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RIDGEFIELD ACQUISITION CORP
Form 10QSB
November 13, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-QSB

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934.

For the quarterly period ended September 30, 2006.

OR

[] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT.

For the transition period from _____ to _____

Commission File No. -- 0-16335

Ridgefield Acquisition Corp.

(Exact Name of Small Business Issuer as Specified in its Charter)

Nevada

84-0922701

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification Number)

100 Mill Plain Road, Danbury, Connecticut 06811

(Address of Principal Executive Offices)

(203) 791-3871

(Issuer's Telephone Number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

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Yes X No

As of November 1, 2006, the Registrant had outstanding 1,140,773 shares of common stock, par value \$.001

Transitional Small Business Disclosure Format (check one):

Yes No X

RIDGEFIELD ACQUISITION CORP.
(A Development Stage Company)
FORM 10-QSB

	Page
PART I - FINANCIAL INFORMATION	3
Item 1. Financial Statements (unaudited)	3
Consolidated Balance Sheet as of September 30, 2006	3
Consolidated Statements of Operations and Comprehensive Income (Loss) for the Three and Nine Months Ended September 30, 2006 and 2005 and Cumulative Amounts from January 1, 2000 through September 30, 2006	4
Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2006 and 2005 and Cumulative Amounts from January 1, 2000 through September 30, 2006	5
Notes to Consolidated Financial Statements	6
Item 2. Management Discussion and Analysis or Plan of Operations	10
Item 3. Controls and Procedures	15
PART II - OTHER INFORMATION	15
Item 1. Legal Proceedings	15
Item 6. Exhibits and Reports on Form 8-K	15
SIGNATURES	17

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

RIDGEFIELD ACQUISITION CORP. AND SUBSIDIARY

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(A Development Stage Company)
CONSOLIDATED BALANCE SHEET
(Unaudited)

September 30, 2006

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 451,716 -----
TOTAL ASSETS	\$ 451,716 =====
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES	
Accounts payable and accrued expenses	\$ 5,012 -----
TOTAL CURRENT LIABILITIES	5,012 -----
STOCKHOLDERS' EQUITY	
Preferred Stock, \$.01 par value; authorized - 5,000,000 shares Issued - none	--
Common Stock, \$.001 par value; authorized - 30,000,000 shares Issued and outstanding - 1,140,773 shares	1,141
Capital in excess of par value	2,093,003
Accumulated deficit	(947,820)
Deficit accumulated during the development stage	(699,620) -----
TOTAL STOCKHOLDERS' EQUITY	446,704 -----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 451,716 =====

See accompanying notes to consolidated financial statements.

3

RIDGEFIELD ACQUISITION CORP. AND SUBSIDIARY
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

	Three Months Ended		Nine Months Ended		Cumulative
	September 30,		September 30,		from Janua
	2006	2005	2006	2005	through Sept
REVENUES					
Interest income	\$ 3,501	\$ 988	\$ 9,874	\$ 2,729	\$ 40,

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Realized gain on investments	--	6,382	1,652	6,382	33,
	-----	-----	-----	-----	-----
TOTAL REVENUES	3,501	7,370	11,526	9,111	73,
	-----	-----	-----	-----	-----
OPERATING EXPENSES					
General and administrative	29,350	11,716	131,342	34,817	623,
Employee stock options	--	--	--	--	130,
Write off of patent	--	--	--	--	18,
	-----	-----	-----	-----	-----
TOTAL EXPENSES	29,350	11,716	131,342	34,817	772,
	-----	-----	-----	-----	-----
NET LOSS	(25,849)	(4,346)	(119,816)	(25,706)	(699,
OTHER COMPREHENSIVE GAIN/(LOSS)					
Unrealized gain/(loss) on securities	--	14,618	(3,276)	(4,449)	(
Reclassification adjustment for realized gain/(loss)	--	(6,382)	(1,652)	(6,382)	
	-----	-----	-----	-----	-----
OTHER COMPREHENSIVE GAIN/(LOSS)	--	8,236	(4,928)	(10,831)	
	-----	-----	-----	-----	-----
COMPREHENSIVE INCOME/(LOSS)	\$ (25,849)	\$ 3,890	\$ (124,744)	\$ (36,537)	\$ (699,
	=====	=====	=====	=====	=====
NET LOSS PER COMMON SHARE					
Basic and Dilutive	\$ (0.02)	\$ (0.01)	\$ (0.11)	\$ (0.03)	\$ (0
	=====	=====	=====	=====	=====
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING					
Basic and Dilutive	1,140,773	920,773	1,116,597	888,805	842,
	=====	=====	=====	=====	=====

