

**KIND SNACKS UK LIMITED**

Annual report and  
financial statements

**Registered number: 09402330**

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**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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	<b>Page</b>
<b>Directors and other information</b>	1
<b>Directors' report</b>	2
<b>Statement of directors' responsibilities in respect of the directors' report and financial statements</b>	3
<b>Independent Auditors' report to the members of Kind Snacks UK Limited</b>	5
<b>Profit and Loss Account and other comprehensive income</b>	7
<b>Balance Sheet</b>	8
<b>Statement of Changes in Equity</b>	9
<b>Statement of Cash Flow</b>	10
<b>Notes to the Financial Statements</b>	11

**DIRECTORS AND OTHER INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**DIRECTORS:** Mr. J. Antebi (U.S)  
Ms. K M Lucas  
Mr. J. R. Mervis (U.S)

**SECRETARY:** Scrip Secretaries Limited

**REGISTERED OFFICE:** 15th Floor  
125 Old Broad Street  
London  
EC2N 1AR

**AUDITORS:** KPMG  
Chartered Accountants  
Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

**BANKERS:** Ulster Bank Ltd  
Danesfort  
Stranmillis Road  
Belfast  
BT9 5UD

**SOLICITORS:** Goodbody Secretarial Limited

**COMPANY NUMBER:** 09402330

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors present their report and the audited financial statements of the company for the year ended 31 December 2016.

**PRINCIPAL ACTIVITY**

The principal activity of the Company is that of selling fruit and nut bars. It is a wholly owned subsidiary of KIND International Limited, a company incorporated in Ireland. Its ultimate parent is KIND Inc. incorporated in the US.

**BUSINESS REVIEW**

There has been no significant change in the activity during the year.

**PROPOSED DIVIDEND**

The directors do not recommend the payment of a dividend.

**DIRECTORS SECRETARY AND THEIR INTERESTS**

The directors who have held office during the period from 22 January 2015 to the date of this report are as follows:

Mr. J. Antebi - resigned 16 February 2017

Ms. K M Lucas - appointed 22 January 2015

Mr. J. R. Mervis - appointed 22 January 2015

All the directors who are eligible offer themselves for election at the forthcoming first Annual General Meeting.

None of the directors held more than 1% of the shares or debentures in the Company or Group companies during the financial year.

**POLITICAL AND CHARITABLE DONATIONS**

The Company made no political nor charitable donations or incurred any political expenditure during the year.

**SMALL COMPANY EXEMPTION**

The Company has availed of the exemption under the Companies Act 2006 (“Strategic Report and Directors’ Report”) Regulations 2013 from implementing the Strategic report requirements as the Company qualifies as a small company for law purposes.

**DISCLOSURE TO INFORMATION TO AUDITOR**

The directors who held office at the date of approval of this directors’ report confirm that, so far as they are each aware, there is no relevant audit information of which the company’s auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company’s auditor is aware of that information.

**POST BALANCE SHEET EVENTS**

There have been no significant event since the balance sheet date which require adjustment to the financial statements or the inclusion or note thereto.

**REPORT OF THE DIRECTORS *(continued)***  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office

On behalf of the board



Ms. K M Lucas  
Director

20 September 2017

**STATEMENT OF DIRECTORS' RESPONSIBILITIES  
IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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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 year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board



Ms. K. M. Lucas  
Director

20 September 2017

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIND SNACKS UK LIMITED

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We have audited the financial statements of KIND UK Snacks Limited for the year ended 31 December 2016 which comprise the profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

### **Opinions and conclusions arising from our audit**

#### ***1 Our opinion on the financial statements is unmodified***

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### ***2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below***

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

#### ***3 We have nothing to report in respect of matters on which we are required to report by exception***

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required 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.

We have nothing to report in respect of the above responsibilities.

**Basis of our report, responsibilities and restrictions on use**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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.

