, in doing this OPES-LCEF supports sustainable development and the creation of local livelihoods. OPES-LCEF works with a wide range of partners to achieve its goals. It works with not-for-profit, private, and public sector organisations, both overseas and in the UK.

OPES-LCEF seeks through its programmes and partnerships to provide financial resources in a way that results in a better global environment achieved through sustainable and equitable development.

OPES-LCEF aims to be a responsive and learning organisation that is knowledgeable about the development, aspirations, needs, culture, and environment of its partners. It is committed to encouraging diversity, professionalism, and contestability of ideas among all its members, staff and volunteers.

In 2012, OPES-LCEF (under its previous name LCEF II) entered into a loan agreement with the DOEN Foundation, a Dutch not-for-profit organisation, to support low-carbon enterprises. These funds were used to provide financial support (equity and/or debt) for small-scale enterprises in lower-income countries that are developing and/or delivering low carbon service or products. In total, seven social enterprises have been supported of which two are still in our portfolio.

In 2019, OPES-LCEF received donations from Stichting Opint, a Dutch not-for-profit organisation, in the form of unrestricted cash donations and assets in the form of social enterprises portfolio debt/equity contracts.

In 2020, OPES-LCEF received recoverable grants and grants from the DOEN Foundation and the Good Energies Foundation for the facility "Restart East Africa". Restart East Africa targeted promising impact enterprises affected by Covid-19 directly or indirectly or those enterprises which had come up with innovative solutions tackling social and environmental issues. Special attention was given to enterprises founded by local female-founders. Within the Restart East Africa program, five social enterprises were supported (see below).

In 2022, OPES-LCEF presented the "Restart Catalyst" facility to the DOEN Foundation and the Good Energies Foundation to continue supporting female founded or co-founded social enterprises in East Africa.

OPES-LCEF ensures that capital is deployed amongst a diverse portfolio of entrepreneurs and beneficiaries.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing OPES-LCEF's aims and objectives and when planning future activities and setting the loan-making policy for the next year.

OPES-LCEF supports environmental, community and sustainable development causes that are of benefit to the public through appropriate charitable, educational, and scientific means. Specifically, OPES-LCEF provides financial and technical support to low-carbon entrepreneurs in the developing world. Emphasis is placed on ventures that also offer broader social benefits to the communities in which they operate. These include protecting local livelihoods, increasing access to clean energy for off-grid communities, creating access to clean water, and supporting sustainable employment.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

The coronavirus pandemic hit society in 2021/2022. It was foremost a health emergency, but also dramatically hit the economy. Many small businesses were forced to shut down temporarily or close permanently. During this unprecedented crisis, OPES-LCEF developed the “Restart East Africa” facility that received support from the DOEN Foundation and the Good Energies Foundation.

Restart East Africa targeted promising impact-driven enterprises affected by Covid-19 directly or indirectly and focused on the following sectors: Sustainable Agriculture & Food, Sustainable Energy, Education & Skilling, and Mobility & Transportation. Special attention was given to women-founded or co-founded local teams.

The facility has been fully invested and has supported five social enterprises:

- **Munyak Eco Ltd, Rwanda**, is providing access to clean and affordable energy solutions (solar water heaters, energy access systems, and electric power generation).
- **WidEnergy Africa Ltd, Zambia**, is a last-mile distributor providing clean energy solutions. The company leverages a PAYGO model and is the official distributor of Little Sun solar products (solar lamps, solar phone chargers) and is a partner of d.light to provide solar home systems.
- **Exotic EPZ Ltd, Kenya**, collects and processes macadamia nuts for the export market; The company sources quality unprocessed macadamia nuts-in-shell directly from more than 1.800 small holder farmers.
- **Ecodudu Ltd, Kenya**, is a waste-to-value company operating in the animal feed and agricultural inputs value chain. Ecodudu recycles organic waste into high-protein animal food and organic fertilizer using black soldier flies.
- **Kilimo Fresh, Tanzania**, offers a platform linking smallholder farmers and buyers in urban areas in Tanzania. It aggregates demand and matches supply for the delivery of fresh produce.

Based on the success of the “Restart East Africa” initiative, the DOEN Foundation and the Good Energies Foundation decided to support a new facility “**Restart Catalyst**” which will work at the intersection of **Climate, Impact & Gender** by supporting organisations with gender diverse teams and African local ownership. “Restart Catalyst” will use an impact incentive-linked investment instrument.

Furthermore, regarding the companies in the current portfolio, OPES-LCEF made the second tranche investment in Giffoni Innovation Hub as the impact objectives were reached according to the terms of the investment agreement. Kingo's series C shareholders exercised their Shortfall Drag-Along Right and Kingo ceased its activities while a new company assumed its rights and obligations. Remaining stake in Kingo has been written off.

To better support the operations in East Africa, OPES-LCEF Consulting Limited was established in the end of 2022. The company is fully owned by OPES-LCEF.

Finally, the “sister organization” in Italy, Fondazione Opes Lcef, has supported the Trust by providing grants (both restricted and non-restricted) and a loan.

External Events

The Covid-19 pandemic, and the measures to control its human impact, have resulted in disruptions to economic activity and business operations worldwide.

Furthermore, the invasion of the Russian armed forces in the Ukraine on 24 February 2022 is having – as far as predictable at all – substantial short-term and long-term consequences on all areas of the economy. Many companies have been severely affected by this unfortunately long-lasting conflict and disruption. Even if the portfolio companies have not direct ties and commercial relationships with Ukraine or Russia and their supply chain have not been damaged, we cannot rule out that in the foreseeable future they will be consequences also for these companies.

OPES-LCEF has undertaken an assessment of its plans, as part of its continuity and contingency planning, and the trustees believe it is well placed financially and operationally to withstand the uncertainties ahead. At the date of approval of the financial statements, OPES-LCEF is unable to determine a reliable estimate of the financial impact of the two events on its financial performance and position. The trustees have a reasonable expectation that OPES-LCEF has adequate resources to continue in operational existence for the foreseeable future.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The Statement of Financial Activities, which shows the OPES-LCEF's incoming resources and expenditure for the year, is set out on page 9.

Total incoming resources amount to \$583,086 (2022: \$213,371), which comprised restricted donations of \$461,123 (2022: \$206,212), unrestricted donations of \$65,000 (2022: \$nil), and investment income from programme related investments of \$56,963 (2022: \$7,159).

Resources expended on charitable activities amounted to \$127,499 (2022: \$136,347), of which \$101,799 (2022: \$104,536) was defrayed on management of programme related investments and \$25,700 (2022: \$31,811) defrayed on support and governance costs.

OPES-LCEF made foreign exchange losses on its cash balances held in GBP of \$5,585 (2022: \$5,400). In the year OPES-LCEF made impairment losses on its programme-related investments of \$75,347 (2022: \$nil).

The resulting net surplus for the year was \$374,655 (2022: \$71,624).

The charity's statement of financial position, which shows the financial position of the charity as at 31 March 2023, is set out on page 10.

The net book value of the OPES-LCEF's programme related investments at 31 March 2023 was \$1,852,849 (2022: \$1,577,339).

During the year, the entity incorporated a subsidiary in Kenya, OPES-LCEF Consulting Limited, subscribing for share capital of \$803.

Current assets are represented by cash of \$575,957 (2022: \$158,600) and amounts due from the subsidiary of \$595 (2022: \$nil).

OPES-LCEF's liabilities are represented by current liabilities of \$25,714 (2022: \$21,104) and non-current liabilities including long term loans of \$573,839 (2022: \$258,839).

The resulting net assets at 31 March 2023 were \$1,830,651 (2022: \$1,455,996), which represents \$721,716 (2022: \$452,516) of restricted funds, and \$1,108,935 (2022: \$1,003,480) of unrestricted funds.

Reserves policy

It is the policy of OPES-LCEF that free reserves which have not been designated for a specific use or applied to make loans in accordance with its general objects, should be maintained at a level equivalent to at least six months' expenditure, that is, approximately \$65,000. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue OPES-LCEF's current activities while consideration is given to ways in which additional funds may be raised. At 31 March 2023, OPES-LCEF had free reserves of \$10,407. OPES-LCEF has received donations post year end which result in free reserves being brought back in line with the reserves policy.

