

KAO CORPORATE LIMITED
Registration Number: 7842749

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2018



KAO CORPORATE LIMITED
Registration Number: 7842749

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FOR THE YEAR ENDED 31 OCTOBER 2018

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KAO CORPORATE LIMITED
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GENERAL INFORMATION

Directors

Richard Boléat
Martin Eberhard

Secretary

Intertrust Employee Benefit Services Limited
44 Esplanade
St Helier
Jersey JE4 9WG

Auditors

Alex Picot
95-97 Halkett Place
St Helier
Jersey
JE1 1BX

Registered Office

35 Great St Helen's
London
England
EC3A 6AP

KAO CORPORATE LIMITED
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STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2018

The Directors present the strategic report, the directors' report and the audited financial statements for the year ended 31 October 2018 for KAO Corporate Limited ("the Company").

Principal Activity and Review of the Business

The Company is a private company, limited by shares in England, registration number 7842749. Throughout the year the principal activity of the Company was to be a corporate member of AKO Capital LLP. The loss for the financial year ended 31 October 2018, as detailed on page 6, was £(47,973), (2017 loss: £46,548). The Company's balance sheet as detailed on page 7 shows a satisfactory position, shareholders' funds amount to £124,366 (2017: £172,339).

Principal Risks and Uncertainties

The Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's Directors are responsible to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The Company's principal risks and uncertainties are the fluctuation of profit appropriations from its investment and the impairment of the value of its investment.

Going Concern

Whilst the directors do not envisage the company undertaking the business for which it was originally established during the next financial year, the Company has adequate financial resources and as a consequence, the Directors believe that it is well placed to manage its business risks successfully.

The Directors, whilst they do not envisage the company undertaking the business for which it was originally established during the next financial year, have a reasonable expectation that the Company will continue to have adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Directors' report and financial statements.

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2018

Incorporation

The Company was incorporated on 10 November 2011.

Dividend

The Directors did not declare a dividend during the year ended 31 October 2018 (2017: £15,000).

Directors

The following Directors were appointed and held office during the whole year, except where stated:

Richard Boléat
Martin Eberhard

Statement of Disclosure of Information to Auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and the auditor, each Director has taken all steps that he is obliged to take as a Director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial period. Under law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Auditors

Alex Picot were appointed as independent auditors during the period and have indicated their willingness to continue in office. In accordance with S.485 of the Companies Act 2006, a resolution is to be proposed for the re-appointment of Alex Picot as auditor of the Company.

On behalf of the board



Director

Date

5th July 2019

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
KAO CORPORATE LIMITED**

Opinion

We have audited the financial statements of KAO Corporate Limited (the "company") for the year ended 31 October 2018 which comprise the profit and loss account, balance sheet, statement of cash flows and 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 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 company's affairs as at 31 October 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the strategic report and directors' report and responsibilities, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.



Alex Picot
chartered accountants

95-97 Halkett Place
St. Helier, Jersey
Channel Islands JE1 1BX

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KAO CORPORATE LIMITED (CONTINUED)

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 directors' 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 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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 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 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.

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.

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. This description forms part of our auditor's report.

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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Phillips (Senior Statutory Auditor)
for and on behalf of
Alex Picot Chartered Accountants, Statutory Auditor

12 July 2019

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PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2018

	Notes	1 November 2017 to 31 October 2018 £	1 November 2016 to 31 October 2017 £
Turnover	2	-	-
Administrative expenses		(48,326)	(57,655)
Operating (loss) / profit		(48,326)	(57,655)
Interest receivable and similar income		353	88
Loss on ordinary activities before taxation		(47,973)	(57,567)
Tax on (loss) / profit on ordinary activities	3	-	11,019
Loss for the financial period		(47,973)	(46,548)

All amounts are in respect of continuing operations.

There are no recognised gains or losses in the current period other than those reported in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

The notes on pages 9 to 12 form an integral part of these audited financial statements.

KAO CORPORATE LIMITED
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BALANCE SHEET
AS AT 31 OCTOBER 2018

	Notes	31 October 2018 £	31 October 2017 £
Fixed Assets			
Investments	4	5,000	5,000
Current Assets			
Cash at bank		130,895	182,869
Debtors	5	7,361	12,889
		<hr/>	<hr/>
		138,256	195,758
Current Liabilities			
Creditors	6	(18,890)	(28,419)
		<hr/>	<hr/>
Net Current Assets		119,366	167,339
		<hr/>	<hr/>
Net Assets		124,366	172,339
		<hr/> <hr/>	<hr/> <hr/>
Capital and Reserves			
Called up share capital	7	100	100
Profit and loss account	8	124,266	172,239
		<hr/>	<hr/>
Total Shareholders' Funds	8	124,366	172,339
		<hr/> <hr/>	<hr/> <hr/>

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

The accounts on pages 6 to 12 were approved by the board of Directors on *31st 10 2018* and authorised for issue on behalf by:


 Director

Date *31st 10 2018*

The notes on pages 9 to 12 form an integral part of these audited financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2018

	Notes	1 November 2017 to 31 October 2018 £	1 November 2016 to 31 October 2017 £
Net cash (outflow) / inflow from operating activities	9 (a)	(63,346)	(58,708)
Returns on investments and servicing of finance	9 (b)	353	88
Taxation	9 (b)	11,019	-
Equity dividend paid	9 (b)	-	(15,000)
		<hr/>	<hr/>
Decrease in net cash during the year	9 (c)	(51,974)	(73,620)
		<hr/>	<hr/>
Reconciliation of net cash flow to movement of net funds			
		<hr/>	<hr/>
Decrease in cash during year		(51,974)	(73,620)
		<hr/>	<hr/>
Movement in net funds during the year		(51,974)	(73,620)
Net funds as at 1 November 2017		182,869	256,489
		<hr/>	<hr/>
Net funds as at 31 October 2018		130,895	182,869
		<hr/>	<hr/>

The notes on pages 9 to 12 form an integral part of these audited financial statements.

