

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022  
FOR  
THE SACRED GROVES C.I.C.**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Page</b>
<b>Company Information</b>	1
<b>Report of the Directors</b>	2
<b>Report of the Independent Auditors</b>	4
<b>Statement of Profit or Loss and Other Comprehensive Income</b>	7
<b>Statement of Financial Position</b>	8
<b>Statement of Changes in Equity</b>	9
<b>Statement of Cash Flows</b>	10
<b>Notes to the Statement of Cash Flows</b>	11
<b>Notes to the Financial Statements</b>	12

**THE SACRED GROVES C.I.C.**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**DIRECTORS:** Mr Vikram Krishna  
Mrs Monisha Krishna  
Mr Achipra Sreedharan Sudhir

**REGISTERED OFFICE:** 124 City Road  
London  
EC1V 2NX

**REGISTERED NUMBER:** 12481036 (England and Wales)

**AUDITORS:** Ashdown Hurrey Auditors Limited  
20 Havelock Road  
Hastings  
East Sussex  
TN34 1BP

## **THE SACRED GROVES C.I.C.**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company is to provide a platform for environmentally sensitive individuals and institutions to participate in the protection, conservation and restoration of natural habitats all over the world. Using the latest technology and management practices, the company intends to create a unique experience that inspires meaningful action in the global effort to combat climate change.

#### **REVIEW OF BUSINESS**

As we complete the third year of our enterprise on the 25th February, 2023 we look back at our journey with pride. We have built strong foundations and are all set to scale up our impact.

#### **Our forests are flourishing**

We have protected three forests so far from commercial exploitation. Our periodic surveys indicate that the forests continue to be well protected and provide precious ecosystem services to the local communities.

#### **We are growing**

We are supported by Guardians (individuals and companies) from 40+ countries. They are associating with us to expand their environmental contribution.

#### **We are forging long lasting partnerships**

In 2022, we laid the foundations for our Partnership Program to expand our B2B proposition. We are aligned to multiple UN Sustainable Development Goals along with our partners: SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), SDG 15 (Life on Land) and SDG 17 (Partnerships for the Goals). We joined the prestigious Greentech Alliance, a community of green technology businesses, that fight climate change with their products and services in the most responsible and respectful manner.

#### **We are creating Climate Action solutions for progressive companies**

We are integrating conservation into the commercial value proposition of innovative companies. As an example, we partnered with Pyaarnation, a lifestyle brand for wall art decor that protects a square foot of forests for every square foot of art sold. Another inspiring example has been set by WeSolutions, a UK based health care recruitment firm that has committed to support one Sacred Groves Cluster for every 5 healthcare professionals that arrive in the UK. We aim to expand "Conservation Commerce" further in 2023.

#### **We are pioneering the movement to convert 'Junk to Jungles'**

The 'Junk to Jungles' circular model harnesses the residual value realised by the disposal of depreciated electronic assets to generate conservation funding. We partnered with Dentsu and NorthLadder to launch this pioneering model in Dubai, UAE and are all set to collaborate with leading global organizations to scale this up across the world.

#### **We are being recognized**

Microsoft for Startups Middle East extended additional Azure Cloud credits of US\$120,000 in January 2022. We were honoured to be selected for the prestigious Village Capital - Visa Foundation program for Greentech startups in Europe. We were one of six finalists selected from 300 applicants for BCG DV's Social Ventures Program. In addition, we continue to receive positive press coverage from the media.

#### **Our foundations are geared for growth**

Our financial foundations remain strong to build a sustainable social enterprise. The Founders enhanced the Equity Share Capital to £650,000 (from £400,000 in 2021) in 2022. Our audited Financial Statements and Community Interest Test for 2021 were filed with Companies House UK in July, 2022.

We look forward to expanding our impact and are deeply grateful for the support that we have received from all over the world.

## **THE SACRED GROVES C.I.C.**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

Mr Vikram Krishna  
Mrs Monisha Krishna  
Mr Achipra Sreedharan Sudhir

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK-adopted international accounting standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **AUDITORS**

The auditors, Ashdown Hurrey Auditors Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

#### **ON BEHALF OF THE BOARD:**

Mr Vikram Krishna - Director

31 March 2023

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SACRED GROVES C.I.C.**

### **Opinion**

We have audited the financial statements of The Sacred Groves C.I.C. (the 'company') for the year ended 31 December 2022 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the UK; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company 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 directors' 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 company'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 directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If 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 the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SACRED GROVES C.I.C.**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors 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 directors determine 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SACRED GROVES C.I.C.**

### **Auditors' 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 a Report of the Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

During the planning stage of this audit we considered the likelihood of irregularities around laws and regulations relevant to the company, including enquiry of management and those charged with governance. These were also discussed during the audit planning meeting held by the team. We reviewed the company's systems and controls in place, and formed an assessment as to their operational effectiveness.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to:

- The financial reporting standard; IFRS

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above.

