

Rhode Islands Dressings, LLC

ANNUAL REPORT

PO Box 539  
Narragansett, RI 02882  
401-783-2185  
www.riorganics.com

This Annual Report is dated April 23, 2019.

RI Dressings manufacture organic, gluten-free salad dressings/marinades under its Rhode Island Organics® brand label. Products are currently distributed throughout New England to retail stores.

Previous Offerings

Between September 27, 2018 and December 31, 2018, we sold 139 Membership Units in exchange for \$105 per share under Regulation Crowdfunding.

REGULATORY INFORMATION

The company has not previously failed to comply with the requirements of Regulation Crowdfunding;

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION  
AND RESULTS OF OPERATION

Operating Results – 2018 Compared to 2017

Income Statements for 2017 and for 2018 (Exhibit A - Financial Statements)

Liquidity and Capital Resources

At December 31, 2018, the Company had cash of \$2,465. The Company intends to raise additional funds through an equity financing.

Debt

The Company received debt financing (\$75,000.00) through Commerce Department of the State of Rhode Island and the Small Business Administration with a closing date of March 31, 2017. Interest is 8.75% with a maturity date of March 1, 2024. Servicing of the loan is handled by and through Community Investment Corporation (CIC) with headquarters in Hamden, CT. Monthly payments are \$1,185.60 - allocated between interest and principal. Principle balance as of December 31, 2018 is \$59,748.

The Company also received debt financing of \$5,000 from US Equity Financing with a principle balance of \$4,668 as of December 31, 2018. The Company received debt financing of \$7,500 through PayPal Financing with a principle balance of \$7,008 as of December 31, 2018.

#### DIRECTORS, EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES

Our directors and executive officers as of the date hereof, are as follows:

Carder Starr — Operating Manager and Founder  
Gary Ranaldi - Production Manager and Founder

#### PRINCIPAL SECURITY HOLDERS

Set forth below is information regarding the beneficial ownership of our Membership Units, our only outstanding class of equity, as of December 31, 2018, by (i) each person whom we know owned, beneficially, more than 10% of the outstanding shares of our Common Stock, and (ii) all of the current officers and directors as a group. We believe that, except as noted below, each named beneficial owner has sole voting and investment power with respect to the shares listed. Unless otherwise indicated herein, beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and includes voting or investment power with respect to shares beneficially owned.

##### Membership Units

Carder Starr  
23 2nd Street  
Narragansett, RI 02882

3,506 Membership Units  
70.12%

Gary Ranaldi  
659 Hatchery Road  
North Kingstown, RI 02852

995 Membership Units  
19.9%

## RELATED PARTY TRANSACTIONS

### OUR SECURITIES

Our authorized capital stock consists of 5,000 Membership Units, par value \$105 per unit. As of December 31, 2018, 5,000 shares of common stock are outstanding. The following is a summary of the rights of our capital stock as provided in our certificate of incorporation and bylaws.

#### What it means to be a minority holder

As a minority holder you will have limited ability, if at all, to influence our policies or any other corporate matter, including the election of directors, changes to our company's governance documents, additional issuances of securities, company repurchases of securities, a sale of the company or of assets of the company or transactions with related parties.

#### Dilution

Investors should understand the potential for dilution. The investor's stake in a company could be diluted due to the company issuing additional units. In other words, when the company issues more units, the percentage of the company that you own will decrease, even though the value of the company may increase. You will own a smaller piece of a larger company. This increase in number of units outstanding could result from a stock offering (such as an initial public offering, another crowdfunding round, a venture capital round or angel investment), employees exercising stock options, or by conversion of certain instruments (e.g. convertible notes, preferred shares or warrants) into stock.

If we decide to issue more units, an investor could experience value dilution, with each unit being worth less than before, and control dilution, with the total percentage an investor owns being less than before. There may also be earnings dilution, with a reduction in the amount earned per unit (though this typically occurs only if we offer dividends, and most early stage companies are unlikely to offer dividends, preferring to invest any earnings into the company).

