

Ridgeview Estate Winery Limited
Report of the Directors and
Audited Financial Statements
for the Year Ended 31 December 2012



Ridgeview Estate Winery Limited

Contents of the Financial Statements for the Year Ended 31 December 2012

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	9
Trading and Profit and Loss Account	17

Ridgeview Estate Winery Limited

**Company Information
for the Year Ended 31 December 2012**

DIRECTORS:

Mr M G Roberts
Mrs C P Roberts
Mr A Tukker
Ms T Roberts
Mr S Roberts

SECRETARY:

Ms T Roberts

REGISTERED OFFICE:

Upper Furze field
Fragbarrow Lane
Ditchling Common
Hassocks
West Sussex
BN6 8TP

REGISTERED NUMBER:

03085921 (England and Wales)

AUDITORS:

Swindells LLP
Chartered Accountants
and Registered Auditor
New Olives
High Street
Uckfield
East Sussex
TN22 1QE

SOLICITORS:

Adams and Remers
Trinity House
School Hill
Lewes
East Sussex
BN7 2NN

Ridgeview Estate Winery Limited

Report of the Directors for the Year Ended 31 December 2012

The directors present their report with the financial statements of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the development and management of a wine estate, concentrating on the production and sales of the highest quality sparkling wine, made and grown by methods traditional to Champagne

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report

Mr M G Roberts
Mrs C P Roberts
Mr A Tukker
Ms T Roberts
Mr S Roberts

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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,
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Ridgeview Estate Winery Limited

**Report of the Directors
for the Year Ended 31 December 2012**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'M G Roberts', with a long horizontal stroke extending to the right.

Mr M G Roberts - Director

Date

28th June 2013

**Report of the Independent Auditors to the Members of
Ridgeview Estate Winery Limited**

We have audited the financial statements of Ridgeview Estate Winery Limited for the year ended 31 December 2012 on pages six to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Scope of the audit of the financial statements

An audit 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 Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Members of
Ridgeview Estate Winery Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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' exemption in preparing the Report of the Directors

Swindells

Melanie Richardson BA(Hons) FCA (Senior Statutory Auditor)
for and on behalf of Swindells Swindells LLP
Chartered Accountants
and Registered Auditor
New Olives
High Street
Uckfield
East Sussex
TN22 1QE

Date *23 July 2013*

Ridgeview Estate Winery Limited

**Profit and Loss Account
for the Year Ended 31 December 2012**

	Notes	2012 £	2011 £
TURNOVER	2	1,239,343	1,083,752
Cost of sales		667,601	510,113
GROSS PROFIT		571,742	573,639
Administrative expenses		490,903	498,864
OPERATING PROFIT	4	80,839	74,775
Interest payable and similar charges		59,563	46,087
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		21,276	28,688
Tax on profit on ordinary activities	5	-	-
PROFIT FOR THE FINANCIAL YEAR		21,276	28,688

The notes form part of these financial statements

Ridgeview Estate Winery Limited (Registered number: 03085921)

Balance Sheet
31 December 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Intangible assets	6	5,917	5,917
Tangible assets	7	1,407,775	1,087,408
Investments	8	4	4
		<u>1,413,696</u>	<u>1,093,329</u>
CURRENT ASSETS			
Stocks		1,355,182	1,611,680
Debtors	9	115,901	295,795
Cash at bank and in hand		151	465
		<u>1,471,234</u>	<u>1,907,940</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>425,675</u>	<u>576,244</u>
NET CURRENT ASSETS		<u>1,045,559</u>	<u>1,331,696</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,459,255</u>	<u>2,425,025</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11	<u>1,029,203</u>	<u>1,016,249</u>
NET ASSETS		<u><u>1,430,052</u></u>	<u><u>1,408,776</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	1,500,002	1,500,002
Share premium	15	150,000	150,000
Profit and loss account	15	(219,950)	(241,226)
SHAREHOLDERS' FUNDS		<u><u>1,430,052</u></u>	<u><u>1,408,776</u></u>

The notes form part of these financial statements

**Balance Sheet - continued
31 December 2012**

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on
were signed on its behalf by.