During the course of this audit the team discussed this area with senior members of the company's staff, including directors, and also carried out a review of legal expenses for evidence of any issues.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach.

We are therefore of the opinion that given the risk level identified, our procedures planned and undertaken, are adequate for detecting irregularities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **Use of our report**

This report is made solely to the 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stuart Rosling FCCA (Statutory Auditor)  
for and on behalf of Ashdown Hurrey Auditors Limited  
20 Havelock Road  
Hastings  
East Sussex  
TN34 1BP

17 April 2023

**THE SACRED GROVES C.I.C.**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>CONTINUING OPERATIONS</b>			
Revenue		<b>35,024</b>	28,812
Cost of sales		<b>(5,295)</b>	(799)
<b>GROSS PROFIT</b>		<b>29,729</b>	28,013
Other operating income		<b>9</b>	-
Administrative expenses		<b>(151,626)</b>	(167,059)
<b>OPERATING LOSS</b>		<b>(121,888)</b>	(139,046)
<b>LOSS BEFORE INCOME TAX</b>	4	<b>(121,888)</b>	(139,046)
Income tax	5	<b>(45,005)</b>	26,411
<b>LOSS FOR THE YEAR</b>		<b>(166,893)</b>	(112,635)
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(166,893)</b>	(112,635)

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2022

	Notes	2022 £	2021 £
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	6	125,010	105,469
Property, plant and equipment	7	136,245	135,301
Deferred tax	14	-	45,005
		<u>261,255</u>	<u>285,775</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	8	5,462	5,826
Cash and cash equivalents	9	39,888	20,591
		<u>45,350</u>	<u>26,417</u>
<b>TOTAL ASSETS</b>		<u><b>306,605</b></u>	<u><b>312,192</b></u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	10	650,000	400,000
Retained earnings	11	(358,797)	(191,904)
<b>TOTAL EQUITY</b>		<u><b>291,203</b></u>	<u><b>208,096</b></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	15,402	104,096
<b>TOTAL LIABILITIES</b>		<u><b>15,402</b></u>	<u><b>104,096</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>306,605</b></u>	<u><b>312,192</b></u>

The financial statements were approved by the Board of Directors and authorised for issue on 31 March 2023 and were signed on its behalf by:

Mr Vikram Krishna - Director

Mrs Monisha Krishna - Director

Mr Achipra Sreedharan Sudhir - Director

**THE SACRED GROVES C.I.C.**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2021</b>	150,000	(79,269)	70,731
<b>Changes in equity</b>			
Issue of share capital	250,000	-	250,000
Total comprehensive income	-	(112,635)	(112,635)
<b>Balance at 31 December 2021</b>	<u>400,000</u>	<u>(191,904)</u>	<u>208,096</u>
<b>Changes in equity</b>			
Issue of share capital	250,000	-	250,000
Total comprehensive income	-	(166,893)	(166,893)
<b>Balance at 31 December 2022</b>	<u><u>650,000</u></u>	<u><u>(358,797)</u></u>	<u><u>291,203</u></u>

The notes form part of these financial statements

**THE SACRED GROVES C.I.C.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<b>(105,052)</b>	(63,547)
Net cash from operating activities		<b>(105,052)</b>	(63,547)
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		<b>(54,823)</b>	(119,245)
Purchase of tangible fixed assets		<b>(1,412)</b>	(135,453)
Net cash from investing activities		<b>(56,235)</b>	(254,698)
<b>Cash flows from financing activities</b>			
Amount introduced by directors		<b>180,584</b>	301,632
Amount withdrawn by directors		<b>(250,000)</b>	(250,000)
Share issue		<b>250,000</b>	250,000
Net cash from financing activities		<b>180,584</b>	301,632
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>19,297</b>	(16,613)
<b>Cash and cash equivalents at beginning of year</b>	2	<b>20,591</b>	37,204
<b>Cash and cash equivalents at end of year</b>	2	<b>39,888</b>	20,591