Risk factors

The trustees have identified, monitored, and reviewed significant risks and have implemented systems and processes to manage and mitigate those risks. The main risks are associated with the financial viability of the investee companies, and their ability to deliver environmental and social benefits for low income communities. The trustees review each investee company during trustee meetings. Where trustees decide that the investee company is unlikely to succeed, the trustees may consider writing down or writing off the investment. No recoverability issues surrounding these loans were identified. The trustees are satisfied with the current risk management procedures in place which they believe satisfactorily mitigate the identified risks.

Plans for future periods

OPES-LCEF's future plans are to continue to support low carbon and social enterprise entities to benefit low income communities. OPES-LCEF plans to continually support its existing portfolio of programme related investments, to ensure they work in the most efficient and effective way towards achieving their objectives, and will explore opportunities for further funding and investments, in accordance with OPES-LCEF's objectives.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

OPES-LCEF is a company limited by guarantee, incorporated on 5 March 2012. OPES-LCEF is also a registered charity and is governed by its Memorandum and Articles of Association and the Charities Act 2011. The objectives of OPES-LCEF are as follows:

- To promote for the benefit of the public, sustainable development by the preservation, conservation and protection of the physical and natural environment.
- To relieve poverty, suffering and hardship in any part of the world.

Sustainable development means "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E Casolari

G Freato

B Wenz

None of the trustees have any beneficial interest in OPES-LCEF. All of the trustees are members of the company and guarantee to contribute \$1 in the event of a winding up.

Board members use their own network of contacts to identify suitable candidates possessing the necessary knowledge and skills to act as trustees of OPES-LCEF. At the present time, OPES-LCEF has three trustees, which is considered adequate for its purposes. In accordance with paragraph 8.2 of OPES-LCEF's Articles of Association the number of trustees shall not be less than three.

Trustees are recruited on the basis of their existing relevant knowledge. Information relating to OPES-LCEF's legal status, finances and activities are provided in advance of appointment. Trustees are expected to identify their training needs and to take measures to ensure that these needs are met.

The trustees may appoint or re-appoint a person who is willing to be a trustee, either to fill a vacancy or as an additional trustee.

The normal term of office for a trustee is three years. A trustee will be eligible for re-election for two further terms of three years.

After a trustee has served three consecutive terms in office, he or she shall be eligible for re-election only after a year has elapsed since he or she retired, unless the board considers it would be in the best interests of OPES-LCEF to be eligible for re-election on his or her retirement for such number of terms as the trustees shall resolve.

OPES-LCEF's policy is set by the trustees. The trustees are also responsible for the management of the charity. Two consultants support the trustees for the day-to-day management, i.e. monitoring and risk assessment of current portfolio, providing management and technical support the entrepreneurs, and identifying and developing relationships with new enterprises.

Fundraising statement

OPES-LCEF's fundraising model has been focused on existing relationships with institutions, and OPES-LCEF does not solicit or directly contact members of the public.

OPES-LCEF has not engaged with third parties to raise funds. No complaints were received in relation to OPES-LCEF's fundraising activities.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of OPES-LCEF for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' report was approved by the Board of Trustees.

E Casolari

Trustee

Dated: 31 October 2023

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OPES-LCEF

Opinion

We have audited the financial statements of OPES-LCEF (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the statement of financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF OPES-LCEF

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charity'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 charitable company 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 (UK) 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.

The extent to which the audit was considered capable of detecting irregularities including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are those that relate to the reporting framework being the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Charities Act 2011, and the relevant direct and indirect tax compliance regulation in the United Kingdom.
- We understood how the charitable company is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance. We corroborated our understanding by reviewing supporting documentation including board meeting minutes and correspondence with regulatory bodies.

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF OPES-LCEF

- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating income recognition as a fraud risk. We tested specific transactions reconciling to source documentation, ensuring appropriate authorisation of the transactions, and ensuring that income was applied in accordance with the charitable company's Memorandum and Articles of Association and the restricted terms of grants and donations, where applicable.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of investments made, review of legal and professional expenses and review of board meeting minutes.
- The charitable company is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hannah Sibley FCA (Senior Statutory Auditor)
for and on behalf of Citroen Wells

8 November 2023

Chartered Accountants
Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

OPES-LCEF

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 \$	Restricted funds 2023 \$	Total 2023 \$	Unrestricted funds 2022 \$	Restricted funds 2022 \$	Total 2022 \$
Income from:							
Donations and legacies	3	65,000	461,123	526,123	-	206,212	206,212
Investments	4	56,963	-	56,963	7,159	-	7,159
Total income		121,963	461,123	583,086	7,159	206,212	213,371
Expenditure on:							
Charitable activities	5	127,499	-	127,499	136,347	-	136,347
Other gains and losses	9	5,585	-	5,585	5,400	-	5,400
Total expenditure		133,084	-	133,084	141,747	-	141,747
Net gains/(losses) on investments	10	(75,347)	-	(75,347)	-	-	-
Net (outgoing)/incoming resources before transfers		(86,468)	461,123	374,655	(134,588)	206,212	71,624
Gross transfers between funds		191,923	(191,923)	-	206,212	(206,212)	-
Net movement in funds		105,455	269,200	374,655	71,624	-	71,624
Fund balances at 1 April 2022		1,003,480	452,516	1,455,996	931,856	452,516	1,384,372
Fund balances at 31 March 2023		1,108,935	721,716	1,830,651	1,003,480	452,516	1,455,996

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

OPES-LCEF

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	2023 \$	\$	2022 \$	\$
Fixed assets					
Investments	11	803		-	
Programme related investments	12	1,852,849		1,577,339	
		<u>1,853,652</u>		<u>1,577,339</u>	
Current assets					
Other receivables	13	595		-	
Cash at bank and in hand		575,957		158,600	
		<u>576,552</u>		<u>158,600</u>	
Current liabilities	14	(25,714)		(21,104)	
Net current assets		<u>550,838</u>		<u>137,496</u>	
Total assets less current liabilities		<u>2,404,490</u>		<u>1,714,835</u>	
Non-current liabilities	15	(573,839)		(258,839)	
Net assets		<u><u>1,830,651</u></u>		<u><u>1,455,996</u></u>	
Income funds					
Restricted funds	16	721,716		452,516	
Unrestricted funds		1,108,935		1,003,480	
		<u><u>1,830,651</u></u>		<u><u>1,455,996</u></u>	

The financial statements were approved by the Trustees on 31 October 2023

E Casolari
Trustee

Company Registration No. 07976404

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

OPES-LCEF is a private company limited by guarantee incorporated in England and Wales. The registered office is Devonshire House, 1 Devonshire Street, London, W1W 5DR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in US dollars, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest \$.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The trustees have considered the impact of the coronavirus pandemic further in the Trustees' Report.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably and it is probable that income will be received.

Grants are credited to the Statement of Financial Activities when they are receivable. Grants that are awarded for specific purposes are treated as restricted incoming resources.

All other income is unrestricted for the use of achieving the charity's objectives.

1.5 Resources expended

Expenditure is included on an accruals basis. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Programme related investments

Programme related investments are accounted for at cost less any impairment.

Programme related investments arise when OPES-LCEF provides financial support in the form of low interest loans and/or equity stakes to small entrepreneurial businesses seeking to build a low carbon business.

The expectation is that the loans will be repaid. The trustees review the loans every six months and if there is a risk of non-payment, the loans are provided for.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in OPES-LCEF's balance sheet when the OPES-LCEF becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include cash and bank balances and other receivables, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including other payables and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when OPES-LCEF's contractual obligations expire or are discharged or cancelled.

1.9 Foreign exchange

Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.10 Concessionary loans

Concessionary loans are initially measured at amortised cost and then subsequently stated at carrying value adjusted for accrued interest payable.

2 Critical accounting estimates and judgements

In the application of OPES-LCEF's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Programme related investments

Programme related investments are stated at cost less any provision for impairment. The trustees' have assessed the recoverability of investments made and economic benefit of investments based on market conditions and cashflow estimates. There is an inevitable degree of judgement involved and the valuations of the investments can only ultimately be reliably tested in the market itself.