The type of dilution that hurts early-stage investors most occurs when the company sells more units in a "down round," meaning at a lower valuation than in earlier offerings.

If you are making an investment expecting to own a certain percentage of the company or expecting each unit to hold a certain amount of value, it's important to realize how the value of those units can decrease by actions taken by the company. Dilution can make drastic changes to the value of each unit, ownership percentage, voting control, and earnings per unit.

### RESTRICTIONS ON TRANSFER

The Membership Units sold in the Regulation CF offering, may not be transferred by any purchaser, for a period of one-year beginning when the securities were issued, unless such securities are transferred:

- (1) to the Company;
- (2) to an accredited investor;
- (3) as part of an offering registered with the SEC; or
- (4) to a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust created for the benefit of a member of the family of the purchaser or the

equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance.

#### SIGNATURES

Pursuant to the requirements of Sections 4(a)(6) and 4A of the Securities Act of 1933 and Regulation Crowdfunding (§ 227.100-503), the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form C and has duly caused this Form to be signed on its behalf by the duly authorized undersigned, on May 31, 2018.

Rhode Islands Dressings, LLC

By

Name: Carder Starr

A handwritten signature in blue ink, reading "Carder Starr", written over a horizontal line.

Title: Operating Manager/Chief Executive Officer

Exhibit A

FINANCIAL STATEMENTS

CERTIFICATION

I, Carder Starr, Principal Executive Officer of Rhode Islands Dressings, LLC, hereby certify that the financial statements of Rhode Island Dressings, LLC included in this Report are true and complete in all material respects.



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Principal Executive Officer



Rhode Islands Dressings, LLC  
Balance Sheet  
December 31, 2018

ASSETS

|                                |    |                  |
|--------------------------------|----|------------------|
| Current Assets                 |    |                  |
| Cash on Hand                   | \$ | 100.00           |
| Santandar checking             |    | 3,296.41         |
| Bank RI checking               |    | (0.76)           |
| PayPal                         |    | 49.38            |
| Accounts Receivable            |    | 6,719.63         |
| Inventory                      |    | 5,747.18         |
| Escrow Hold                    |    | 783.70           |
| loans to members (Carder Starr |    | 41,267.57        |
|                                |    | <hr/>            |
| Total Current Assets           |    | 57,963.11        |
| Property and Equipment         |    | <hr/>            |
| Total Property and Equipment   |    | 0.00             |
| Other Assets                   |    | <hr/>            |
| Total Other Assets             |    | 0.00             |
| Total Assets                   | \$ | <u>57,963.11</u> |

LIABILITIES AND CAPITAL

|                             |    |                  |
|-----------------------------|----|------------------|
| Current Liabilities         |    |                  |
| Accounts Payable            | \$ | 56,722.06        |
| Bank RI LOC                 |    | 2,288.65         |
| CIC Lending                 |    | 59,747.52        |
| US Equity Funding           |    | 4,668.00         |
| PayPal Lending              |    | 7,008.47         |
|                             |    | <hr/>            |
| Total Current Liabilities   |    | 130,434.70       |
| Long-Term Liabilities       |    | <hr/>            |
| Total Long-Term Liabilities |    | 0.00             |
| Total Liabilities           |    | 130,434.70       |
| Capital                     |    |                  |
| Retained Earnings           |    | (66,790.38)      |
| Member's Contribution       |    | 22,500.00        |
| StartEngine - disbursement  |    | 14,175.00        |
| Net Income                  |    | (42,356.21)      |
|                             |    | <hr/>            |
| Total Capital               |    | (72,471.59)      |
| Total Liabilities & Capital | \$ | <u>57,963.11</u> |