2017

*Maurice McCann*  
**for and on behalf of**  
**KPMG**  
**Chartered Accountants, Statutory Auditor**  
*1 Stokes Place*  
*St. Stephen's Green*  
*Dublin 2*



**KIND SNACKS UK LIMITED**

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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	<i>Note</i>	<b>2016</b> £	2015 £
<b>TURNOVER</b>		<b>1,441,796</b>	671,244
Cost of sales		<b>(428,800)</b>	(40,838)
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		<b>1,012,996</b>	630,406
Administrative expenses	3	<b>(995,704)</b>	(629,885)
		<hr/>	<hr/>
<b>PROFIT BEFORE TAXATION</b>	2	<b>17,292</b>	521
Tax on Profit on ordinary activities	4	<b>(3,354)</b>	(104)
		<hr/>	<hr/>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		<b>13,938</b>	417
		<hr/> <hr/>	<hr/> <hr/>

There were no recognized gains or losses other than the above and accordingly no statement of total gains and losses has been provided.

All results arise from continuing operations.

**KIND SNACKS UK LIMITED**  
**BALANCE SHEET AS AT 31 DECEMBER 2016**

	<i>Note</i>	<b>2016</b> £	2015 £
<b>CURRENT ASSETS</b>			
Stocks	5	359,743	74,011
Debtors	6	536,640	54,105
Cash at bank	7	925,370	750,567
		<u>1,821,753</u>	<u>878,683</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	(1,807,397)	(878,265)
		<u>14,356</u>	<u>418</u>
<b>NET CURRENT ASSETS</b>			
		<u>14,356</u>	<u>418</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>14,356</u>	<u>418</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	1	1
Profit and loss account		14,355	417
		<u>14,356</u>	<u>418</u>
<b>SHAREHOLDERS FUNDS</b>			
		<u>14,356</u>	<u>418</u>

The accounts were approved by the Board of Directors on 20 September 2017 and were signed on its behalf by:



Ms. K. M. Lucas  
 Director

**KIND SNACKS UK LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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	<b>Share Capital £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
Balance – 22 January 2015	1	-	1
<i>Comprehensive income:</i>			
Profit for the period	-	417	417
	<hr/>	<hr/>	<hr/>
<b>Balance – 31 December 2015</b>	<b>1</b>	<b>417</b>	<b>418</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Balance – 1 January 2016	1	417	418
<i>Comprehensive income:</i>			
Profit for the year	-	13,938	13,938
	<hr/>	<hr/>	<hr/>
<b>Balance – 31 December 2016</b>	<b>1</b>	<b>14,355</b>	<b>14,356</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**KIND SNACKS UK LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	<i>Note</i>	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Profit for the financial year		13,938	417
<i>Adjustment for:</i>			
Taxation		3,354	104
		17,292	521
(Increase) in stock		(285,731)	(74,011)
(Increase) in debtors		(482,535)	(54,105)
Increase in creditors		925,778	878,162
		157,512	750,046
<b>Net cash from operating activities</b>		174,804	750,567
<b>Cash flows from investing activities</b>		-	-
		-	-
<b>Cash flows from financing activities</b>		-	-
		-	-
<b>Net increase in cash and cash equivalents</b>		174,804	750,567
Cash and cash equivalents at 1 January 2016		750,567	-
		925,370	750,567
<b>Cash and cash equivalents at 31 December 2016</b>		925,370	750,567

KIND SNACKS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

KIND UK Limited (the "Company") is a company limited by shares and incorporated and domiciled in U.K. The address of its registered office is 15<sup>th</sup> Floor, 125 Old Broad Street, London EC2N 1AR

The Company is exempt by virtue of s402 subject to the small companies' regime of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard *102 The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling.

The Company's ultimate holding undertaking, KIND Inc, includes the Company in its consolidated financial statements. The consolidated financial statements of KIND Inc are not available to the public.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

There were no judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

**1.1 Going Concern**

The financial statements have been prepared on the going concern basis.

**1.2 Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax sold to third parties, together with fees receivable from a group company, for services provided by the company.

**1.3 Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**1.4 Basic Financial Instruments**

*Trade and other debtors/creditors*

Trade and other debtors are recognized initially at transaction price plus attributable transaction costs. Trade and other creditors are recognized initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortized costs using the effective interest method, less any impairment losses in the case of trade debtors.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances.