3 Donations and legacies

	Unrestricted funds 2023 \$	Restricted funds 2023 \$	Total 2023 \$	Restricted funds 2022 \$
Donations and gifts	65,000	461,123	526,123	206,212

4 Investments

	Unrestricted funds 2023 \$	Unrestricted funds 2022 \$
Income from programme related investments	56,963	7,159

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities

	2023 \$	2022 \$
Management of programme related investments	101,799	104,536
Support costs (see note 7)	2,607	3,327
Governance costs (see note 7)	23,093	28,484
	<u>127,499</u>	<u>136,347</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Support costs

	Support costs \$	Governance costs \$	2023 \$	2022 \$
Bank charges	1,113	-	1,113	1,154
Sundry	1,494	-	1,494	2,173
Legal and professional	-	4,022	4,022	6,567
Accountancy/independent examination fees	-	19,071	19,071	21,917
	<u>2,607</u>	<u>23,093</u>	<u>25,700</u>	<u>31,811</u>

8 Employees

The charity did not have any employees during the current or prior year.

9 Other gains and losses

	Unrestricted funds 2023	Unrestricted funds 2022
Foreign exchange losses/(gains)	<u>5,585</u>	<u>5,400</u>

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Net gains/(losses) on investments

	Total 2023 \$	Total 2022 \$
Revaluation of investments	(75,347)	-
	<u> </u>	<u> </u>

11 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2022	-
Additions	803
	<u> </u>
At 31 March 2023	803
	<u> </u>
Carrying amount	
At 31 March 2023	803
	<u> </u>
At 31 March 2022	-
	<u> </u>

	Notes	2023 \$	2022 \$
Other investments comprise:			
Investments in subsidiaries	19	803	-
		<u> </u>	<u> </u>

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Programme related investments

	\$
At 1 April 2022	1,577,339
Additions	374,237
Impairments	(75,347)
Recovered amounts	(23,380)
At 31 March 2023	1,852,849

Programme related investments arise when OPES-LCEF provides financial support in the form of low-interest loans and/or equity stakes to small entrepreneurial businesses engaged in low-carbon and social impact enterprises.

Programme related investments comprise \$431,285 (2022: \$375,000) of investments made from restricted funds and \$1,421,564 (2022: \$1,202,339) of investments made from unrestricted funds.

The historical cost of the charity's programme related investments held at 31 March 2023 was \$2,051,503 (2022: \$1,757,608).

13 Other receivables

	2023 \$	2022 \$
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	595	-

14 Current liabilities

	2023 \$	2022 \$
Accruals and deferred income	25,714	21,104

15 Non-current liabilities

	2023 \$	2022 \$
Concessionary loans	573,839	258,839

Concessionary loans comprise \$258,839 from Stichting DOEN in respect of funding for programme related investments, \$250,000 from the DOEN Foundation in respect of funding for the Restart Catalyst Fund and \$65,000 from Fondazione OPES-LCEF in respect of funding for operating costs. The \$258,839 in respect of funding for programme related investments is interest free, unsecured and repayable upon receipt of amounts recovered from the programme related investments the loan has funded. The \$250,000 in respect of funding for the Restart Catalyst Fund (see note 16) is interest free, unsecured and repayable by February 2029, subject to the potential waiver of part of the loan, dependent on certain performance conditions. The \$65,000 in respect of funding for operating costs is interest free, unsecured and repayable at the discretion of OPES-LCEF itself.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Restricted funds

The income funds of the charity include restricted funds which are held on trust for the specific purposes of the Restart Fund for East Africa, Restart Catalyst Fund, and the Giffoni Innovation Hub.

	Movement in funds			Movement in funds			
	Balance at 1 April 2021	Incoming resources	Transfers	Balance at 1 April 2022	Incoming resources	Transfers	Balance at 31 March 2023
	\$	\$	\$	\$	\$	\$	\$
Restart Fund For East Africa	452,516	-	-	452,516	-	-	452,516
Giffoni Innovation Hub	-	206,212	(206,212)	-	191,923	(191,923)	-
Restart Catalyst Fund	-	-	-	-	269,200	-	269,200
	<u>452,516</u>	<u>206,212</u>	<u>(206,212)</u>	<u>452,516</u>	<u>461,123</u>	<u>(191,923)</u>	<u>721,716</u>

Restart Fund for East Africa

In 2021, grants totalling \$450,000 were received from the DOEN Foundation and the Good Energies Foundation for the Restart Fund for East Africa. Restart Fund for East Africa targets promising impact-driven enterprises affected by Covid-19 directly or indirectly or those enterprises that have come up with innovative solutions for a more sustainable future. The initiative focuses on the following sectors: Sustainable Agriculture & Food, Sustainable Energy, Education & Skilling, and Mobility & Transportation.

As at 31 March 2023, the charity had invested \$75,000 in Munyox Eco Ltd, a company registered in Rwanda which provides solar water heaters, energy access systems as well as providing electric power generation, there was capital repayments of \$18,715 in the year, \$100,000 in WidEnergy Africa Ltd, a company registered in Zambia which provides affordable solar home solutions, \$100,000 in Exotic EPZ Ltd, a company registered in Kenya which collects and processes macadamia nuts for the export market, \$100,000 in Ecodulu Ltd, a company registered in Kenya who recycles organic waste into animal feed and organic fertilizer, and \$75,000 in Kilimo Fresh, a company registered in Tanzania, which offers a platform linking smallholder farmers and buyers in urban areas. Total invested as at 31 March 2023; \$450,000.

Giffoni Innovation Hub

A donation of \$191,923 was received on 7 December 2022 from Fondazione OPES-LCEF solely for the purpose of investing in Giffoni Innovation Hub Srl. Following the completion of the investment on 15 December 2022 the restriction placed on the above donation has been satisfied. Accordingly, it falls to be classified as unrestricted funds.

Restart Catalyst Fund

During the year, a grant totaling \$269,200 was received from the Good Energies Foundation for the Restart Catalyst Fund. Furthermore, OPES-LCEF received a loan from the DOEN Foundation of \$250,000 (see note 15) to fund programme related investments in respect of the Restart Catalyst Fund. The Restart Catalyst Fund targets early stage enterprises in East Africa that work on impact-led solutions for a sustainable and inclusive climate resilient future for all. The funds received will be deployed by OPES-LCEF in the year ended 31 March 2024.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Analysis of net assets between funds

	Unrestricted funds 2023 \$	Restricted funds 2023 \$	Total 2023 \$	Unrestricted funds 2022 \$	Restricted funds 2022 \$	Total 2022 \$
Fund balances at 31 March 2023 are represented by:						
Investments	803	-	803	-	-	-
Programme related assets	1,421,564	431,285	1,852,849	1,202,339	375,000	1,577,339
Current assets/(liabilities)	10,407	540,431	550,838	59,980	77,516	137,496
Long term liabilities	(323,839)	(250,000)	(573,839)	(258,839)	-	(258,839)
	<u>1,108,935</u>	<u>721,716</u>	<u>1,830,651</u>	<u>1,003,480</u>	<u>452,516</u>	<u>1,455,996</u>

18 Related party transactions

Included in programme related investments is \$119,742 (2022: \$68,887) representing an equity stake in Fabrica s.r.l., a company registered in Italy, in which the spouse of a E Casolari is a director on a complete pro-bono basis.

During the year the OPES-LCEF received donations of \$256,923 (2022: \$206,212) from Fondazione OPES-LCEF, a charity registered in Italy with common trustees.

Fondazione OPES-LCEF also advanced \$65,000 to OPES-LCEF, by way of loan, during the year. The full balance remains outstanding at the year end. See note 15.

During the year OPES-LCEF advanced \$595 to its subsidiary, OPES-LCEF Consulting Limited, which remains outstanding at the year end. The balance is interest free, unsecured and repayable on demand.

19 Subsidiaries

These financial statements are separate charity financial statements for OPES-LCEF.

Details of the charity's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
OPES-LCEF Consulting Limited	Kenya	Consultancy services	Ordinary	99.00

OPES-LCEF

England & Wales - Charity number 1147678

Accounts

Charity Registration No. 1147678

Company Registration No. 07976404 (England and Wales)

OPES-LCEF

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

OPES-LCEF

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Casolari G Freato B Wenz
Charity number	1147678
Company number	07976404
Registered office	Devonshire House 1 Devonshire Street London W1W 5DR
Auditor	Citroen Wells Chartered Accountants Devonshire House 1 Devonshire Street London W1W 5DR
Bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN
Solicitors	IBB Solicitors Capital Court 30 Windsor Street Uxbridge Middlesex UB8 1AB

OPES-LCEF

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Statement of financial position	10
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OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

OPES-LCEF's objects, as set out in Paragraph 3 of its Articles of Association is "to promote for the benefit of the public sustainable development by the preservation, conservation and protection of the physical and natural environment and to relieve poverty, suffering and hardship in any part of the world. Sustainable development means development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

OPES-LCEF is a charitable company registered in England. In meeting its objectives, OPES-LCEF supports a portfolio of low carbon and social impact enterprises.