KAO CORPORATE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018

1. Principal Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A small entities. There have been no material departures from that standard. A summary of the more important standards is set out below.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

As disclosed in the directors' report, the Directors have a reasonable expectation that the Company will be able to meet its liabilities as they fall due for the foreseeable future. For this reason the financial statements are prepared on the going concern basis.

Investments

Investments are stated at cost unless in the opinion of the Directors, there has been a permanent diminution in the value of the investments, in which case they are written down to the net realisable value. Gains or losses arising on the disposal of investments are recognised within the revenue reserve. Unrealised gains or losses are recognised within the unrealised revenue reserve.

Income is included in the financial statements where declared and payable before the balance sheet date.

Taxation and deferred taxation

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the country where the Company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at the date that they will result in an obligation to pay more, or a right to pay less or receive more, tax.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates and laws enacted at the balance sheet date.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration and is measured at the fair value of the consideration received, excluding VAT.

Dividend

Dividends are recognised as a liability in the accounting period in which they are proposed and declared.

Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated using the rate of exchange at the net asset statement date and the gains and losses on translation are recognised within the profit and loss account.

2. Turnover

Turnover is attributable to profit appropriations from AKO Capital LLP and arose entirely within the United Kingdom. Turnover is recognised on an accruals basis.

	1 November 2017 to 31 October 2018 £	1 November 2016 to 31 October 2017 £
Appropriations receivable	-	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018 (continued)

3. Tax on profit on ordinary activities

	1 November 2017 to 31 October 2018 £	1 November 2016 to 31 October 2017 £
(a) Tax on profit on ordinary activities		
Current tax		
Adjustments in respect of previous periods	-	(11,019)
	<u>-</u>	<u>(11,019)</u>
	<u>-</u>	<u>-</u>
Total tax per income statement	<u>-</u>	<u>(11,019)</u>
(b) Factors affecting the tax charge for the year:		
Taxable profit on ordinary activities before taxation	<u>(47,973)</u>	<u>(57,567)</u>
Tax on profit on ordinary activities at standard corporation tax rate of 19.41% (2017 19.41%)	-	(11,176)
Effects of:		
Adjustment to tax charge in respect of previous periods	-	(11,019)
Unrecoverable deferred tax asset	<u>-</u>	<u>11,176</u>
Current tax charge for the year	<u>-</u>	<u>(11,019)</u>

The company's tax affairs are being reviewed by HMRC and protective claims have been lodged with HMRC to reclaim taxation paid in respect of the years ended 31 October 2012 and 2013. Any amounts received in respect of these claims will be accounted for when received.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018 (continued)

4. Investments	31 October 2018	31 October 2017
	£	£
<u>AKO Capital LLP</u>		
Capital Account	5,000	5,000
	<hr/>	<hr/>
As at 31 October	5,000	5,000
	<hr/>	<hr/>

The Company became a member of AKO Capital LLP (the "LLP") effective 30 November 2011 and the investment represents an initial capital contribution of £5,000.

5. Debtors	31 October 2018	31 October 2017
	£	£
Prepayments	7,361	1,870
Corporation tax	-	11,019
	<hr/>	<hr/>
	7,361	12,889
	<hr/>	<hr/>

6. Creditors: Amounts falling due within one year	31 October 2018	31 October 2017
	£	£
Accruals	18,890	28,419
	<hr/>	<hr/>
	18,890	28,419
	<hr/>	<hr/>

7. Called up Share Capital	31 October 2018	31 October 2017
	£	£
Issued and fully paid:		
100 ordinary share of £1 each	100	100
	<hr/>	<hr/>

8. Reconciliation of movements in shareholders' funds and movement in reserves

	Share capital	Profit and loss	Total shareholder's
	£	account	funds
		£	£
1 November 2017	100	172,239	172,339
Loss for the year	-	(47,973)	(47,973)
	<hr/>	<hr/>	<hr/>
At 31 October 2018	100	124,266	124,366
	<hr/>	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018 (continued)

9. Notes to the cash flow statement

(a) Reconciliation of operating profit to net cash inflow from operating activities:

	1 November 2017 to 31 October 2018 £	1 November 2016 to 31 October 2017 £
Operating (loss)	(48,326)	(57,655)
(Increase) in debtors	(5,491)	(1,149)
Increase/(debtors) in creditors	(9,529)	96
	<u>(63,346)</u>	<u>(58,708)</u>

(b) Analysis of cash flows for headings netted in the cash flow statement

Return on investments and servicing of finance

Interest received	<u>353</u>	<u>88</u>
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Taxation

Corporation tax paid	<u>11,019</u>	<u>-</u>
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Equity dividend paid

Dividend paid	<u>-</u>	<u>(15,000)</u>
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(c) Analysis of changes in net funds

At 1 November 2017 £	Cash Flow £	At 31 October 2018 £
<u>182,869</u>	<u>(51,974)</u>	<u>130,895</u>

10. Related parties

The Company is a corporate member of AKO Capital LLP (the "LLP"). The Directors total remuneration during the year ended 31 October 2018 was £20,176.

Auditor remuneration during the year amounted to £3,000 (2017: £3,000). No other auditor services were provided during the year.

11. Ultimate parent undertaking and controlling party

The Company is wholly owned and controlled by Intertrust Trustee 2 (Jersey) Limited as Trustee of the AKO Business Purpose Trust, based in Jersey.