# KIND SNACKS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

### 1. ACCOUNTING POLICIES *(continued)*

#### 1.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognized in the profit and loss account except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognized in the financial statements. Deferred tax is not recognized on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property except when the investment property has a limited useful life and the objective of the company's business model is to consume substantially all of the value through use. In the latter case the tax rate that is expected to apply to the reversal of the related difference is used. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognized only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### 2. OPERATING PROFIT

The operating profit is stated after charging/ (crediting):

	2016 £	2015 £
Directors' remuneration	181,257	173,282
Auditor's remuneration	5,450	5,000
	<u>          </u>	<u>          </u>

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid director was £181,257 (2015:£173,282), and company pension contributions of £6,947 (2015:£ 3,653) were made to a money purchase scheme on the director's behalf.

**KIND SNACKS UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

<b>3. ADMINISTRATIVE EXPENSES</b>	<b>2016</b>	<b>2015</b>
Total number of employees	7	1
	<u>          </u>	<u>          </u>
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Gross wages (includes the directors' remuneration in note 2)	<b>501,888</b>	337,676
	<u>          </u>	<u>          </u>
<b>4 TAXATION</b>	<b>2016</b>	<b>2015</b>
	<b>€</b>	<b>€</b>
<b>Analysis of the tax charge</b>		
The tax charge on the profit on ordinary activities for the period was as follows:		
<i>Current tax</i>		
Corporation tax	<b>3,354</b>	104
	<u>          </u>	<u>          </u>
Tax on profit on ordinary activities	<b>3,354</b>	104
	<u>          </u>	<u>          </u>
The effective tax rate is materially the same as the UK corporation tax rate of 20%.		
<b>5. STOCK</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Finished goods	<b>359,743</b>	74,011
	<u>          </u>	<u>          </u>
<b>6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>326,156</b>	15,784
Other debtors	<b>180,203</b>	38,321
Amounts owed from group companies	<b>30,281</b>	-
	<u>          </u>	<u>          </u>
	<b>536,640</b>	54,105
	<u>          </u>	<u>          </u>
<b>7. CASH AT BANK AND IN HAND</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>925,370</b>	750,567
	<u>          </u>	<u>          </u>

**KIND SNACKS UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

<b>8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	-	105
Trade creditors	<b>18,205</b>	8,751
Amounts owed to immediate parent and group companies	<b>1,728,574</b>	343,236
Taxation and social security	<b>3,354</b>	104
Other creditors	<b>57,264</b>	526,069
	<hr/>	<hr/>
	<b>1,807,397</b>	<b>878,265</b>
	<hr/> <hr/>	<hr/> <hr/>

<b>9. CALLED UP SHARE CAPITAL</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Allotted, issued and fully paid:		
Number:	Class:	Nominal
		value:
1	Ordinary	£1
	<b>1</b>	<b>1</b>
	<hr/>	<hr/>

**10. ULTIMATE PARENT COMPANY**

KIND Inc. (incorporated in USA) is regarded by the directors as being the company's ultimate parent company. Its immediate parent company is KIND International Limited, a company incorporated in Ireland.

**11. RELATED PARTY DISCLOSURES**

<b>KIND International Limited</b>	<b>2016</b>	<b>2015</b>
Shareholder	<b>£</b>	<b>£</b>
Amount due to related party at the balance sheet date	<b>976,025</b>	<b>343,236</b>
	<hr/>	<hr/>
<b>KIND LLC</b>	<b>2016</b>	<b>2015</b>
Group Companies	<b>£</b>	<b>£</b>
Amount due to related party at the balance sheet date	<b>671,957</b>	<b>-</b>
	<hr/>	<hr/>
<b>KIND Holdings Limited</b>	<b>2016</b>	<b>2015</b>
Group Companies	<b>£</b>	<b>£</b>
Amount due to related party at the balance sheet date	<b>47,163</b>	<b>-</b>
	<hr/>	<hr/>



**KIND SNACKS UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

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<b>KIND Management Inc.</b>	<b>2016</b>	<b>2015</b>
Group Companies	£	£
Amount due to related party at the balance sheet date	<b>28,606</b>	-
	<u>          </u>	<u>          </u>
<b>KIND Healthy Snacks ULC</b>	<b>2016</b>	<b>2015</b>
Group Companies	£	£
Amount due to related party at the balance sheet date	<b>4,823</b>	-
	<u>          </u>	<u>          </u>
<b>KIND Operations Inc.</b>	<b>2016</b>	<b>2015</b>
Group Companies	£	£
Amount owed from related party at the balance sheet date	<b>(30,281)</b>	-
	<u>          </u>	<u>          </u>