See accompanying notes to consolidated financial statements

4

RIDGEFIELD ACQUISITION CORP. AND SUBSIDIARY
(A Development Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Nine Months Ended September 30,		Cumul Amount January through 30,
	2006	2005	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	\$ (119,816)	\$ (25,706)	\$ (69,
Adjustment to reconcile net loss to net cash used in operating activities			
Stock issuance for salary	--	11,912	10
Stock issued for professional services	--	--	1
Stock options compensation	--	--	13
Write-off of patent	--	--	1

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Realized gain on investments	(1,652)	(6,381)	(3
Changes in assets and liabilities			
Decrease in note and interest receivable	--	--	5
Increase/(decrease) in accounts payable and accrued expenses	(3,018)	(6,417)	9
	-----	-----	-----
Net Cash Used in Operating Activities	(124,486)	(26,592)	(31
	-----	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investments	--	(187,750)	(65
Proceeds from sale of investments	61,224	158,951	68
	-----	-----	-----
Net Cash Provided by (Used in) Investing Activities	61,224	(28,799)	3
	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES			
Exercise of common stock warrants	--	--	
Issuance of common stock	139,200	--	30
	-----	-----	-----
Net Cash Provided by Financing Activities	139,200	--	30
	-----	-----	-----
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	75,938	(55,391)	2
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIODS	375,778	246,970	42
	-----	-----	-----
CASH AND CASH EQUIVALENTS, END OF PERIODS	\$ 451,716	\$ 191,579	\$ 45
	=====	=====	=====
Non-cash operating activities:			
Stock issuance for salary in satisfaction of accrued salary included in accounts payable and accrued expenses	\$ --	\$ 101,220	\$ 1
	=====	=====	=====

See accompanying notes to consolidated financial statements.

5

RIDGEFIELD ACQUISITION CORP. AND SUBSIDIARY
(A Development Stage Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The unaudited financial statements included herein were prepared from the records of the Company in accordance with accounting principles generally accepted in the United States of America and reflect all adjustments which are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position for the interim periods September 30, 2006 and 2005 and cumulative amounts from January 1, 2000 through September 30, 2006. Such financial statements generally conform to the presentation reflected in the Company's Form 10-KSB filed with the Securities and Exchange Commission for the year ended December 31, 2005. The current interim period reported herein should be read in conjunction with the Company's Form 10-KSB subject to independent audit at the end of the year.

The results of operations for the interim periods are not necessarily

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indicative of the results that may be expected for the fiscal year.

NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION

Ridgefield Acquisition Corp. (the "Company") was incorporated under the laws of the State of Colorado on October 13, 1983. Effective June 23, 2006, the Company was reincorporated under the laws of the State of Nevada through the merger of the Company with a wholly owned subsidiary of the Company. The Company had been engaged in the design, manufacture and marketing of robotic workstations for the electronics industry, including routing and depaneling workstations predominately to entities in North America and the Pacific Rim. In November 1998 the Company entered into an Asset Purchase Agreement (the "JOT Agreement") with JOT Automation, Inc. (JOT) a wholly owned Texas subsidiary of JOT Automation Group OYJ, a Finnish corporation. Pursuant to the agreement, the Company sold JOT all of its assets relating to its depaneling and routing business in exchange for \$920,000 and the assumption of the operating liabilities related to the Company's business assets. The sale was completed on March 9, 1999.

Subsequent to the sale to JOT, the Company's sole continuing operation was the continuation of research and development activities on a prototype micro-robotic device to manipulate organ tissues on an extremely small scale. The Company had filed for a patent application for the device. As of December 31, 1999, the Company's research and development activities for the device were suspended, pending assessment of the economic benefit of continuing research and development activities or sale of the patent, as well as assessment of other corporate opportunities. In June 2000, the Company decided not to pursue further development or sale of the proto-type device and has written-off the associated patent costs.