OPES-LCEF selects ventures to invest in that have a clear low carbon and social impact, in doing this OPES-LCEF supports sustainable development and the creation of local livelihoods. OPES-LCEF works with a wide range of partners to achieve its goals. It works with not-for-profit, private and public sector organisations, both overseas and in the UK.

OPES-LCEF seeks through its programmes and partnerships to provide financial resources in a way that results in a better global environment achieved through sustainable and equitable development.

OPES-LCEF aims to be a responsive and learning organisation that is knowledgeable about the development, aspirations, needs, culture and environment of its partners. It is committed to encouraging diversity, professionalism and contestability of ideas among all its members, staff and volunteers.

In 2012, OPES-LCEF (under its previous name LCEF II) entered into a loan agreement with the DOEN Foundation, a Dutch not-for-profit organisation, to support low carbon enterprises. These funds were used to provide financial support (equity and/or debt) for small-scale enterprises in lower income countries that are developing and/or delivering low carbon service or products. In total, seven social enterprises have been supported of which three are still in our portfolio.

In 2019, OPES-LCEF received donations from Stichting Opint, a Dutch not-for-profit organisation, in the form of unrestricted cash donations and assets in the form of social enterprises portfolio debt/equity contracts.

In 2020, OPES-LCEF received grants from the DOEN Foundation and the Good Energies Foundation for the facility "Restart East Africa" that OPES-LCEF launched in that year. Restart East Africa targets promising Impact enterprises affected by Covid-19 directly or indirectly or those enterprises which have come up with innovative solutions tackling social and environmental issues.

OPES-LCEF uses a gender lens approach when deploying capital. Particular attention is paid to female entrepreneurship, for the development of which fewer resources are available globally (in 2020 less than 7% of the world's Venture Capital resources were allocated to start-ups with female leadership). To address this profound asymmetry and help bridge that gap, the foundation has incorporated "gender lens investing" into its vision.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing OPES-LCEF's aims and objectives and when planning future activities and setting the loan making policy for the next year.

OPES-LCEF supports environmental, community and sustainable development causes that are of benefit to the public through appropriate charitable, educational and scientific means. Specifically, OPES-LCEF provides financial and technical support to low carbon entrepreneurs in the developing world. Particular emphasis is placed on ventures that also offer broader social benefits to the communities in which they operate. These include protecting local livelihoods, increasing access to clean energy for off-grid communities, creating access to clean water and supporting sustainable employment.

Achievements and performance

The coronavirus pandemic continued to hit society in 2021/2022. First and foremost it is a health emergency, but COVID-19 has also dramatically hit the economy. Many small businesses have been forced to shut down temporarily and are at serious risk of closing permanently. During this unprecedented crisis, OPES-LCEF has stayed close to the companies in their portfolio while developing and realizing a new facility to support early-stage impact-driven enterprises in East Africa.

In 2020, OPES-LCEF launched "Restart East Africa", an initiative realized with the support of the DOEN Foundation and the Good Energies Foundation. Restart East Africa targets promising impact-driven enterprises affected by Covid-19 directly or indirectly or those enterprises that have come up with innovative solutions for a more sustainable future. The initiative focuses on the following sectors: Sustainable Agriculture & Food, Sustainable Energy, Education & Skilling, and Mobility & Transportation.

As of 31 March 2022, Restart East Africa has supported three women-founded companies and one company with a mixed team:

- Munyax Eco Ltd, Rwanda, is providing access to clean and affordable energy solutions (solar water heaters, energy access systems, and electric power generation).
- WidEnergy Africa Ltd, Zambia, is a last mile distributor providing clean energy solutions. The company leverages a PAYGO model and are the official distributors of Little Sun solar products (solar lamps, solar phone chargers) and is a partner of d.light to provide solar home systems.
- Exotic EPZ Ltd, Kenya, collects and processes macadamia nuts for the export market; The company sources quality unprocessed macadamia nuts-in-shell directly from more than 1.800 small holder farmers.
- Ecodudu Ltd, Kenya, is a waste-to-value company operating in the animal feed and agricultural inputs value chain. Ecodudu recycles organic waste into high-protein animal food and organic fertilizer using black soldier flies.

The fifth and final investment in the Restart East Africa program has been closed in the beginning of the 2022/2023. The company from Tanzania, Kilimo Fresh, offers a platform linking smallholder farmers and buyers in urban areas in Tanzania. It aggregates demand and matches supply for delivery of fresh produce.

In addition to the launch of the Restart East Africa, OPES-LCEF invested in the Italian social enterprise Giffoni Innovation Hub with the mission of leading the cultural and digital transformation leveraging on the young people, the brand Giffoni and the common values of inclusion, education and social impact.

Furthermore, OPES-LCEF has supported its existing portfolio companies by not accruing interest for 2020 and part of 2021.

Finally, Sistema.bio the biodigester company from Mexico repaid its outstanding loan. OPES-LCEF patient loan helped to grow the Company outside of its national borders. OPES-LCEF was an active partner when establishing the Sistema.Bio subsidiary in Kenya, the first opening on the African continent.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Financial review

The Statement of Financial Activities, which shows the OPES-LCEF's incoming resources and expenditure for the year, is set out on page 9.

Total incoming resources amount to \$213,371 (2021: \$466,138), which comprised restricted donations of \$206,212 (2021: \$450,000) and investment income from programme related investments of \$7,159 (2021: \$5,383). In the prior year, OPES-LCEF also received unrestricted donations of \$10,755. There were no unrestricted donations received in the current year.

Resources expended on charitable activities amounted to \$136,347 (2021: \$228,725), of which \$104,536 (2021: \$195,803) was defrayed on management of programme related investments and \$31,811 (2021: \$32,922) defrayed on support and governance costs.

OPES-LCEF made foreign exchange losses on its cash balances held in GBP of \$5,400 (2021: gains of \$20,006). In the prior year OPES-LCEF made impairment losses on its programme related investments of \$62,872. There were no impairment losses incurred in the current year.

The resulting net surplus for the year was \$71,624 (2021: \$194,547).

The charity's statement of financial position, which shows the financial position of the charity as at 31 March 2022, is set out on page 10.

The net book value of the OPES-LCEF's programme related investments at 31 March 2022 was \$1,577,339 (2021: \$1,202,811).

Current assets are represented by cash of \$158,600 (2021: \$455,838). In the prior year, there was accrued interest receivable of \$14,321, which was received in the year.

OPES-LCEF's liabilities are represented by current liabilities of \$21,104 (2021: \$19,759) and non-current liabilities including long term loans of \$258,839 (2021: \$268,839).

The resulting net assets at 31 March 2022 were \$1,455,996 (2021: \$1,384,372), which represents \$452,516 (2021: \$452,516) of restricted funds, and \$1,003,480 (2021: \$931,856) of unrestricted funds.

Reserves policy

It is the policy of OPES-LCEF that free reserves which have not been designated for a specific use or applied to make loans in accordance with its general objects, should be maintained at a level equivalent to at least six months' expenditure, that is, approximately \$65,000. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue OPES-LCEF's current activities while consideration is given to ways in which additional funds may be raised. OPES-LCEF's free reserves at 31 March 2022, as represented by unrestricted net current assets, were \$59,980.

Risk factors

The trustees have identified, monitored, and reviewed significant risks and have implemented systems and processes to manage and mitigate those risks. The main risks are associated with the financial viability of the investee companies, and their ability to deliver environmental and social benefits for low income communities. The trustees review each investee company during trustee meetings. Where trustees decide that the investee company is unlikely to succeed, the trustees may consider writing down or writing off the investment. No recoverability issues surrounding these loans were identified. The trustees are satisfied with the current risk management procedures in place which they believe satisfactorily mitigate the identified risks.

Plans	for	future	periods
OPES-LCEF's future plans are to continue to support low carbon and social enterprise entities to benefit low income communities. OPES-LCEF plans to continually support its existing portfolio of programme related investments, to ensure they work in the most efficient and effective way towards achieving their objectives, and will explore opportunities for further funding and investments, in accordance with OPES-LCEF's objectives.			