The notes form part of these financial statements

**THE SACRED GROVES C.I.C.**

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	<b>2022</b>	2021
	<b>£</b>	£
Loss before income tax	<b>(121,888)</b>	(139,046)
Depreciation charges	<b>35,750</b>	24,581
	<b>(86,138)</b>	(114,465)
Decrease in trade and other receivables	<b>364</b>	30,586
(Decrease)/increase in trade and other payables	<b>(19,278)</b>	20,332
<b>Cash generated from operations</b>	<b>(105,052)</b>	(63,547)

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 December 2022**

	<b>31.12.22</b>	<b>1.1.22</b>
	<b>£</b>	£
Cash and cash equivalents	<b>39,888</b>	<b>20,591</b>

**Year ended 31 December 2021**

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	20,591	37,204

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. STATUTORY INFORMATION**

The Sacred Groves C.I.C. is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparation**

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Pounds Sterling (£) which is the presentation currency for The Sacred Groves C.I.C. and the functional currency of The Sacred Groves C.I.C. is US Dollars (\$).

**Going concern**

In preparing the financial statements, the directors are required to make an assessment of the ability of the company to continue as a going concern. The directors have prepared a cash flow forecast for the company which covers the 12 month period from the date of signing these financial statements. A "reverse stress" test has been applied to the forecasts, seeking to establish the level of liquidity headroom the company is expected to have during this 12 month going concern period.

On the basis of these forecasts, the directors are confident that the company has adequate resources to continue in operational existence and to meet its liabilities as they fall due for the foreseeable future. In reaching this conclusion they are satisfied that no material uncertainty exists. As a result of the above, the directors have concluded that it remains appropriate to adopt a going concern basis of preparation in these financial statements and that no material uncertainty exists in reaching this conclusion.

**Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

**Critical Judgements in Applying the Company's Accounting Policies**

The company did not make any critical accounting judgements in the year.

**Revenue recognition**

Revenue is recognised within the technology platform at the date and time the customer makes a commitment to purchase a Sacred Groves Cluster.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. ACCOUNTING POLICIES - continued**

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of ten years.

The technology platform development costs are being amortised evenly over their estimated useful life of five years.

**Land, property, plant and equipment**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 25% on reducing balance

Land is not depreciated.

**Taxation**

Current taxes are based on the results shown in the financial statements and are calculated according to UK tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

In the year ended 31 December 2022, there is no corporation tax liability.

Deferred tax has not been recognised in respect of the total unused losses carried forward at 31 December 2022. This is on the basis that the CIC is not currently generating profits to offset the losses against and it is no longer probable that any offset will occur in the near future.

**3. EMPLOYEES AND DIRECTORS**

	<b>2022</b>	2021
	£	£
Wages and salaries	<b>75,000</b>	-

The average number of employees during the year was as follows:

	<b>2022</b>	2021
Director	<b>1</b>	-

	<b>2022</b>	2021
	£	£
Directors' remuneration	<b>75,000</b>	-

**4. LOSS BEFORE INCOME TAX**

The loss before income tax is stated after charging/(crediting):

	<b>2022</b>	2021
	£	£
Depreciation - owned assets	<b>467</b>	152
Patents and licences amortisation	<b>1,897</b>	1,788
Technology Platform amortisation	<b>33,385</b>	22,641
Foreign exchange differences	<b>(13)</b>	(483)

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

5. INCOME TAX

Analysis of tax expense/(income)

	2022 £	2021 £
Deferred tax	<u>45,005</u>	<u>(26,411)</u>
Total tax expense/(income) in statement of profit or loss and other comprehensive income	<u>45,005</u>	<u>(26,411)</u>

6. INTANGIBLE ASSETS

	Patents and licences £	Technology Platform £	Totals £
<b>COST</b>			
At 1 January 2022	17,879	113,203	131,082
Additions	<u>1,099</u>	<u>53,724</u>	<u>54,823</u>
At 31 December 2022	<u>18,978</u>	<u>166,927</u>	<u>185,905</u>
<b>AMORTISATION</b>			
At 1 January 2022	2,972	22,641	25,613
Amortisation for year	<u>1,897</u>	<u>33,385</u>	<u>35,282</u>
At 31 December 2022	<u>4,869</u>	<u>56,026</u>	<u>60,895</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>14,109</u>	<u>110,901</u>	<u>125,010</u>
At 31 December 2021	<u>14,907</u>	<u>90,562</u>	<u>105,469</u>