6

On January 31, 2006, the Board of Directors of the Company directed the officers of the Company to take and approve certain corporate action with respect to the Company's wholly owned subsidiary Bio-Medical Automation, Inc., a Nevada corporation (the "Subsidiary"). Those actions included the appointment of Steven N. Bronson, Alan Rosenberg and Louis Meade to be on the Board of Directors of the Subsidiary for a term of one year or until their successor is appointed and duly qualified, the appointment of Steven N. Bronson as the president, treasurer and secretary of the Subsidiary, the opening of a bank account at Bank of America or some other banking institution for the Subsidiary and the ratification of the bylaws of the Subsidiary in the form that was presented to the Board. Additionally, the Board of Directors authorized the officers of the Company to deposit \$50,000 of the Company's assets in the Subsidiary's bank account. The Company took the foregoing action to further its plans to exploit the Patent owned by the Subsidiary. Additionally, in furtherance of the Company's plan to exploit the Patent, the Board of Directors of the Company authorized the spin off of the Subsidiary to the Company's shareholders on a pro rata basis, so that the Subsidiary may be better able to exploit the Patent, by among other things being able to attract financing (See Note 5).

Commencing January 1, 2000, the Company is considered a development stage company as defined by Statement of Financial Accounting Standards (SFAS) No.7, as it has no principal operations or revenue from any source.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of Ridgefield Acquisition Corp. include the accounts of Bio-Medical Automation, Inc., its wholly owned subsidiary. All

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inter-company transactions have been eliminated in consolidation.

The accompanying financials statements as of September 30, 2006 and for the three and nine month periods then ended include the accounts of the Company and its wholly owned subsidiary. All inter-company accounts and transactions have been eliminated in consolidation.

The Company has accumulated a deficit since reentering the development stage of \$699,620 through September 30, 2006. In 1999, the Company sold all of its assets relating to its historical line of business and in 2000 abandoned its research and development efforts on a micro-robotic device. As of September 30, 2006, the Company has no principal operations or revenue producing activities. The Company is now pursuing an acquisition strategy whereby it is seeking to arrange for a merger, acquisition or other business combination with a viable operating entity.

Note 2 - NEW ACCOUNTING STANDARD

In December 2004, the Financial Accounting Standards Board issued SFAS No. 123 (revised 2004), "Share-Based Payment". SFAS 123 (revised 2004) requires companies to recognize in the statement of operations the grant-date fair value of stock options and other equity-based compensation. That cost is to be recognized over the period during which an employee is required to provide service in exchange for the award, usually the vesting period. Subsequent changes in fair value during the requisite service period, measured at each reporting date, are recognized as compensation cost over that period. The Company adopted SFAS No. 123 (revised 2004) in its first quarter of fiscal 2006. Adoption of this SFAS had no significant impact on the Company's consolidated financial condition or results of operations.

7

NOTE 3 - RELATED PARTY TRANSACTIONS

In November 2001, the Company entered into a Mergers and Acquisitions Advisory Agreement with Catalyst Financial LLC ("Catalyst"), an entity whose owner and principal is the President of the Company. Under the terms of the agreement, Catalyst will earn a fee, as outlined in the agreement, in the event the Company completes a merger. The agreement was for a three year period and terminated November, 2004. On March 25, 2005, the Board of Directors approved the renewal of the Mergers and Acquisitions Advisory Agreement (the "M&A Advisory Agreement") for a period of three (3) years commencing on April 1, 2005. The M&A Advisory Agreement was also modified to provide that Catalyst shall receive a monthly retainer fee in the amount of \$1,000 commencing on April 1, 2005 and continuing throughout the term of the M&A Advisory Agreement. On January 31, 2006, the Board of Directors of the Company directed the officers of the Company to amend the M&A Advisory Agreement to provide that the monthly retainer fee be increased from \$1,000 per month to \$5,000 per month from February 1, 2006 through January 31, 2007. Thereafter, the Company shall pay a monthly fee in the amount of \$1,000 through March 1, 2008.

During 2003, the President was granted an option to purchase 150,000 shares of the Company's common stock at an exercise price of 110% of the closing market price as of the date of grant, for a period of five years. On March 25, 2005, the Board of Directors renewed the President's employment agreement through March 23, 2006 with the modification that the President will no longer receive an annual salary of \$48,000. The Board also agreed to pay the President's accrued salary of \$113,132 through the issuance of 107,745 shares at fair value of the Company's common stock. On March 28, 2006, the Company entered into a new employment agreement with Mr. Bronson, that provides Mr. Bronson will serve as

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President of the Company without an annual salary.