28th June 2013 and

A handwritten signature in black ink, appearing to read 'M G Roberts', with a long horizontal flourish extending to the right.

Mr M G Roberts - Director

The notes form part of these financial statements

Ridgeview Estate Winery Limited

Notes to the Financial Statements for the Year Ended 31 December 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Preparation of consolidated financial statements

The financial statements contain information about Ridgeview Estate Winery Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements

Turnover

Turnover represents revenue, net of VAT and duty, from commercial transactions under which the company supplies customers the goods and services that it is in business to provide and it is recognised when it obtains, through performance under contract, the right to consideration for those goods and services

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life of 20 years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold land	- not depreciated
Freehold buildings	- 2% on reducing balance
Leasehold improvements	- over the term of the lease
Plant and machinery	- 10% on reducing balance
Office equipment	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stock and work in progress is valued at the lower of cost and net realisable value after due regard for obsolete and slow moving items

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRSSE

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

Ridgeview Estate Winery Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2012

1. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Government grants

Government grants in respect of capital expenditure are credited to the cost of the relevant capital expenditure and any depreciation charged on these assets has been reduced accordingly.

This accounting treatment is a departure from the requirements of the Companies Act 2006, however is permitted under statement of standard accounting practice 4. The directors are of the opinion that this departure is required to show a true and fair view of the value of assets acquired.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Fixed asset investment

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Hire purchase and leasing commitments

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

During the year, 11.83% of the company's turnover related to exports (2011 - 11.23%).

3. DIRECTORS' EMOLUMENTS

	2012	2011
	£	£
Directors' remuneration and other benefits etc	128,790	84,292

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	1	1
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Ridgeview Estate Winery Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2012**

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation - owned assets	61,985	58,926
Profit on disposal of fixed assets	(3,880)	-
Auditors' remuneration	7,050	5,500
Foreign exchange differences	(6,032)	2,704
	<u> </u>	<u> </u>

5 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2012 nor for the year ended 31 December 2011

6 INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 January 2012	
and 31 December 2012	<u>5,917</u>
NET BOOK VALUE	
At 31 December 2012	<u>5,917</u>
At 31 December 2011	<u>5,917</u>

Ridgeview Estate Winery Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2012**

7 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and machinery £	Office equipment £	Motor vehicles £	Totals £
COST					
At 1 January 2012	796,504	674,889	66,507	45,736	1,583,636
Additions	40,225	348,806	5,443	-	394,474
Disposals	-	(28,050)	(1,855)	(10,148)	(40,053)
At 31 December 2012	836,729	995,645	70,095	35,588	1,938,057
DEPRECIATION					
At 1 January 2012	142,882	287,118	35,637	30,591	496,228
Charge for year	14,618	37,515	6,099	3,753	61,985
Eliminated on disposal	-	(16,321)	(1,590)	(10,020)	(27,931)
At 31 December 2012	157,500	308,312	40,146	24,324	530,282
NET BOOK VALUE					
At 31 December 2012	679,229	687,333	29,949	11,264	1,407,775
At 31 December 2011	653,622	387,771	30,870	15,145	1,087,408

Capital grant

A capital grant of £97,867 has been deducted from the costs of Freehold land and buildings. If the grant had been accounted for as deferred income, Freehold land and buildings would be held as follows:

	2012 £	2011 £
Cost or valuation	934,596	894,370
Accumulated depreciation	161,376	144,839
Net book value	773,220	749,531

A capital grant of £130,231 has been deducted from the costs of plant and machinery. If the grant had been accounted for as deferred income, plant and machinery would be held as follows:

	2012 £	2011 £
Cost or valuation	1,125,876	674,889
Accumulated depreciation	308,312	287,118
Net book value	817,564	387,771

Ridgeview Estate Winery Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2012

7. TANGIBLE FIXED ASSETS - continued

Leased Assets

Included within the net book value of tangible fixed assets is £445,064 (2011 - £130,343) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on those assets was £10,454 (2011 - £9,280).

