COMPANIES HOUSE

Registered number: 01743884

RIDGEWOOD FARM LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2005

RIDGEWOOD FARM LIMITED

COMPANY INFORMATION

DIRECTOR	F Brook
SECRETARY	S G Brook
COMPANY NUMBER	01743884
REGISTERED OFFICE	Pendleton House Hospital Lane Mickleover Derby DE3 0DR
AUDITORS	Smith Cooper Chartered Accountants & Registered Auditors Wilmot House St James Court Friar Gate Derby DE1 1BT

RIDGEWOOD FARM LIMITED

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RIDGEWOOD FARM LIMITED

DIRECTOR'S REPORT
For the year ended 31 December 2005

The director presents his report and the financial statements for the year ended 31 December 2005.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the director to prepare financial statements for each financial year which 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 those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

In determining how amounts are presented within items in the profit and loss account and balance sheet, the director has had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

PRINCIPAL ACTIVITIES

The company did not trade during the year.

DIRECTOR

The director who served during the year was:

F Brook

ADDITIONAL INFORMATION RE DIRECTORS

The director has no interest in the share capital of the company. His interests in the share capital of the parent company are given in the accounts of that company.

AUDITORS

The auditors, Smith Cooper, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 10 October 2006 and signed on its behalf.

S G Brook
Secretary

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RIDGEWOOD FARM LIMITED

We have audited the financial statements of Ridgewood Farm Limited for the year ended 31 December 2005 set out on pages 4 to 8. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005) .

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Director's Responsibilities the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Director's Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RIDGEWOOD FARM LIMITED

OPINION

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2005 and of its results for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

Smith Cooper

Smith Cooper
Chartered Accountants
Registered Auditors
Wilmot House
St James Court
Friar Gate
Derby
DE1 1BT

10 October 2006

RIDGEWOOD FARM LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2005

	Note	2005 £	2004 £
TURNOVER	1	-	141,940
Cost of sales		-	(92,812)
GROSS PROFIT		-	49,128
Administrative expenses		-	(72,000)
Other operating income	2	-	304
OPERATING PROFIT/(LOSS)	3	-	(22,568)
EXCEPTIONAL ITEMS	4		
Net profit on sale of tangible fixed assets		-	24,608
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	2,040
TAX ON PROFIT ON ORDINARY ACTIVITIES		-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	2,040

The notes on pages 6 to 8 form part of these financial statements.

RIDGEWOOD FARM LIMITED

BALANCE SHEET
As at 31 December 2005

	Note	£	2005 £	£	2004 £
CURRENT ASSETS					
Cash at bank		**47**		2,162	
CREDITORS: amounts falling due within one year	5	**(393,328)**		(395,443)	
NET CURRENT LIABILITIES			**(393,281)**		(393,281)
TOTAL ASSETS LESS CURRENT LIABILITIES			**(393,281)**		(393,281)
CAPITAL AND RESERVES					
Called up share capital	6		**100,000**		100,000
Profit and loss account	7		**(493,281)**		(493,281)
SHAREHOLDERS' FUNDS			**(393,281)**		(393,281)

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the board on 10 October 2006 and signed on its behalf.

F Brook
Director

The notes on pages 6 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2005

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	-	20% reducing balance
Motor Vehicles	-	25% reducing balance

The directors do not consider it appropriate to depreciate either land or freehold property since, in their opinion, the buildings owned by the company are such that any charge to depreciation would be immaterial as the estimate residual value of the buildings is not materially different from the carrying value of the buildings.

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.7 Going concern

The balance sheet at the year end shows that liabilities exceed assets by £393,281. The company has ceased trading and all the net liabilities are represented by amounts due to the parent undertaking, Pendleton Investments Limited. Therefore no adjustment would be required to the amounts disclosed in the balance sheet at 31 December 2005 if the accounts had not been drawn up on a going concern basis.

2. OTHER OPERATING INCOME

	2005 £	2004 £
Insurance claims receivable	-	304

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2005

3. OPERATING PROFIT/(LOSS)

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

	2005	2004
	£	£

During the year, no director received any emoluments (2004 - £nil).

4. EXCEPTIONAL ITEMS

	2005	2004
	£	£
Amounts written off freehold property	-	24,608

5. CREDITORS:
Amounts falling due within one year

	2005	2004
	£	£
Bank loans and overdrafts	-	16,362
Trade creditors	-	236
Amounts owed to group undertakings	**393,328**	378,845
	393,328	395,443

Amounts owed to group undertakings are unsecured, interest free and have no fixed repayment date.

6. SHARE CAPITAL

	2005	2004
	£	£
Authorised, allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	**100,000**	100,000

7. RESERVES

Profit and loss account	£
At 1 January 2005	**(493,281)**
At 31 December 2005	**(493,281)**

8. CONTINGENT LIABILITIES

The company has given an unlimited guarantee to secure the bank borrowings of other companies in the Pendleton Investments Limited group. At 31 December 2005 there were group borrowings of £3,911,499 (2004: £1,855,525).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2005

9. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions under FRS 8 not to report transactions with companies which are at least 90% owned by the group.

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The directors regard Pendleton Investments as the ultimate parent undertaking. According to the registers kept by the company, Pendleton Investments Limited has a 100% interest in the equity capital of Ridgewood Farm Limited as at 31 December 2005.

The ultimate controlling party is S Brook by virtue of his controlling interest in the equity share capital of Pendleton Investments Limited.

A copy of the accounts of Pendleton Investments Limited can be obtained from the company's registered office.