On March 25, 2005, the Company issued an option to purchase 10,000 shares of the Company's common stock at the purchase price of \$1.16, which was 110% percent of the closing bid price on March 25, 2005, to Leonard Hagan one of the Company's independent directors, for his services to the Company. On March 25, 2005, the Company issued an option to purchase 10,000 shares of the Company's common stock at the purchase price of \$1.16, which was 110% percent of the closing bid price on March 25, 2005, to Kenneth Schwartz one of the Company's independent directors, for his services to the Company. Such options are exercisable for a period of 5 years commencing on March 25, 2005. On March 25, 2005, the Company issued to Steven N. Bronson, the Company's President, an option to purchase 100,000 shares of the Company's common stock at the purchase price of \$1.16, which was 110% percent of the closing bid price on March 25, 2005. All of the above described options are exercisable for a period of 5 years and resulted in no expense to the Company.

On February 24, 2006, Steven N. Bronson, the Company's Chairman and President exercised an option to purchase 100,000 shares of the Company's common stock at the purchase price of \$1.16. Based on this exercise the Company received proceeds of \$116,000.

On February 24, 2006, Leonard Hagan, a director of the Company exercised an option to purchase 10,000 shares of the Company's common stock at the purchase price of \$1.16. Based on this exercise the Company received proceeds of \$11,600.

On February 24, 2006, Kenneth Schwartz, a director of the Company exercised an option to purchase 10,000 shares of the Company's common stock at the purchase price of \$1.16. Based on this exercise the Company received proceeds of \$11,600.

8

NOTE 4 - Special Meeting of Shareholders

On April 18, 2006, the Board of Directors of the Company voted to hold a special meeting of stockholders to change the domicile of the Company from the State Colorado to the State of Nevada (the "Reincorporation"), to re-elect the Company's directors and to ratify the appointment of the Company's independent auditors. At the special meeting, held on June 16, 2006, the shareholders voted to approve the Reincorporation, re-elected the Company's directors and ratified the appointment of the Company's independent auditors. Furthermore, as a result of the plan of merger the Company is authorized to issue 35,000,000 shares of capital stock consisting of 30,000,000 shares of common stock, \$.001 par value per share and 5,000,000 shares of preferred stock, \$.01 par value per share. On June 28, 2006, the Company filed a Statement of Merger with the Secretary of State of the State of Colorado, which effectively dissolved the Company's existence as a Colorado corporation. The changes in the Company's par value of common stock has been recorded as a decrease to common stock and a corresponding increase to capital in excess of par value totaling \$112,936.

NOTE 5 - Spin-Off of Subsidiary

On April 18, 2006, the Board of Directors of the Company also voted to authorize the spin-off of 100% of the Company's wholly owned subsidiary Bio-Medical Automation, Inc. to the Company's shareholders as of April 28, 2006 on a pro rata basis (the "Spin-Off").

To consummate the Spin-Off, the Company will distribute all of the issued and outstanding shares of Bio-Medical Automation, Inc., which are currently held by

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the Company, as a stock dividend to the shareholders of the Company. Each shareholder of the Company will receive one (1) share of Bio-Medical Automation, Inc. for each one (1) share of the Company owned by such shareholder as of April 28, 2006. The Spin-Off will not require the approval of the Company's shareholders. The shares of Bio-Medical Automation, Inc. that will be issued to the shareholders of the Company in the Spin-Off will be restricted securities and they will not be able to be sold unless they are registered under the Securities Act of 1933 or the Securities Exchange Act of 1934 ("Exchange Act") or subject to an available exemption thereunder. Prior to the Spin-Off, the Company will mail to its shareholders of record as of April 28, 2006, all of the information called for by Regulation 14C under the Exchange Act. In conjunction with the Spin-Off Bio-Medical Automation, Inc. will file a registration statement on Form 10-SB to register all of the issued and outstanding shares of Bio-Medical Automation, Inc. under the Exchange Act. The Spin-Off is expected to be completed by the end of the first quarter of 2007.

9

Item 2. Management Discussion and Analysis or Plan of Operation

Forward Looking Statements Disclosure

This report on Form 10-QSB contains, in addition to historical information, Forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"). You can identify these forward-looking statements when you see words such as "expect," "anticipate," "estimate," "may," "plans," "believe," and other similar expressions. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Actual results could differ materially from those projected in the forward-looking statements. Factors that could cause such a difference include, but are not limited to, those discussed in the section entitled "Factors Affecting Operating Results and Market Price of Stock," contained in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2005. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to update any forward-looking statements.