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

OPES-LCEF is a company limited by guarantee, incorporated on 5 March 2012. OPES-LCEF is also a registered charity and is governed by its Memorandum and Articles of Association, the Charities Act 2011 and the Charities Act 2022. The objectives of OPES-LCEF are as follows:

- To promote for the benefit of the public, sustainable development by the preservation, conservation and protection of the physical and natural environment.
- To relieve poverty, suffering and hardship in any part of the world.

Sustainable development means "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E Casolari

G Freato

B Wenz

None of the trustees have any beneficial interest in OPES-LCEF. All of the trustees are members of the company and guarantee to contribute \$1 in the event of a winding up.

Board members use their own network of contacts to identify suitable candidates possessing the necessary knowledge and skills to act as trustees of OPES-LCEF. At the present time, OPES-LCEF has three trustees, which is considered adequate for its purposes. In accordance with paragraph 8.2 of OPES-LCEF's Articles of Association the number of trustees shall not be less than three.

Trustees are recruited on the basis of their existing relevant knowledge. Information relating to OPES-LCEF's legal status, finances and activities are provided in advance of appointment. Trustees are expected to identify their training needs and to take measures to ensure that these needs are met.

The trustees may appoint or re-appoint a person who is willing to be a trustee, either to fill a vacancy or as an additional trustee.

The normal term of office for a trustee is three years. A trustee will be eligible for re-election for two further terms of three years.

After a trustee has served three consecutive terms in office, he or she shall be eligible for re-election only after a year has elapsed since he or she retired, unless the board considers it would be in the best interests of OPES-LCEF to be eligible for re-election on his or her retirement for such number of terms as the trustees shall resolve.

OPES-LCEF's policy is set by the trustees. The trustees are also responsible for the management of the charity. Two consultants support the trustees for the day-to-day management, i.e. monitoring and risk assessment of current portfolio, providing management and technical support the entrepreneurs, and identifying and developing relationships with new enterprises.

Fundraising statement

OPES-LCEF's fundraising model has been focused on existing relationships with institutions, and OPES-LCEF does not solicit or directly contact members of the public.

OPES-LCEF has not engaged with third parties to raise funds. No complaints were received in relation to OPES-LCEF's fundraising activities.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Statement of trustees' responsibilities

The trustees, who are also the directors of OPES-LCEF for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Citroen Wells be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' report was approved by the Board of Trustees.

E Casolari

Trustee

Dated: 15 November 2022

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF OPES-LCEF

Opinion

We have audited the financial statements of OPES-LCEF (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the statement of financial position and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF OPES-LCEF

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charity'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 charitable company 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 (UK) 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.

The extent to which the audit was considered capable of detecting irregularities including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are those that relate to the reporting framework being the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Charities Act 2011, the Charities Act 2022 and the relevant direct and indirect tax compliance regulation in the United Kingdom.
- We understood how the charitable company is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance. We corroborated our understanding by reviewing supporting documentation including board meeting minutes and correspondence with regulatory bodies.

OPES-LCEF

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF OPES-LCEF

- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating income recognition as a fraud risk. We performed journal entry testing by specific risk criteria with a focus on journals indicating large or unusual transactions based on our understanding of the charitable company. We tested specific transactions reconciling to source documentation, ensuring appropriate authorisation of the transactions, and ensuring that income was applied in accordance with the charitable company's Memorandum and Articles of Association and the restricted terms of grants and donations, where applicable.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of investments made, review of legal and professional expenses and review of board meeting minutes.
- The charitable company is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters we are required to address

The year ended 31 March 2022 is the first period that the charitable company has had its financial statements audited. The comparative figures for the year ended 31 March 2021 have not been audited.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hannah Sibley FCA (Senior Statutory Auditor)
for and on behalf of Citroen Wells

15 November 2022

Chartered Accountants
Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

OPES-LCEF

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 \$	Restricted funds 2022 \$	Total 2022 \$	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$
Income from:							
Donations and legacies	3	-	206,212	206,212	10,755	450,000	460,755
Investments	4	7,159	-	7,159	5,383	-	5,383
Total income		7,159	206,212	213,371	16,138	450,000	466,138
Expenditure on:							
Charitable activities	5	136,347	-	136,347	228,725	-	228,725
Other gains and losses	9	5,400	-	5,400	(17,490)	(2,516)	(20,006)
Total expenditure		141,747	-	141,747	211,235	(2,516)	208,719
Net gains/(losses) on investments	10	-	-	-	(62,872)	-	(62,872)
Net (expenditure)/income before transfers		(134,588)	206,212	71,624	(257,969)	452,516	194,547
Gross transfers between funds		206,212	(206,212)	-	-	-	-
Net income for the year/ Net movement in funds		71,624	-	71,624	(257,969)	452,516	194,547
Fund balances at 1 April 2021		931,856	452,516	1,384,372	1,189,825	-	1,189,825
Fund balances at 31 March 2022		1,003,480	452,516	1,455,996	931,856	452,516	1,384,372

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

OPES-LCEF

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Notes	2022 \$	\$	2021 \$	\$
Programme related investments	11		1,577,339		1,202,811
Current assets					
Trade and other receivables	12	-		14,321	
Cash at bank and in hand		158,600		455,838	
		<u>158,600</u>		<u>470,159</u>	
Current liabilities	13	(21,104)		(19,759)	
Net current assets			<u>137,496</u>		<u>450,400</u>
Total assets less current liabilities			1,714,835		1,653,211
Non-current liabilities	14		(258,839)		(268,839)
Net assets			<u>1,455,996</u>		<u>1,384,372</u>
Income funds					
Restricted funds	15		452,516		452,516
Unrestricted funds			1,003,480		931,856
			<u>1,455,996</u>		<u>1,384,372</u>

The financial statements were approved by the Trustees on 15 November 2022

E Casolari
Trustee

Company Registration No. 07976404

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

OPES-LCEF is a private company limited by guarantee incorporated in England and Wales. The registered office is Devonshire House, 1 Devonshire Street, London, W1W 5DR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in US dollars, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest \$.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The trustees have considered the impact of the coronavirus pandemic further in the Trustees' Report.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably and it is probable that income will be received.

Grants are credited to the Statement of Financial Activities when they are receivable. Grants that are awarded for specific purposes are treated as restricted incoming resources.

All other income is unrestricted for the use of achieving the charity's objectives.

1.5 Resources expended

Expenditure is included on an accruals basis. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

1.6 Programme related investments

Programme related investments are accounted for at cost less any impairment.

Programme related investments arise when OPES-LCEF provides financial support in the form of low interest loans and/or equity stakes to small entrepreneurial businesses seeking to build a low carbon business.

The expectation is that the loans will be repaid. The trustees review the loans every six months and if there is a risk of non-payment, the loans are provided for.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in OPES-LCEF's balance sheet when the OPES-LCEF becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including other payables and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when OPES-LCEF's contractual obligations expire or are discharged or cancelled.

1.9 Foreign exchange

Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

1.10 Concessionary loans

Concessionary loans are initially measured at amortised cost and then subsequently stated at carrying value adjusted for accrued interest payable.

2 Critical accounting estimates and judgements

In the application of OPES-LCEF's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

2 Critical accounting estimates and judgements

(Continued)

Programme related investments

Programme related investments are stated at cost less any provision for impairment. The trustees' have assessed the recoverability of investments made and economic benefit of investments based on market conditions and cashflow estimates. There is an inevitable degree of judgement involved and the valuations of the investments can only ultimately be reliably tested in the market itself.

3 Donations and legacies

	Restricted funds 2022 \$	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$
Donations and gifts	206,212	10,755	450,000	460,755

4 Investments

	Unrestricted funds 2022 \$	Unrestricted funds 2021 \$
Income from programme related investments	7,159	5,383

5 Charitable activities

	2022 \$	2021 \$
Management of programme related investments	104,536	195,803
Support costs (see note 6)	3,327	(304)
Governance costs (see note 6)	28,484	33,226
	<u>136,347</u>	<u>228,725</u>

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Support costs

	Support costs	Governance costs	2022	2021
	\$	\$	\$	\$
Bank charges	1,154	-	1,154	(492)
Sundry	2,173	-	2,173	188
Legal and professional	-	6,567	6,567	15,001
Accountancy/independent examination fees	-	21,917	21,917	18,225
	<u>3,327</u>	<u>28,484</u>	<u>31,811</u>	<u>32,922</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

The charity did not have any employees during the current or prior year.

