

**NATURECAN LIMITED**  
**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE PERIOD ENDED 31 DECEMBER 2021**

**NATURECAN LIMITED**  
**REGISTERED NUMBER: 11973527**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	4	598,967	206,944
Tangible assets	5	11,021	2,125
		<u>609,988</u>	<u>209,069</u>
<b>Current assets</b>			
Stocks		2,110,287	1,008,344
Debtors: amounts falling due after more than one year	6	163,774	198,500
Debtors: amounts falling due within one year	6	1,685,177	315,738
Cash at bank and in hand	7	381,441	783,816
		<u>4,340,679</u>	<u>2,306,398</u>
Creditors: amounts falling due within one year	8	(2,417,413)	(553,824)
<b>Net current assets</b>		<u>1,923,266</u>	<u>1,752,574</u>
<b>Total assets less current liabilities</b>		<u>2,533,254</u>	<u>1,961,643</u>
Creditors: amounts falling due after more than one year	9	(50,238)	(50,000)
<b>Provisions for liabilities</b>			
Other provisions		(253,357)	-
		<u>(253,357)</u>	<u>-</u>
<b>Net assets</b>		<u><u>2,229,659</u></u>	<u><u>1,911,643</u></u>
<b>Capital and reserves</b>			
Called up share capital		180	177
Share premium account		3,476,836	2,936,689
Profit and loss account		(1,247,357)	(1,025,223)
		<u><u>2,229,659</u></u>	<u><u>1,911,643</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject

---

**NATURECAN LIMITED**  
**REGISTERED NUMBER: 11973527**

---

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2021**

---

to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 October 2022.

**Andrew James Duckworth**  
Director

The notes on pages 3 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

---

**1. General information**

The company is registered in England and Wales as a limited liability company with share capital. The registered office address is Bank Chambers, St. Petersgate, Stockport SK1 1AR.

The company trades as a wholesaler and retailer of a range of hemp products.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Going concern**

The directors have prepared financial forecasts and considered the company's cash requirements and ability to raise equity during the course of the period of 12 months following the date of approval of these financial statements and have concluded that there are no significant uncertainties regarding the ability of the company to continue to trade as a going concern.

**2.3 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021**

---

**2. Accounting policies (continued)**

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

the Company has transferred the significant risks and rewards of ownership to the buyer;

the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

the amount of revenue can be measured reliably;

it is probable that the Company will receive the consideration due under the transaction; and

the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2.5 Research and Development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives or 10 years if lower.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**2.6 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.7 Borrowing costs**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

---

**2. Accounting policies (continued)**

**2.8 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.9 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.10 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

---

2. Accounting policies (continued)

2.11 Intangible assets

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of income and retained earnings over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Domain names	-	1	year
Development expenditure	-	10	years
Websites	-	3	years

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 3 years
--------------------	-----------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

---

**2. Accounting policies (continued)**

**2.13 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.14 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.15 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.16 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.17 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**3. Employees**

The average monthly number of employees, including directors, during the period was 24 (2020 - 10).



NATURECAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

4. Intangible assets

	Domain names	Development expenditure	Websites	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2021	7,367	150,855	67,263	225,485
Additions	9,747	408,668	33,995	452,410
At 31 December 2021	17,114	559,523	101,258	677,895
<b>Amortisation</b>				
At 1 January 2021	5,738	3,459	9,344	18,541
Charge for the period on owned assets	7,935	22,379	30,073	60,387
At 31 December 2021	13,673	25,838	39,417	78,928
<b>Net book value</b>				
At 31 December 2021	3,441	533,685	61,841	598,967
<i>At 31 December 2020</i>	<i>1,629</i>	<i>147,396</i>	<i>57,919</i>	<i>206,944</i>

NATURECAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

5. Tangible fixed assets

	Computer equipment £
<b>Cost or valuation</b>	
At 1 January 2021	2,354
Additions	12,245
	<hr/>
At 31 December 2021	14,599
	<hr/>
<b>Depreciation</b>	
At 1 January 2021	229
Charge for the period on owned assets	3,349
	<hr/>
At 31 December 2021	3,578
	<hr/>
<b>Net book value</b>	
At 31 December 2021	<u>11,021</u>
<i>At 31 December 2020</i>	<u>2,125</u>

6. Debtors

	2021 £	2020 £
<b>Due after more than one year</b>		
Deferred tax asset	163,774	198,500
	<hr/>	<hr/>
	<u>163,774</u>	<u>198,500</u>
	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	776,415	159,667
Amounts owed by group undertakings	41,789	-
Other debtors	233,138	87,928
Prepayments and accrued income	633,835	68,143
	<hr/>	<hr/>
	<u>1,685,177</u>	<u>315,738</u>

NATURECAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

6. Debtors (continued)

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	381,442	783,815
	<u>381,442</u>	<u>783,815</u>

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	35,770	-
Trade creditors	1,054,203	421,323
Other taxation and social security	342,561	-
Other creditors	104,958	67,412
Accruals and deferred income	879,921	65,089
	<u>2,417,413</u>	<u>553,824</u>

9. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	50,238	50,000
	<u>50,238</u>	<u>50,000</u>

NATURECAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

10. Financial instruments

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<u>381,442</u>	<u>783,815</u>

Financial assets measured at fair value through profit or loss comprise bank and cash balances.

11. Deferred taxation

	2021 £
At beginning of year	198,500
Charged to profit or loss	62,053
Utilised in year	(96,779)
<b>At end of year</b>	<u>163,774</u>

The deferred tax asset is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(80,848)	(404)
Tax losses carried forward	244,124	198,904
Other short term timing differences	498	-
	<u>163,774</u>	<u>198,500</u>

No reversal of the deferred tax asset is expected in the following 12 months.

---

NATURECAN LIMITED

---

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2021

---

12. Provisions

	Other provision £
Other movements	253,357
<b>At 31 December 2021</b>	<b>253,357</b>

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £19,705 (2020 - £nil) . Contributions totalling £1,989 (2020 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.