The following discussion and analysis provides information which the Company's management believes to be relevant to an assessment and understanding of the Company's results of operations and financial condition. This discussion should be read together with the Company's financial statements and the notes to financial statements, which are included in this report, as well as the Company's Annual Report on Form 10-KSB for the year ended December 31, 2005.

Ridgefield Acquisition Corp. (the "Company") was incorporated as a Colorado corporation on October 13, 1983 under the name Ozo Diversified, Inc. On June 23, 2006, the Company filed Articles of Merger with the Secretary of State of the State of Nevada that effected the merger between the Company and a wholly owned subsidiary formed under the laws of the State of Nevada ("RAC-NV"), pursuant to a plan of merger, whereby RAC-NV was the surviving corporation. The merger changed the domicile of the Company from the State of Colorado to the State of Nevada. Furthermore, as a result of the plan of merger the Company is authorized to issue 35,000,000 shares of capital stock consisting of 30,000,000 shares of common stock, \$.001 par value per share and 5,000,000 shares of preferred stock, \$.01 par value per share.

On March 9, 1999, the Company completed the sale of substantially all of

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its assets to JOT Automation, Inc. (the "JOT Transaction"). As a result of the JOT Transaction, the Company's historical business, the depaneling and routing business, was considered to be a "discontinued operation" and, consequently, provides no benefit to persons seeking to understand the Company's financial condition or results of operations.

10

Following the JOT Transaction the Company devoted its efforts to the development of a prototype micro-robotic device (the "micro-robotic device") to manipulate organic tissues on an extremely small scale. Due to the inability to complete the micro-robotic device, the Company determined that it would cease the development of the micro-robotic device and, as of June 30, 2000, the capitalized costs related to the patent underlying the micro-robotic device were written off by the Company. The Company never derived any revenues from the micro-robotic device.

Since July 2000, the Company has suspended all operations, except for necessary administrative matters relating to the timely filing of periodic reports as required by the Securities Exchange Act of 1934. Accordingly, during the three month and nine month periods ended September 30, 2006 and 2005 and the period from January 1, 2000 through September 30, 2006, the Company has earned no revenues other than interest income and income from investments.

Acquisition Strategy

The Company is primarily engaged in seeking to arrange for a merger, acquisition, business combination or other arrangement by and between the Company and a viable operating entity. The Company has not identified a viable operating entity and there can be no assurance that the Company will ever successfully arrange for a merger, acquisition, business combination or other arrangement.

The Company anticipates that the selection of a business opportunity will be a complex process and will involve a number of risks, because potentially available business opportunities may occur in many different industries and may be in various stages of development. Due in part to depressed economic conditions in a number of geographic areas, rapid technological advances being made in some industries and shortages of available capital, management believes that there are numerous firms seeking either the limited additional capital which the Company will have or the benefits of a publicly traded corporation, or both. The perceived benefits of a publicly traded corporation may include facilitating or improving the terms upon which additional equity financing may be sought, providing liquidity for principal shareholders, creating a means for providing incentive stock options or similar benefits to key employees, and providing liquidity for all shareholders and other factors.

In some cases, management of the Company will have the authority to effect acquisitions without submitting the proposal to the shareholders for their consideration. In some instances, however, the proposed participation in a business opportunity may be submitted to the shareholders for their consideration, either voluntarily by the Board of Directors to seek the shareholders' advice and consent, or because of a legal requirement to do so.

In seeking to arrange a merger, acquisition, business combination or other arrangement by and between the Company and a viable operating entity, management's objective will be to obtain long-term capital appreciation for the Company's shareholders. There can be no assurance that the Company will be able

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to complete any merger, acquisition, business combination or other arrangement by and between the Company and a viable operating entity.

The Company may need additional funds in order to effectuate a merger, acquisition or other arrangement by and between the Company and a viable operating entity, although there is no assurance that the Company will be able to obtain such additional funds, if needed. Even if the Company is able to obtain additional funds there is no assurance that the Company will be able to effectuate a merger, acquisition or other arrangement by and between the Company and a viable operating entity.

11

The Company's U.S. Patent

On March 19, 2002, the Company was awarded United States Patent No. US 6,358,749 B1 for the "Automated System for Chromosome Microdissection and Method of Using Same" (the "Patent").