9 Other gains and losses

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2022	2021	2021	2021
Foreign exchange losses/(gains)	<u>5,400</u>	<u>(17,490)</u>	<u>(2,516)</u>	<u>(20,006)</u>

10 Net gains/(losses) on investments

	Total	Total
	2022	2021
	\$	\$
Impairment of programme related investments	<u>-</u>	<u>(62,872)</u>

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

11 Programme related investments

	\$
At 1 April 2021	1,202,811
Additions	445,374
Recovered amounts	(70,846)
At 31 March 2022	1,577,339

Programme related investments arise when OPES-LCEF provides financial support in the form of low-interest loans and/or equity stakes to small entrepreneurial businesses engaged in low-carbon and social impact enterprises.

Programme related investments comprise \$375,000 (2021: \$175,000) of investments made from restricted funds and \$1,202,339 (2021: \$1,027,811) of investments made from unrestricted funds.

The historical cost of the charity's programme related investments held at 31 March 2022 was \$1,757,608 (2021: \$1,408,234).

12 Trade and other receivables

	2022 \$	2021 \$
Amounts falling due within one year:		
Prepayments and accrued income	-	14,321

13 Current liabilities

	2022 \$	2021 \$
Accruals and deferred income	21,104	19,759

14 Non-current liabilities

	2022 \$	2021 \$
Concessionary loan	258,839	268,839

The concessionary loan is interest free, unsecured and repayable during 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

15 Restricted funds

The income funds of the charity include restricted funds which are held on trust for the specific purposes of the Restart Fund for East Africa and the Giffoni Innovation Hub.

	Movement in funds			Movement in funds			
	Balance at 1 April 2020	Incoming resources	Revaluations, gains and losses	Balance at 1 April 2021	Incoming resources	Transfers	Balance at 31 March 2022
	\$	\$	\$	\$	\$	\$	\$
Restart Fund For East Africa	-	450,000	2,516	452,516	-	-	452,516
Giffoni Innovation Hub	-	-	-	-	206,212	(206,212)	-
	<u>-</u>	<u>450,000</u>	<u>2,516</u>	<u>452,516</u>	<u>206,212</u>	<u>(206,212)</u>	<u>452,516</u>

Restart Fund for East Africa

During the prior year, grants totalling \$450,000 were received from the DOEN Foundation and the Good Energies Foundation for the Restart Fund for East Africa. Restart Fund for East Africa targets promising impact-driven enterprises affected by Covid-19 directly or indirectly or those enterprises that have come up with innovative solutions for a more sustainable future. The initiative focuses on the following sectors: Sustainable Agriculture & Food, Sustainable Energy, Education & Skilling, and Mobility & Transportation.

As at 31 March 2022, the charity had invested \$75,000 in Munyox Eco Ltd, a company registered in Rwanda who provide solar water heaters, energy access systems as well as providing electric power generation, \$100,000 in WidEnergy Africa Ltd, a company registered in Zambia who provide affordable solar home solutions, \$100,000 in Exotic EPZ Ltd, a company registered in Kenya who collects and processes macadamia nuts for the export market, and \$100,000 in Ecodulu Ltd, a company registered in Kenya who recycles organic waste into animal feed and organic fertilizer. Total invested as at 31 March 2022; \$375,000.

The amount which had not been invested as at 31 March 2022 of \$77,516 is represented by cash at bank. The monies have been invested post year end into Kilimo Fresh, a company registered in Tanzania, who offers a platform linking smallholder farmers and buyers in urban areas.

Giffoni Innovation Hub

A donation of \$206,212 was received on 24 January 2022 from Fondazione OPES-LCEF solely for the purpose of investing in Giffoni Innovation Hub Srl. Following the completion of the investment on 28 January 2022 the restriction placed on the above donation has been satisfied. Accordingly, it falls to be classified as unrestricted funds.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Analysis of net assets between funds

	Unrestricted funds 2022 \$	Restricted funds 2022 \$	Total 2022 \$	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$
Fund balances at 31 March 2022 are represented by:						
Programme related assets	1,202,339	375,000	1,577,339	1,027,811	175,000	1,202,811
Current assets/(liabilities)	59,980	77,516	137,496	172,884	277,516	450,400
Long term liabilities	(258,839)	-	(258,839)	(268,839)	-	(268,839)
	<u>1,003,480</u>	<u>452,516</u>	<u>1,455,996</u>	<u>931,856</u>	<u>452,516</u>	<u>1,384,372</u>

17 Related party transactions

Included in programme related investments is \$68,887 (2021: \$33,246) representing an equity stake in Fabrica s.r.l., a company registered in Italy, in which the spouse of a E Casolari is a director on a complete pro-bono basis.

During the year the charity received donations of \$206,212 (2021: \$nil) from Fondazione OPES-LCEF, a charity registered in Italy with common trustees.

OPES-LCEF

England & Wales - Charity number 1147678

Accounts

Charity Registration No. 1147678

Company Registration No. 07976404 (England and Wales)

OPES-LCEF

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

OPES-LCEF

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Casolari G Freato B Wenz	(Appointed 19 April 2020)
Charity number	1147678	
Company number	07976404	
Registered office	Devonshire House 1 Devonshire Street London W1W 5DR	
Independent examiner	Hannah Sibley FCA Citroen Wells Chartered Accountants Devonshire House 1 Devonshire Street London W1W 5DR	
Bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN	
Solicitors	IBB Solicitors Capital Court 30 Windsor Street Uxbridge Middlesex UB8 1AB	

OPES-LCEF

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OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

OPES-LCEF's objects, as set out in Paragraph 3 of its Articles of Association is "to promote for the benefit of the public sustainable development by the preservation, conservation and protection of the physical and natural environment and to relieve poverty, suffering and hardship in any part of the world. Sustainable development means development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

OPES-LCEF is a charitable company registered in England. In meeting its objectives, OPES-LCEF supports a portfolio of low carbon and social impact enterprises.

OPES-LCEF selects ventures to invest in that have a clear low carbon and social impact, in doing this OPES-LCEF supports sustainable development and the creation of local livelihoods. OPES-LCEF works with a wide range of partners to achieve its goals. It works with not-for-profit, private and public sector organisations, both overseas and in the UK.

OPES-LCEF seeks through its programmes and partnerships to provide financial resources in a way that results in a better global environment achieved through sustainable and equitable development.

OPES-LCEF aims to be a responsive and learning organisation that is knowledgeable about the development, aspirations, needs, culture and environment of its partners. It is committed to encouraging diversity, professionalism and contestability of ideas among all its members, staff and volunteers.

In 2012, OPES-LCEF (under its previous name LCEF II) entered into a loan agreement with the DOEN Foundation, a Dutch not-for-profit organisation, to support low carbon enterprises. These funds were used to provide financial support (equity and/or debt) for small-scale enterprises in lower income countries that are developing and/or delivering low carbon service or products. In total, seven social enterprises have been supported of which three are still in our portfolio.

In 2019, OPES-LCEF received donations from Stichting Opint, a Dutch not-for-profit organisation, in the form of unrestricted cash donations and assets in the form of social enterprises portfolio debt/equity contracts.

In 2020, OPES-LCEF received grants from the DOEN Foundation and the Good Energies Foundation for the facility "Restart East Africa" that OPES-LCEF launched in that year. Restart East Africa targets promising Impact enterprises affected by Covid-19 directly or indirectly or those enterprises which have come up with innovative solutions tackling social and environmental issues.

OPES-LCEF uses a gender lens approach when deploying capital.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing OPES-LCEF's aims and objectives and when planning future activities and setting the loan making policy for the next year.

OPES-LCEF supports environmental, community and sustainable development causes that are of benefit to the public through appropriate charitable, educational and scientific means. Specifically, OPES-LCEF provides financial and technical support to low carbon entrepreneurs in the developing world. Particular emphasis is placed on ventures that also offer broader social benefits to the communities in which they operate. These include protecting local livelihoods, increasing access to clean energy for off-grid communities, creating access to clean water and supporting sustainable employment.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

The coronavirus pandemic has hit society in ways that would have been hard to imagine a year ago. First and foremost it is a health emergency, but COVID-19 has also dramatically hit the economy. Many small businesses have been forced to shut down temporarily and are at serious risk of closing permanently. During this unprecedented crisis, OPES-LCEF has stayed close to the companies in their portfolio while developing and realizing a new facility to support early-stage impact-driven enterprises in East Africa.

