

**BLACKWATCH PETROLEUM
SERVICES LIMITED**

ABBREVIATED ACCOUNTS

31 DECEMBER 2011



RITSONS
Chartered Accountants & Statutory Auditor
27 Huntly Street
Inverness
IV3 5PR

BLACKWATCH PETROLEUM SERVICES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

CONTENTS	PAGE
Independent auditor's report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3

BLACKWATCH PETROLEUM SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO BLACKWATCH PETROLEUM SERVICES LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts, together with the financial statements of Blackwatch Petroleum Services Limited for the year ended 31 December 2011 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



DANIEL PALOMBO M.A. (HONS), C.A.
(Senior Statutory Auditor)
For and on behalf of
RITSONS
Chartered Accountants
& Statutory Auditor

27 Huntly Street
Inverness
IV3 5PR

30/08/12.....

BLACKWATCH PETROLEUM SERVICES LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2011

	Note	2011 £	2010 £
FIXED ASSETS	2		
Tangible assets		5,147	6,047
Investments		<u>483,447</u>	<u>494,554</u>
		488,594	500,601
CURRENT ASSETS			
Debtors		671,890	417,727
Cash at bank and in hand		<u>965</u>	<u>1,294</u>
		672,855	419,021
CREDITORS: Amounts falling due within one year	3	729,109	623,587
NET CURRENT LIABILITIES		(56,254)	(204,566)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>432,340</u>	<u>296,035</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	8,932	8,932
Share premium account		10,940	10,940
Profit and loss account		<u>412,468</u>	<u>276,163</u>
SHAREHOLDERS' FUNDS		<u>432,340</u>	<u>296,035</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These abbreviated accounts were approved by the directors and authorised for issue on, and are signed on their behalf by:



S L METCALFE

Company Registration Number: SC150618

The notes on pages 3 to 5 form part of these abbreviated accounts.

BLACKWATCH PETROLEUM SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

Basis of accounting

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).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment	-	33% of cost
Motor Vehicles	-	25% of net book value

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

BLACKWATCH PETROLEUM SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. FIXED ASSETS

	Tangible Assets £	Investments £	Total £
COST			
At 1 January 2011	45,444	494,554	539,998
Additions	812	554,270	555,082
Disposals	—	(565,377)	(565,377)
At 31 December 2011	46,256	483,447	529,703
DEPRECIATION			
At 1 January 2011	39,397	—	39,397
Charge for year	1,712	—	1,712
At 31 December 2011	41,109	—	41,109
NET BOOK VALUE			
At 31 December 2011	5,147	483,447	488,594
At 31 December 2010	6,047	494,554	500,601

The company owns 100% of the issued share capital of Blackwatch Management Limited. At 31 December 2011, the cost of listed shares was £483,347 and the market value of these shares was £453,296.

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2011 £	2010 £
Bank loans and overdrafts	490,504	451,011

The bank holds a bond and floating charge over the company's assets along with an intercompany guarantee with Blackwatch Management Ltd.

BLACKWATCH PETROLEUM SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

4. SHARE CAPITAL

Authorised share capital:

	2011	2010
	£	£
200,000 Ordinary shares of £0.05 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
178,640 Ordinary shares of £0.05 each	<u>178,640</u>	<u>8,932</u>	<u>178,640</u>	<u>8,932</u>

5. GOING CONCERN

During the year, the company continued to be profitable. The company meets its day to day working capital requirements through overdraft facilities, which in common with all such facilities are repayable on demand. The directors expect that the company will continue to operate within the facilities currently agreed and within that, which they expect will be available in the year ahead. On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustment that would result from a withdrawal of the overdraft facilities by the company's bankers.