Rhode Islands Dressings, LLC  
Balance Sheet  
December 31, 2017

ASSETS

|                                 |    |                         |
|---------------------------------|----|-------------------------|
| Current Assets                  |    |                         |
| Santandar checking              | \$ | 2,411.14                |
| Bank RI checking                |    | 54.09                   |
| PayPal                          |    | 66.45                   |
| Accounts Receivable             |    | 3,914.10                |
| Inventory                       |    | 4,377.62                |
| Prepaid Expenses                |    | 660.00                  |
| loans to members (Carder Starr) |    | 13,741.29               |
|                                 |    | <hr/>                   |
| Total Current Assets            |    | 25,224.69               |
| Property and Equipment          |    | <hr/>                   |
| Total Property and Equipment    |    | 0.00                    |
| Other Assets                    |    | <hr/>                   |
| Total Other Assets              |    | 0.00                    |
| Total Assets                    | \$ | <u><u>25,224.69</u></u> |

LIABILITIES AND CAPITAL

|                             |    |                         |
|-----------------------------|----|-------------------------|
| Current Liabilities         |    |                         |
| Accounts Payable            | \$ | 21,505.40               |
| Bank RI LOC                 |    | 2,321.29                |
| CIC Lending                 |    | 68,091.77               |
|                             |    | <hr/>                   |
| Total Current Liabilities   |    | 91,918.46               |
| Long-Term Liabilities       |    | <hr/>                   |
| Total Long-Term Liabilities |    | 0.00                    |
| Total Liabilities           |    | 91,918.46               |
| Capital                     |    |                         |
| Retained Earnings           |    | (25,972.81)             |
| Net Income                  |    | (40,720.96)             |
|                             |    | <hr/>                   |
| Total Capital               |    | (66,693.77)             |
| Total Liabilities & Capital | \$ | <u><u>25,224.69</u></u> |

Rhode Islands Dressings, LLC  
Income Statement  
For the Twelve Months Ending December 31, 2018

|                               | Current Month  |         | Year to Date   |         |
|-------------------------------|----------------|---------|----------------|---------|
| Revenues                      |                |         |                |         |
| Sales- stores                 | \$ 1,854.84    | 3.68    | \$ 1,854.84    | 3.68    |
| Sales - distributors          | 32,464.74      | 64.49   | 32,464.74      | 64.49   |
| Sales - consumers             | 11,274.16      | 22.39   | 11,274.16      | 22.39   |
| Other Income                  | 5,405.88       | 10.74   | 5,405.88       | 10.74   |
| Sales Discounts               | (655.33)       | (1.30)  | (655.33)       | (1.30)  |
| Total Revenues                | 50,344.29      | 100.00  | 50,344.29      | 100.00  |
| Cost of Sales                 |                |         |                |         |
| Cost of Sales                 | 28,126.34      | 55.87   | 28,126.34      | 55.87   |
| packaging & labelling         | 2,670.69       | 5.30    | 2,670.69       | 5.30    |
| Total Cost of Sales           | 30,797.03      | 61.17   | 30,797.03      | 61.17   |
| Gross Profit                  | 19,547.26      | 38.83   | 19,547.26      | 38.83   |
| Expenses                      |                |         |                |         |
| Contract Labor                | 17,102.67      | 33.97   | 17,102.67      | 33.97   |
| Income Tax Expense            | 400.00         | 0.79    | 400.00         | 0.79    |
| License Expense               | 230.45         | 0.46    | 230.45         | 0.46    |
| legal and professional        | 1,406.82       | 2.79    | 1,406.82       | 2.79    |
| Maintenance & Repairs Expense | 1,400.21       | 2.78    | 1,400.21       | 2.78    |
| Utilities Expense             | 998.98         | 1.98    | 998.98         | 1.98    |
| Supplies Expense              | 465.23         | 0.92    | 465.23         | 0.92    |
| Telephone Expense             | 3,883.90       | 7.71    | 3,883.90       | 7.71    |
| Office Expense                | 4,119.17       | 8.18    | 4,119.17       | 8.18    |
| Charity donations             | 79.78          | 0.16    | 79.78          | 0.16    |
| Bank expenses                 | 308.00         | 0.61    | 308.00         | 0.61    |
| Credit Card discount fees     | 113.63         | 0.23    | 113.63         | 0.23    |
| Postage and Freight Expense   | 529.67         | 1.05    | 529.67         | 1.05    |
| Travel Expense                | 2,348.45       | 4.66    | 2,348.45       | 4.66    |
| demo show & slotting expense  | 6,938.12       | 13.78   | 6,938.12       | 13.78   |
| Interest expense              | 6,726.18       | 13.36   | 6,726.18       | 13.36   |
| Advertising & web             | 11,247.79      | 22.34   | 11,247.79      | 22.34   |
| Insurance Expense             | 3,604.42       | 7.16    | 3,604.42       | 7.16    |
| Total Expenses                | 61,903.47      | 122.96  | 61,903.47      | 122.96  |
| Net Income                    | \$ (42,356.21) | (84.13) | \$ (42,356.21) | (84.13) |