The Patent covers an automated system and method for microdissection of samples such as chromosomes or other biological material, and in particular, it relates to a robotic assisted microdissection system and method that significantly reduces the time and skill needed for cellular and sub-cellular dissections. Microdissection is defined as dissection under the microscope; specifically: dissection of cells and tissues by means of fine needles that are precisely manipulated by levers. The system and method covered by the Patent attempts to provide reliability and ease of operation thereby making microdissection widely available to laboratories. While the Company has never derived any revenues from the micro-robotic device, the Company plans to attempt to license or sell the technology covered by the Patent. There can be no assurances that the Company will be able to successfully market the technology covered by the Patent or that the Company will ever derive any revenues from the Patent or the technology covered by the Patent.

During the first quarter of 2003, the Board of Directors of the Company authorized the formation of a wholly owned subsidiary of the Company for the purposes of owning, developing and exploiting the Patent. On March 3, 2003, the Company filed Articles of Incorporation with the Secretary of State of the State of Nevada to form Bio-Medical Automation, Inc., a Nevada corporation wholly owned by the Company (the "Subsidiary"). In May 2003, the Company transferred the Patent to the Subsidiary in exchange for 5,000,000 shares of the common stock of the Subsidiary.

On January 31, 2006, the Board of Directors of the Company, among other things, duly appointed officers and directors for the Subsidiary. The following table sets forth the name, age and position of each of the directors, executive officers and significant employees of Bio-Medical as of September 30, 2006. Each director will serve on the Board of Directors of the Subsidiary for a term of one year or until their successor is appointed and duly qualified at the next annual meeting of the Subsidiary's stockholders or until his or her successor has been elected and qualified. The Subsidiary's executive officers are appointed by, and serve at the discretion of, the Board of Directors.

Name	Age	Position
-----	----	-----
Steven N. Bronson	41	Chairman, President, Treasurer and Secretary
Alan Rosenberg	36	Director
Louis Meade	50	Director

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The Subsidiary does not currently provide any compensation to its officers and directors.

In March 2006, the Company deposited \$50,000 of the Company's assets into the Subsidiary's bank account.

The Company took the foregoing action to further its plans to exploit the Patent owned by the Subsidiary. However, there can be no assurances that the Subsidiary will successfully develop and/or exploit the technology covered by the Patent.

As of September 30, 2006, Bio-Medical had 45,000,000 shares of capital stock authorized for issuance consisting of (1) 40,000,000 share of common stock par value \$.001 per share; and (2) 5,000,000 shares of preferred stock par value \$.01 per share. Bio-Medical has 1,140,773 shares of its common stock issued and outstanding, all of which are owned by the Company. Bio-Medical has no shares of preferred stock issued or outstanding. A copy of the Articles of Incorporation and bylaws of Bio-Medical are attached to the Company's Annual Report on Form 10-KSB for the year ended December 31, 2005 as Exhibit 3.6 and Exhibit 3.7, respectively, and such documents are incorporated herein by reference.

12

The Spin-Off of Bio-Medical

In furtherance of the Company's plan to exploit the Patent, the Board of Directors of the Company authorized the spin-off of 100% of the Company's wholly owned subsidiary Bio-Medical Automation, Inc. to the Company's shareholders as of April 28, 2006 on a pro rata basis (the "Spin-Off"). On or about May 30, 2006, the Company mailed to its shareholders of record as of April 28, 2006, an Information Statement containing the information concerning the Company and the Spin Off called for by Regulation 14C under the Securities Exchange Act of 1934. The Information Statement on Schedule 14C is incorporated herein by reference.

To consummate the Spin-Off, the Company will distribute all of the issued and outstanding shares of Bio-Medical Automation, Inc., which are currently held by the Company, as a stock dividend to the shareholders of the Company. Each shareholder of the Company will receive one (1) share of Bio-Medical Automation, Inc. for each one (1) share of the Company owned by such shareholder as of April 28, 2006. The Spin-Off will not require the approval of the Company's shareholders. The shares of Bio-Medical Automation, Inc. that will be issued to the shareholders of the Company in the Spin-Off will be restricted securities and they will not be able to be sold unless they are registered under the Securities Act of 1933 or subject to an available exemption thereunder.

