

**CANNISTA LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**CANNISTA LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Note	2022 £	2021 £
Turnover		300,226	287,734
Administrative expenses		(76,791)	2,235,559
<b>Operating profit</b>		<b>223,435</b>	<b>2,523,293</b>
Interest payable and similar expenses		(226,621)	(222,439)
<b>(Loss)/profit before tax</b>		<b>(3,186)</b>	<b>2,300,854</b>
<b>(Loss)/profit for the financial year</b>		<b>(3,186)</b>	<b>2,300,854</b>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 4 to 10 form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investment property	5	7,895,000	7,895,000
		<u>7,895,000</u>	<u>7,895,000</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	939,685	704,696
Cash at bank and in hand		46	144
		<u>939,731</u>	<u>704,840</u>
Creditors: amounts falling due within one year	7	(978,047)	(739,970)
<b>Net current liabilities</b>		<u>(38,316)</u>	<u>(35,130)</u>
<b>Total assets less current liabilities</b>		<u>7,856,684</u>	<u>7,859,870</u>
Creditors: amounts falling due after more than one year	8	(4,895,218)	(4,895,218)
<b>Provisions for liabilities</b>			
Deferred tax	10	(207,857)	(207,857)
		<u>(207,857)</u>	<u>(207,857)</u>
<b>Net assets</b>		<u>2,753,609</u>	<u>2,756,795</u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		2,753,608	2,756,794
<b>Shareholders' funds</b>		<u>2,753,609</u>	<u>2,756,795</u>

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**CANNISTA LIMITED**  
**REGISTERED NUMBER: 08130967**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2022**

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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 year 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 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 financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....  
**L Mohamed**  
Director

Date: 6/12/23.

The notes on pages 4 to 10 form part of these financial statements.

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

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**1. General information**

Cannista Limited is a private limited company incorporated in England and Wales within the United Kingdom. The address of the registered office is given in the company's information page of these financial statements. The principal activity of the company during the year was that of property investment and development. The Company's functional and presentational currency is GBP and these financial statements are rounded to the nearest £.

**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**

These financial statements have been prepared on the going concern basis although the company made a loss of £3,186 (2021: Profit £2,300,854), its' current liabilities exceeded its' current assets by £38,316 (2020: £35,130). The company's directors and other group companies have indicated that they will provide financial support to ensure the company can continue to trade for the foreseeable future and that they have the means to do so. On this basis, the directors consider it appropriate to continue to prepare the financial statements on the going concern basis.

**2.3 Revenue**

Turnover represents the fair value of the rent received or receivable measured on an accruals basis and in accordance with the substance of the relevant tenancy agreements.

**2.4 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.

**2.5 Borrowing costs**

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

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

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**2. Accounting policies (continued)**

**2.6 Current and deferred taxation**

The tax expense for the year 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 reporting 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 reporting 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 reporting date.

**2.7 Investment properties**

Investment properties are carried at fair value determined annually by the directors' and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

**2.8 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.

**2.9 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.

**2.10 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.

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

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**2. Accounting policies (continued)****2.11 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 reporting 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 Statement of Financial Position.

**2.12 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

**3. Employees**

The average monthly number of employees, including directors, during the year was 2 (2021 - 2).

**4. Taxation**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
<b>Total deferred tax</b>	-	-
<b>Taxation on profit on ordinary activities</b>	-	-

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

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**5. Investment properties**

	<b>Investment properties £</b>
<b>Valuation</b>	
At 1 January 2022	<b>7,895,000</b>
<b>At 31 December 2022</b>	<b>7,895,000</b>

The properties valuations were made by the directors', on an open market value for existing use basis.

**At 31 December 2022**

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	<b>2022 £</b>	<b>2021 £</b>
Historic cost	<b>7,063,571</b>	<b>7,063,571</b>
	<b>7,063,571</b>	<b>7,063,571</b>



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**CANNISTA LIMITED**

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

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**6. Debtors**

	2022 £	2021 £
Other debtors	939,685	704,696
	<u>939,685</u>	<u>704,696</u>

**7. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Other creditors	968,157	728,754
Accruals and deferred income	9,890	11,216
	<u>978,047</u>	<u>739,970</u>

**8. Creditors: Amounts falling due after more than one year**

	2022 £	2021 £
Bank loans	4,895,218	4,895,218
	<u>4,895,218</u>	<u>4,895,218</u>

The following liabilities were secured:

Details of security provided:

Included within creditors falling due after more than one year is an amount of £4,895,218 (2021: £4,895,218) in respect of liabilities which fall due for payment after more than five years from the balance sheet date. The liability is secured by a charge over the properties.

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**CANNISTA LIMITED**

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

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**9. Loans**

Analysis of the maturity of loans is given below:

	2022 £	2021 £
<b>Amounts falling due after more than 5 years</b>		
Bank loans	4,895,218	4,895,218
	<u>4,895,218</u>	<u>4,895,218</u>
	<u>4,895,218</u>	<u>4,895,218</u>

**10. Deferred taxation**

	2022 £	2021 £
At beginning of year	(207,857)	(207,857)
<b>At end of year</b>	<u>(207,857)</u>	<u>(207,857)</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Timing differences in respect of revaluation of investment properties	(207,857)	(207,857)
	<u>(207,857)</u>	<u>(207,857)</u>

**11. Reserves**

Included within the Profit and Loss account reserve is an amount of £623,571 (2021: £623,571) in respect of the unrealised gain on investment properties less deferred tax provision. This amount represents the undistributable element and cannot be paid out as dividends.

**12. Related party transactions**

The company has taken the exemption available in FRS102 1A.35 and not disclosed balances and transactions entered into two or more members of the group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

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**CANNISTA LIMITED**

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

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**13. Controlling party**

The ultimate parent undertaking is LMSL Group Limited.

There is no ultimate controlling party.