Rhode Islands Dressings, LLC  
Income Statement  
For the Twelve Months Ending December 31, 2017

|                               | Current Month  |         | Year to Date   |         |
|-------------------------------|----------------|---------|----------------|---------|
| Revenues                      |                |         |                |         |
| Sales- stores                 | \$ 3,594.90    | 7.80    | \$ 3,594.90    | 7.80    |
| Sales - distributors          | 32,304.58      | 70.05   | 32,304.58      | 70.05   |
| Sales - consumers             | 10,855.32      | 23.54   | 10,855.32      | 23.54   |
| Other Income                  | 5.49           | 0.01    | 5.49           | 0.01    |
| Sales Discounts               | (643.38)       | (1.40)  | (643.38)       | (1.40)  |
| Total Revenues                | 46,116.91      | 100.00  | 46,116.91      | 100.00  |
| Cost of Sales                 |                |         |                |         |
| Cost of Sales                 | 29,780.17      | 64.58   | 29,780.17      | 64.58   |
| ingredients                   | 1,180.88       | 2.56    | 1,180.88       | 2.56    |
| packaging & labelling         | 2,669.03       | 5.79    | 2,669.03       | 5.79    |
| Total Cost of Sales           | 33,630.08      | 72.92   | 33,630.08      | 72.92   |
| Gross Profit                  | 12,486.83      | 27.08   | 12,486.83      | 27.08   |
| Expenses                      |                |         |                |         |
| Contract Labor                | 18,446.03      | 40.00   | 18,446.03      | 40.00   |
| Income Tax Expense            | 840.00         | 1.82    | 840.00         | 1.82    |
| License Expense               | 182.38         | 0.40    | 182.38         | 0.40    |
| legal and professional        | 1,000.00       | 2.17    | 1,000.00       | 2.17    |
| Maintenance & Repairs Expense | 1,173.26       | 2.54    | 1,173.26       | 2.54    |
| Utilities Expense             | 966.08         | 2.09    | 966.08         | 2.09    |
| Supplies Expense              | 399.86         | 0.87    | 399.86         | 0.87    |
| Telephone Expense             | 4,231.33       | 9.18    | 4,231.33       | 9.18    |
| Office Expense                | 1,989.43       | 4.31    | 1,989.43       | 4.31    |
| Bank expenses                 | 158.00         | 0.34    | 158.00         | 0.34    |
| Credit Card discount fees     | 77.59          | 0.17    | 77.59          | 0.17    |
| Delivery Expense              | 73.81          | 0.16    | 73.81          | 0.16    |
| Postage and Freight Expense   | 552.52         | 1.20    | 552.52         | 1.20    |
| Travel Expense                | 1,984.30       | 4.30    | 1,984.30       | 4.30    |
| demo show & slotting expense  | 8,453.66       | 18.33   | 8,453.66       | 18.33   |
| Interest expense              | 4,212.14       | 9.13    | 4,212.14       | 9.13    |
| Advertising & web             | 4,510.12       | 9.78    | 4,510.12       | 9.78    |
| Insurance Expense             | 4,053.89       | 8.79    | 4,053.89       | 8.79    |
| Total Expenses                | 53,304.40      | 115.59  | 53,304.40      | 115.59  |
| Net Income                    | \$ (40,817.57) | (88.51) | \$ (40,817.57) | (88.51) |