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2012	
and 31 December 2012	4
NET BOOK VALUE	
At 31 December 2012	4
At 31 December 2011	4

The company's investments at the balance sheet date in the share capital of companies include the following:

Ridgeview Winery Contracts Limited

Nature of business: Dormant

	% holding	2012	2011
Class of shares		£	£
Ordinary	100.00	874	874
Aggregate capital and reserves		<u>874</u>	<u>874</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade debtors	107,863	175,562
Other debtors	8,038	120,233
	<u>115,901</u>	<u>295,795</u>

Ridgeview Estate Winery Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2012**

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Bank loans and overdrafts	109,874	211,031
Hire purchase contracts	69,829	33,926
Trade creditors	16,206	56,272
Amounts owed to group undertakings	874	907
Social security and other taxes	12,739	12,610
VAT	1,625	24,036
Deferred income - En primeur	201,454	220,253
Accruals	13,074	17,209
	<u>425,675</u>	<u>576,244</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Bank loans - 1-2 years	50,000	-
Bank loans - 2-5 years	200,000	250,000
Bank loans more than 5 years	100,000	150,000
Hire purchase contracts	190,490	43,369
Directors' current accounts	401,736	405,576
Deferred income - En primeur	86,977	167,304
	<u>1,029,203</u>	<u>1,016,249</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more than 5 years	<u>100,000</u>	<u>150,000</u>

12 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	2012	2011
	£	£
Expiring:		
Between one and five years	15,236	2,236
In more than five years	-	13,000
	<u>15,236</u>	<u>15,236</u>

Ridgeview Estate Winery Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2012**

13 SECURED DEBTS

The following secured debts are included within creditors.

	2012 £	2011 £
Bank overdrafts	59,874	211,031
Bank loans	400,000	400,000
Hire purchase contracts	260,319	77,295
	<u>720,193</u>	<u>688,326</u>

Bank borrowings are secured by way of a debenture over the company's assets and a legal charge over the company's freehold property

Hire purchase loans are secured upon the asset concerned

14 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2012 £	2011 £
1,500,002	Ordinary		<u>1,500,002</u>	<u>1,500,002</u>

15 RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 January 2012	(241,226)	150,000	(91,226)
Profit for the year	21,276		21,276
	<u>(219,950)</u>	<u>150,000</u>	<u>(69,950)</u>
At 31 December 2012			

16. CONTINGENT LIABILITIES

The company has provided its bankers with a cross guarantee together with its subsidiary Ridgeview Winery Contracts Limited in respect of facilities provided

17 CAPITAL COMMITMENTS

	2012 £	2011 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>203,360</u>

Ridgeview Estate Winery Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2012**

18 TRANSACTIONS WITH DIRECTORS

Mr M G Roberts and Mrs C P Roberts

Included in creditors is an amount owed to the above directors of £361,736 (2011- £365,576) Interest of £21,651 (2011 - £21,601) has been paid to M G Roberts and C P Roberts in relation to their loan account balance

M G Roberts and C P Roberts have signed a letter of postponement in respect of their loan to the value of £360,000

M G Roberts and C P Roberts have provided a personal guarantee to the company's bankers, limited to £225,000

The company paid premises costs including rent £18,417 (2011 - £17,250) to M G Roberts and C P Roberts

M G Roberts has provided a personal guarantee to the company's finance provider for certain fixed assets purchased on finance

Mr A Tukker

Included in creditors is an amount owed to the above director of £40,000 (2011 - £40,000) Interest of £2,400 (2011 - £2,400) has been paid to A Tukker in relation to his loan account balance

19 RELATED PARTY DISCLOSURES

Tinwood Vineyard Ltd

Related company

During the year transactions were undertaken between the two parties on a normal commercial basis as follows

Included in turnover is an amount of £13,676 (2011 - £52,249) of sales invoiced to Tinwood Vineyard Ltd

Included in purchases is an amount of £10,182 (2011 - £142,857) relating to invoices received from Tinwood Vineyard Ltd.

	2012	2011
	£	£
Amount due from/(to) related party at the balance sheet date	<u>1,086</u>	<u>(10,425)</u>

20 ULTIMATE CONTROLLING PARTY

The company is controlled by M G Roberts and C P Roberts who own 54% of the share capital