OPES-LCEF launched “*Restart East Africa*”, an initiative realized with the support of the DOEN Foundation and the Good Energies Foundation. *Restart East Africa* targets promising impact-driven enterprises affected by Covid-19 directly or indirectly or those enterprises that have come up with innovative solutions for a more sustainable future. The initiative focuses on the following sectors: Sustainable Agriculture & Food, Sustainable Energy, Education & Skilling, and Mobility & Transportation.

As of 31 March 2021, Restart East Africa has supported two women-founded companies in the energy space:

- Munyax Eco Ltd is a company registered in Rwanda that provides solar water heaters, energy access systems as well as electric power generation.
- WidEnergy Africa Ltd is a company registered in Zambia that provides affordable solar home solutions.

The trustees are actively evaluating companies in the pipeline and expect to close another three to four investments in the coming months.

In addition to the launch of the *Restart East Africa*, OPES-LCEF made two further investments in the year:

- Fabrica Srl, an Italian company which makes investments in early-stage impact enterprises that tackle critical social issues.
- Innoflex Srl, an Italian company that produces plastic films for food packaging using polylactic acid, a raw material of vegetable origin that is completely biodegradable, with proprietary technology and renewable energy sources.

Furthermore, OPES-LCEF supported its existing portfolio companies by not accruing interest for all of 2020, issuing bridge loans, and restructuring some existing loans.

Ecopost, the Kenya waste recycling company had a devastating fire in its premises that led to a shut down of activities and an impairment of the investment.

Finally, the coffee cooperative, Pachamama, repaid its outstanding loan. OPES-LCEF's 'patient loan' helped to establish and grow the cooperative in its early stages. Pachamama is owned and governed by smallholder farmers in Africa and Latin America that, after a period of consolidation of the cooperative and the successful launch of its e-commerce activities, will continue to create a sustainable impact and benefit smallholder coffee farmers.

Coronavirus (Covid-19)

The World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic on 11 March 2020. The pandemic, and the measures to control its human impact, have resulted in disruptions to economic activity and business operations worldwide. This could potentially have a financial impact on the OPES-LCEF, depending on factors such as the duration and continued spread of the outbreak, the level of restrictions and advisories from the governments in the jurisdictions where the program related investment companies operate, and the effects on the financial markets and economy overall. The outcome of all these factors is highly uncertain.

OPES-LCEF has undertaken an assessment of its plans, as part of its continuity and contingency planning, and the trustees believe it is well placed financially and operationally to withstand the uncertainties ahead. At the date of approval of the financial statements, OPES-LCEF is unable to determine a reliable estimate of the financial impact of COVID-19 on its financial performance and position. The trustees have a reasonable expectation that OPES-LCEF has adequate resources to continue in operational existence for the foreseeable future.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Financial review

The Statement of Financial Activities, which shows the OPES-LCEF's incoming resources and expenditure for the year, is set out on page 7.

Total incoming resources amount to \$466,138 (2020: \$956,379), which comprised restricted grants of \$450,000 (2020: \$nil), unrestricted donations of \$10,755 (2020: unrestricted grants of \$923,351) and investment income from programme related investments of \$5,383 (2020: \$33,028).

Resources expended on charitable activities amounted to \$228,725 (2020: \$135,442), of which \$195,803 (2020: \$115,298) was defrayed on management of programme related investments and \$32,922 (2020: \$20,144) defrayed on support and governance costs.

OPES-LCEF made foreign exchange gains on its cash balances held in GBP of \$20,006 (2020: losses of \$23,374) and impairment losses on its programme related investments of \$62,872 (2020: \$89,152).

The resulting net surplus for the year was \$194,547 (2020: \$708,411).

The charity's statement of financial position, which shows the financial position of the charity as at 31 March 2021, is set out on page 8.

The net book value of the OPES-LCEF's programme related investments at 31 March 2021 was \$1,202,811 (2020: \$980,799).

Current assets are represented by accrued interest receivable of \$14,321 (2020: \$14,321) and cash of \$455,838 (2020: \$479,317).

OPES-LCEF's liabilities are represented by current liabilities of \$19,759 (2020: \$15,773) and non-current liabilities including long term loans of \$268,839 (2020: \$268,839).

The resulting net assets at 31 March 2021 were \$1,384,372 (2020: US \$1,189,825), which represents \$452,516 (2020: \$nil) of restricted funds, and \$931,856 (2020: \$1,189,825) of unrestricted funds.

Reserves policy

It is the policy of OPES-LCEF that free reserves which have not been designated for a specific use or applied to make loans in accordance with its general objects, should be maintained at a level equivalent to at least one year expenditure, that is, approximately \$230,000. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue OPES-LCEF's current activities while consideration is given to ways in which additional funds may be raised. OPES-LCEF's free reserves at 31 March 2021, as represented by unrestricted net current assets, were \$172,884.

Risk factors

The trustees have identified, monitored, and reviewed significant risks and have implemented systems and processes to manage and mitigate those risks. The main risks are associated with the financial viability of the investee companies, and their ability to deliver environmental and social benefits for low income communities. The trustees review each investee company during trustee meetings. Where trustees decide that the investee company is unlikely to succeed, the trustees may consider writing down or writing off the investment. No recoverability issues surrounding these loans were identified. The trustees are satisfied with the current risk management procedures in place which they believe satisfactorily mitigate the identified risks.

Plans for future periods

OPES-LCEF's future plans are to continue to support low carbon and social enterprise entities to benefit low income communities. OPES-LCEF plans to continually support its existing portfolio of programme related investments, to ensure they work in the most efficient and effective way towards achieving their objectives, and will explore opportunities for further funding and investments, in accordance with OPES-LCEF's objectives.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

OPES-LCEF is a company limited by guarantee, incorporated on 5 March 2012. OPES-LCEF is also a registered charity and is governed by its Memorandum and Articles of Association and by the Charities Act 2011. The objectives of OPES-LCEF are as follows:

- To promote for the benefit of the public, sustainable development by the preservation, conservation and protection of the physical and natural environment.
- To relieve poverty, suffering and hardship in any part of the world.

Sustainable development means "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

E Casolari

G Freato

F Odelli

(Resigned 19 April 2020)

B Wenz

(Appointed 19 April 2020)

None of the trustees have any beneficial interest in OPES-LCEF. All of the trustees are members of the company and guarantee to contribute \$1 in the event of a winding up.

Board members use their own network of contacts to identify suitable candidates possessing the necessary knowledge and skills to act as trustees of OPES-LCEF. At the present time, OPES-LCEF has three trustees, which is considered adequate for its purposes. In accordance with paragraph 8.2 of OPES-LCEF's Articles of Association the number of trustees shall not be less than three.

Trustees are recruited on the basis of their existing relevant knowledge. Information relating to OPES-LCEF's legal status, finances and activities are provided in advance of appointment. Trustees are expected to identify their training needs and to take measures to ensure that these needs are met.

The trustees may appoint or re-appoint a person who is willing to be a trustee, either to fill a vacancy or as an additional trustee.

The normal term of office for a trustee is three years. A trustee will be eligible for re-election for two further terms of three years.

After a trustee has served three consecutive terms in office, he or she shall be eligible for re-election only after a year has elapsed since he or she retired, unless the board considers it would be in the best interests of OPES-LCEF to be eligible for re-election on his or her retirement for such number of terms as the trustees shall resolve.

OPES-LCEF's policy is set by the trustees. The trustees are also responsible for the management of the charity. Two consultants support the trustees for the day-to-day management, i.e. monitoring and risk assessment of current portfolio, providing management and technical support the entrepreneurs, and identifying and developing relationships with new enterprises.

Fundraising statement

OPES-LCEF's fundraising model has been focused on existing relationships with institutions, and OPES-LCEF does not solicit or directly contact members of the public.

OPES-LCEF has not engaged with third parties to raise funds. No complaints were received in relation to OPES-LCEF's fundraising activities.

OPES-LCEF

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2021*

Statement of trustees' responsibilities

The trustees, who are also the directors of OPES-LCEF for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' report was approved by the Board of Trustees.