In conjunction with the Spin-Off, Bio-Medical Automation, Inc. will file a registration statement on Form 10-SB to register all of the issued and outstanding shares of Bio-Medical Automation, Inc. Upon the effectiveness of the Form 10-SB registration statement, the Company will distribute the shares of Bio-Medical Automation, Inc. to the shareholders of the Company. The Spin-Off is expected to be completed by the end of the first quarter of 2007.

Investment Strategy

On August 25, 2003, the Board of Directors of the Company authorized the Company to invest a portion of the Company's cash in marketable securities in an effort to realize a greater rate of return than the Company is currently earning in light of historically low interest rates. The Board directed that management

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maintain at least \$40,000 of the Company's cash in a federally insured bank or money market account.

In furtherance of the Company's investment strategy the Company opened a brokerage account with Catalyst Financial LLC ("Catalyst"), a broker-dealer registered with the U.S. Securities and Exchange Commission and a member in good standing with the National Association of Securities Dealers, Inc. Catalyst is owned and controlled by Steven N. Bronson, the Company's President. Catalyst has agreed to charge the Company commissions of no more than \$.02 per share with a minimum of \$75 per trade on securities transactions. The Board approved the commission structure to be charged by Catalyst. Mr. Bronson abstained from voting on all Board resolutions concerning the Company's investment strategy and the Company's arrangements with Catalyst.

During the nine months ending September 30, 2006, the Company sold its investments held in a brokerage account with Catalyst resulting in a realized gain of \$1,652 and other comprehensive loss of \$4,928.

13

Results of Operations

For the three months ended September 30, 2006, the Company has not earned any revenues, except for interest income and income from investments of \$3,501. For the same period the Company incurred general and administrative expenses of \$29,350 resulting in a net loss from operations equal to \$25,849. General and administrative expenses for the three months ended September 30, 2006 include costs directed toward the spin-off of its wholly owned subsidiary Bio-Medical, as well as costs associated with maintaining the Company's status as a public company including (without limitation) filing reports with the Securities and Exchange Commission.

For the nine months ended September 30, 2006, the Company has not earned any revenues, except for interest income and income from investments of \$11,526. For the same period the Company incurred general and administrative expenses of \$131,342 resulting in a net loss from operations equal to \$119,816. General and administrative expenses for the nine months ended September 30, 2006 include costs directed toward the spin-off of its wholly owned subsidiary Bio-Medical, as well as costs associated with maintaining the Company's status as a public company including (without limitation) filing reports with the Securities and Exchange Commission.

Liquidity and Capital Resources

During the nine months ended September 30, 2006, the Company satisfied its working capital needs from cash on hand and cash generated from interest income during the year. As of September 30, 2006, the Company had cash on hand in the amount of \$451,716.

The Company's future financial condition will be subject to: (1) its ability to arrange for a merger, acquisition or a business combination with an operating business on favorable terms that will result in profitability, or (2) its ability to successfully develop and exploit the Patent. There can be no assurance that the Company will be able to do so or, if it is able to do so, that the transaction will be on favorable terms not resulting in an unreasonable amount of dilution to the Company's existing shareholders.

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The Company may need additional funds in order to effectuate a merger, acquisition or other arrangement by and between the Company and a viable operating entity, although there is no assurance that the Company will be able to obtain such additional funds, if needed. Even if the Company is able to obtain additional funds there is no assurance that the Company will be able to effectuate a merger, acquisition or other arrangement by and between the Company and a viable operating entity.

14

Item 3. Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by the Company in its periodic reports filed or submitted by the Company under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in its periodic reports that are filed under the Exchange Act is accumulated and communicated to our management, including our principal executive and financial officer, as appropriate to allow timely decisions regarding required disclosure.

Evaluation of disclosure and controls and procedures. As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation management, including the chief executive officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on the evaluation, the Company's chief executive officer has concluded that the Company's disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and are operating in an effective manner.

Changes in internal controls over financial reporting. There were no changes in the Company's internal controls over financial reporting or in other factors that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

During the quarter ended September 30, 2006, the Company was not a party to any material legal proceedings.

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits

The following exhibits are hereby filed as part of this Quarterly Report on Form 10-QSB or incorporated herein by reference.

3.1 Articles of Incorporation, incorporated by reference to

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Registration Statement No. 33-13074-D as Exhibit 3.1.