For Management Purposes Only

**Rhode Islands Dressings LLC**  
**Statement of Cash Flows**  
**For the Years Ended December 31, 2018, 2017 and 2016**

(unaudited)

|  | 2018    | 2017    | 2016    |
|--|---------|---------|---------|
| Cash Flow from Operating Activities          |         |         |         |
| Net loss                                     | -8,934  | -40,818 | -11,662 |
| Changes in opening assets and liabilities:   |         |         |         |
| Accounts receivable                          |         | -3,914  | -508    |
| Inventory                                    |         | -4,378  | -1,828  |
| Prepaid expense                              |         | -660    |         |
| Accounts payable                             |         | 21,505  | 11,751  |
| Accrued liabilities                          |         |         | 5,000   |
| Net cash used in operating activities        | -8,934  | -28,265 | 2,753   |
| Cash flows from financing activities         |         |         |         |
| Proceeds from Member note                    |         |         | 12,158  |
| Proceeds from SBA note                       |         | 75,000  |         |
| Repayment of Member note                     |         | -12,158 |         |
| Repayment of SBA note                        | -8,344  | -6,908  |         |
| Loan to Member                               | -27,527 | -13,741 |         |
| Bank line of credit                          | 100     | 175     |         |
| Proceeds from US Equity financing            | 5,000   |         |         |
| Repayment of US Equity financing             | -332    |         |         |
| Proceeds from PayPal financing               | 7,500   |         |         |
| Repayment of PayPal financing                | -492    |         |         |
| Proceeds from Member equity investment       | 36,675  |         |         |
| Net cash from financing activities           | 12,580  | 42,368  | 12,158  |
| Retained earnings                            | -66,790 | -25,973 | -14,311 |
| Increase in petty cash                       |         | -104    |         |
| Cash and cash equivalents, beginning of year | 288     | 600     |         |
| Cash and cash equivalents, end of year       | -22,038 | 288     | 600     |
| Cash paid for interest                       | 6,726   | 4,212   | 1,029   |

**Rhode Islands Dressings LLC**  
**Statement of Changes in Equity**  
**For Years ending December 31, 2018**  
(unaudited)

|  | Units | Amount | Additional<br>Paid-in<br>Capital | Accumulated<br>Deficit | Total Equity<br>Deficit |
|--|-------|--------|----------------------------------|------------------------|-------------------------|
| Inception (2012)   | 100   | 0      | 0                                | 0                      |                         |
| Retained Earnings (2012 - 2015)  |       |        | 0                                | (9,216)                | (9,216)                 |
| Net Income (loss)  |       |        | 0                                | (5,095)                | (5,095)                 |
| December 31, 2015  | 100   | 0      | 0                                | (14,311)               | (14,311)                |
| Net Income (loss)  |       |        | 0                                | (11,662)               | (11,662)                |
| December 31, 2016  | 100   | 0      | 0                                | (25,973)               | (25,973)                |
| Net Income (loss)  |       |        | 0                                | (40,818)               | (40,818)                |
| December 31, 2017  | 100   | 0      | 0                                | (66,791)               | (66,791)                |
| Net Income (loss)  |       |        |                                  | (42,756)               | (42,756)                |
| December 31, 2018  | 5,000 | 36,675 | 36,675                           | (109,547)              | (72,872)                |
| 2018: Number of units in the Company<br>was increased to 5,000 total units | 5,000 |        |                                  |                        |                         |