7. PROPERTY, PLANT AND EQUIPMENT

	Land Purchased £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2022	134,844	609	135,453
Additions	<u>-</u>	<u>1,411</u>	<u>1,411</u>
At 31 December 2022	<u>134,844</u>	<u>2,020</u>	<u>136,864</u>
<b>DEPRECIATION</b>			
At 1 January 2022	-	152	152
Charge for year	<u>-</u>	<u>467</u>	<u>467</u>
At 31 December 2022	<u>-</u>	<u>619</u>	<u>619</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>134,844</u>	<u>1,401</u>	<u>136,245</u>
At 31 December 2021	<u>134,844</u>	<u>457</u>	<u>135,301</u>

**THE SACRED GROVES C.I.C.**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**8. TRADE AND OTHER RECEIVABLES**

	<b>2022</b>	2021
	£	£
Current:		
Other debtors	<b>5,462</b>	5,826
	<u>5,462</u>	<u>5,826</u>

**9. CASH AND CASH EQUIVALENTS**

These include cash in hand and deposits held at call with banks.

**10. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	<b>2022</b>	2021
			£	£
650,000	Ordinary	£1	<b>650,000</b>	400,000
			<u>650,000</u>	<u>400,000</u>

250,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the year.

Ordinary shares hold full rights regarding voting, distributions and payment of dividends in line with standard CIC restrictions on dividend payments.

**11. RESERVES**

	<b>Retained earnings</b>
	£
At 1 January 2022	<b>(191,904)</b>
Deficit for the year	<b>(166,893)</b>
	<u>(191,904)</u>
At 31 December 2022	<b>(358,797)</b>
	<u>(358,797)</u>

**12. TRADE AND OTHER PAYABLES**

	<b>2022</b>	2021
	£	£
Current:		
Trade creditors	<b>532</b>	13,394
Accrued expenses	<b>9,501</b>	15,917
Directors' current accounts	<b>5,369</b>	74,785
	<u>15,402</u>	<u>104,096</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. FINANCIAL INSTRUMENTS**

a) Financial assets

The company's financial assets consist of Trade and other receivables, prepayments, cash and cash equivalents. They are recognised initially at fair value and subsequently measured at amortised cost less provisions for impairment as appropriate. These assets arise principally from the staged payment for asset additions, not yet completed. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

b) Financial liabilities

Liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

All loans and borrowings are classified as other liabilities. Initial recognition is at fair value less the directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

**14. DEFERRED TAX**

	<b>2022</b>	2021
	£	£
Balance at 1 January	<b>(45,005)</b>	(18,594)
Remove Deferred Tax Provision	<b>45,005</b>	(26,419)
	<hr/>	<hr/>
Balance at 31 December	-	(45,013)
	<hr/> <hr/>	<hr/> <hr/>

**15. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

At the year end, Mr Vikram Krishna and Mr Achipra Sreedharan Sudhir, who are directors were owed £4,680.51 and £687.87 respectively by the company. There are no terms attached to these loans.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**16. FINANCIAL RISK MANAGEMENT**

Financial risk factors

The risk management function within the company is carried out in respect of financial risks which are risks arising from financial instruments to which the company is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then to ensure that exposure to risks stays within these limits.

Risk management is carried out by the directors.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Foreign exchange risk

The company is not materially exposed to foreign exchange risk because all major transactions are denominated in its functional currency, being USD.

(ii) Price risk

The company is not significantly exposed to price risk as it remains within its initial set up stage. The company is not exposed to price risk with respect of financial instruments as it does not hold any equity securities.

(iii) Cash flow and fair value interest rate risk

As the company's interest bearing assets do not generate significant amounts of interest, changes in market interest rates do not have any significant direct effect on the company's income.

The company does not have borrowings at variable rates and therefore has no significant exposure to fair value interest rate risk.

The company's cash flow and fair value interest rate risk is periodically monitored by the company's management. Trade and other receivables and payables are interest free and have settlement dates within one year.

(b) Credit risk

The company is exposed to relatively low credit risk, which is a risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The company contracts with high quality suppliers and reputable banks.

(c) Liquidity risk

Liquidity risk is the risk that either assets cannot be traded quickly enough to prevent a loss (market liquidity risk) or that liabilities cannot be met as they fall due (funding liquidity risk).

The nature of the company's future assets (Being forests across the world) means that the market liquidity risk is low. These assets are held for long term conservation and protection with no intention of sale, but if required due to liquidation or any other legal requirement then any sale would be carefully planned for the optimum result over a period of time.

Prudent funding liquidity risk management implies maintaining sufficient cash to meet liabilities and the availability of funding from its directors, should the need arise, reduces this.

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

**THE SACRED GROVES C.I.C.**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

In order to maintain or adjust the capital structure, the company may obtain funding from its directors or others, or repay such funding.

The company's liquidity position is monitored on a monthly basis by the Board of Directors.