- 3.2 Amended Bylaws adopted June 1, 1987, incorporated by reference to Annual Report on Form 10-K for the fiscal year ended December 31, 1987 as Exhibit 3.2.
- 3.4 Articles of Amendment to Restated Articles of Incorporation dated March 7, 1991. Incorporated by reference to Annual Report on Form 10-K for fiscal year ended December 31, 1990 as Exhibit 3.4.
- 3.5 Articles of Amendment to Restated Articles of Incorporation dated March 17, 1999, incorporated by reference to the Company's Current Report on Form 8-K reporting an event of March 9, 1999.
- 3.6 Articles of Incorporation of Bio-Medical Automation, Inc. a Nevada corporation, the Company's wholly owned subsidiary.
- 3.7 By-laws of Bio-Medical Automation, Inc. a Nevada corporation, the Company's wholly owned subsidiary.

15

- 10.1 OEM Purchase Agreement dated January 15, 1990, between the Company and Ariel Electronics, Inc. incorporated by reference to Annual Report on Form 10-K for the fiscal year ended December 31, 1989 as Exhibit 10.1.
- 10.2 Form of Convertible Promissory Note, 12/30/93 Private Placement incorporated by reference to Annual Report on Form 10-KSB for the fiscal year ended December 31, 1993 as Exhibit 10.2.
- 10.3 Form of Non-Convertible Promissory Note, 12/30/93 Private Placement incorporated by reference to Annual Report on Form 10-KSB for the fiscal year ended December 31, 1993 as Exhibit 10.3.
- 10.4 Form of Note Purchaser Warrant Agreement and Warrant, 12/30/93 Private Placement incorporated by reference to Annual Report on Form 10-KSB for the fiscal year ended December 31, 1993 as Exhibit 10.4.
- 10.5 Form of Promissory Note, April 1, 1996.
- 10.6 Form of Security Agreement, April 1, 1996.
- 10.7 Form of Common Stock Purchase Warrant, April 1, 1996.
- 10.8 Form of Promissory Note, July 1, 1996.
- 10.9 Form of April 1, 1996 Promissory Note Extension, October 17, 1996.
- 10.10 Form of Common Stock Purchase Warrant, October 10, 1996.
- 10.11 Asset Purchase Agreement with JOT incorporated by reference to Form 8-K reporting an event of November 4, 1998, and amendment thereto incorporated by reference to Form 8-K reporting an event of December 15, 1998.
- 10.12 Stock Purchase Agreement, between Bio-Medical Automation, Inc. and Steven N. Bronson, incorporated by reference to the Current Report on Form 8-K filed on April 6, 2000.
- 10.13 Employment Agreement between Bio-Medical Automation, Inc. and

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Steven N. Bronson, dated as of March 24, 2001, incorporated by reference to Quarterly Report on Form 10-QSB for the quarter ended March 31, 2001.

- 10.14 Mergers and Acquisitions Advisory Agreement, dated as of November 13, 2001, between Bio-Medical Automation, Inc. and Catalyst Financial LLC incorporated by reference to the Annual Report on Form 10-KSB for the year ended December 31, 2001.
- 10.15 Mergers and Acquisitions Advisory Agreement, dated as of April 1, 2005, between Ridgefield Acquisition Corp. and Catalyst Financial LLC.
- 10.16 Appointment of Atlas Stock Transfer Agent Corporation as the transfer Agent for Ridgefield Acquisition Corp.
- 10.17 Employment Agreement between Ridgefield Acquisition Corp. and Steven N. Bronson, dated as of March 28, 2006.
- 10.18 Addendum, dated as of February 1, 2006, to Mergers and Acquisitions Advisory Agreement, dated as of April 1, 2005, between Ridgefield Acquisition Corp. and Catalyst Financial LLC.

16

- 14 Code of Ethics
- 31* President's Written Certification Of Financial Statements Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32* President's Written Certification Of Financial Statements Pursuant to 18 U.S.C. Statute 1350.

* Filed herewith

b) Reports on Form 8-K.

The Company did not file a current report on Form 8-K, during the quarter ended September 30, 2006.

SIGNATURES

In accordance with the requirements of the Exchange Act, the Registrant caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: November 10, 2006

RIDGEFIELD ACQUISITION CORP.

By: /s/ Steven N. Bronson

Steven N. Bronson, President
(Principle Executive Officer),

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as Registrant's duly authorized officer

17

EXHIBIT INDEX

The following Exhibits are filed herewith:

Exhibit Number -----	Description of Document -----
31	President's Statement Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	President's Written Certification Of Financial Statements Pursuant to 18 U.S.C. Statute 1350.