E Casolari

Trustee

Dated: 16 September 2021

OPES-LCEF

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF OPES-LCEF

I report to the trustees on my examination of the financial statements of OPES-LCEF (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Use of this report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My independent examination work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity's company and the charity's trustees as a body, for my independent examination work, for this report, or for the opinions I have formed.

Hannah Sibley FCA

The Institute of Chartered Accountants in England and Wales (ICAEW)

Independent Examiner

Citroen Wells

Devonshire House

1 Devonshire Street

London

W1W 5DR

Dated: 5 October 2021

OPES-LCEF

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$	Unrestricted funds 2020 \$
<u>Income from:</u>					
Donations and legacies	3	10,755	450,000	460,755	923,351
Investments	4	5,383	-	5,383	33,028
Total income		16,138	450,000	466,138	956,379
<u>Expenditure on:</u>					
Charitable activities	5	228,725	-	228,725	135,442
Other gains and losses	9	(17,490)	(2,516)	(20,006)	23,374
Total expenditure		211,235	(2,516)	208,719	158,816
Net gains/(losses) on investments	10	(62,872)	-	(62,872)	(89,152)
Net (expenditure)/income for the year/ Net movement in funds		(257,969)	452,516	194,547	708,411
Fund balances at 1 April 2020		1,189,825	-	1,189,825	481,414
Fund balances at 31 March 2021		931,856	452,516	1,384,372	1,189,825

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

OPES-LCEF

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 \$	\$	2020 \$	\$
Programme related investments	11		1,202,811		980,799
Current assets					
Trade and other receivables	12	14,321		14,321	
Cash at bank and in hand		455,838		479,317	
		<u>470,159</u>		<u>493,638</u>	
Current liabilities	13	(19,759)		(15,773)	
Net current assets			450,400		477,865
Total assets less current liabilities			1,653,211		1,458,664
Non-current liabilities	14		(268,839)		(268,839)
Net assets			<u>1,384,372</u>		<u>1,189,825</u>
Income funds					
Restricted funds	15	452,516		-	
Unrestricted funds		931,856		1,189,825	
		<u>1,384,372</u>		<u>1,189,825</u>	

The charity is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the charity to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 16 September 2021

E Casolari
Trustee

Company Registration No. 07976404

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

OPES-LCEF is a private company limited by guarantee incorporated in England and Wales. The registered office is Devonshire House, 1 Devonshire Street, London, W1W 5DR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in US dollars, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest \$.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The trustees have considered the impact of the coronavirus pandemic further in the Trustees' Report.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably and it is probable that income will be received.

Grants are credited to the Statement of Financial Activities when they are receivable. Grants that are awarded for specific purposes are treated as restricted incoming resources.

All other income is unrestricted for the use of achieving the charity's objectives.

1.5 Resources expended

Expenditure is included on an accruals basis. The charity is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.6 Programme related investments

Programme related investments are accounted for at cost less any impairment.

Programme related investments arise when OPES-LCEF provides financial support in the form of low interest loans and/or equity stakes to small entrepreneurial businesses seeking to build a low carbon business.

The expectation is that the loans will be repaid. The trustees review the loans every six months and if there is a risk of non-payment, the loans are provided for.

1.7 Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Foreign exchange

Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

1.10 Concessionary loans

Concessionary loans are initially measured at amortised cost and then subsequently stated at carrying value adjusted for accrued interest payable.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Programme related investments

Programme related investments are stated at cost less any provision for impairment. The trustees' have assessed the recoverability of investments made and economic benefit of investments based on market conditions and cashflow estimates. There is an inevitable degree of judgement involved and the valuations of the investments can only ultimately be reliably tested in the market itself.

3 Donations and legacies

	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$	Unrestricted funds 2020 \$
Donations and gifts	10,755	450,000	460,755	923,351

4 Investments

	Unrestricted funds 2021 \$	Unrestricted funds 2020 \$
Income from programme related investments	5,383	33,028

5 Charitable activities

	2021 \$	2020 \$
Management of programme related investments	195,803	115,298
Support costs (see note 6)	(304)	2,060
Governance costs (see note 6)	33,226	18,084
	228,725	135,442

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Support costs

	Support costs	Governance costs	2021	2020
	\$	\$	\$	\$
Bank charges	(492)	-	(492)	1,063
Sundry	188	-	188	997
Legal and professional	-	15,001	15,001	5,913
Accountancy/independent examination fees	-	18,225	18,225	12,171
	<u>(304)</u>	<u>33,226</u>	<u>32,922</u>	<u>20,144</u>

7 Trustees

During the prior year the charity directly paid US \$922 travel and subsistence costs incurred by one trustee in their performance as trustee. There were no such costs in the current year.

8 Employees

Number of employees

The average monthly number of persons (including directors) employed by the charity during the year was 3 (2020: 4).

9 Other gains and losses

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2021	2021	2021	2020
Foreign exchange (gains)/losses	<u>(17,490)</u>	<u>(2,516)</u>	<u>(20,006)</u>	<u>23,374</u>

10 Net gains/(losses) on investments

	Total	Total
	2021	2020
	\$	\$
Impairment of programme related investments	<u>(62,872)</u>	<u>(89,152)</u>

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Programme related investments

	\$
At 1 April 2020	980,799
Additions	339,384
Impairments	(62,872)
Recovered amounts	(54,500)
At 31 March 2021	1,202,811

Programme related investments arise when OPES-LCEF provides financial support in the form of low-interest loans and/or equity stakes to small entrepreneurial businesses engaged in low-carbon and social impact enterprises.

At 1 April 2020, all investments were unrestricted. During the year, loans totalling \$175,000 were made from restricted funds, and these remained unimpaired at the year end. The remaining \$153,629 of additions, less amounts recovered of \$54,500 and impairments of \$62,872, represented investments made out of unrestricted funds. At the year end therefore unrestricted investments had a value of \$1,027,811.

The historical cost of the charity's programme related investments held at 31 March 2021 was \$1,408,234 (2020: \$1,257,103).

12 Trade and other receivables

	2021 \$	2020 \$
Amounts falling due within one year:		
Prepayments and accrued income	14,321	14,321

13 Current liabilities

	2021 \$	2020 \$
Accruals and deferred income	19,759	15,773

14 Non-current liabilities

	2021 \$	2020 \$
Concessionary loans	268,839	268,839

The concessionary loan is interest free, unsecured and repayable during 2022.

OPES-LCEF

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Restricted funds

The income funds of the charity include restricted funds which are held on trust for the specific purposes of the Restart Fund for East Africa.

	Movement in funds		
	Balance at 1 April 2020	Incoming resources	Revaluations, gains and losses
	\$	\$	\$
Restart Fund for East Africa	-	450,000	2,516

During the year, grants totalling \$450,000 were received from the DOEN Foundation and the Good Energies Foundation for the Restart Fund for East Africa. Restart Fund for East Africa targets promising impact-driven enterprises affected by Covid-19 directly or indirectly or those enterprises that have come up with innovative solutions for a more sustainable future. The initiative focuses on the following sectors: Sustainable Agriculture & Food, Sustainable Energy, Education & Skilling, and Mobility & Transportation.

As at 31 March 2021, the charity had invested \$75,000 in Munyox Eco Ltd, a company registered in Rwanda who provide solar water heaters, energy access systems as well as providing electric power generation, and \$100,000 in WidEnergy Africa Ltd, a company registered in Zambia who provide affordable solar home solutions. Total invested as at 31 March 2021; \$175,000.

The amount which had not been invested as at 31 March 2021 of \$277,516 is represented by cash at bank. The trustees are actively searching for appropriate entities, in accordance with the Restart Fund for East Africa, to invest in.

16 Analysis of net assets between funds

	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total 2021 \$	Unrestricted funds 2020 \$
Fund balances at 31 March 2021 are represented by:				
Programme related assets	1,027,811	175,000	1,202,811	980,799
Current assets/(liabilities)	172,884	277,516	450,400	477,865
Long term liabilities	(268,839)	-	(268,839)	(268,839)
	931,856	452,516	1,384,372	1,189,825

17 Related party transactions

During the prior year, the charity received donations totalling \$923,351 from Stichting Opint, a charity in which G Freato was a Trustee, in the form of the transfer of loan investments totalling \$223,833 and cash transfers totalling \$699,518. There were no such transactions in the current year.

Included in programme related investments is \$33,246 representing an equity stake in Fabrica s.r.l., a company registered in Italy, in which the spouse of a E Casolari is a director on a complete pro-bono basis.