

Registration number SC224974

Watershed (Scotland) Limited

Abbreviated accounts

for the year ended 30 November 2012

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Watershed (Scotland) Limited

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Watershed (Scotland) Limited

**Report to the Director on the preparation
of unaudited financial statements of Watershed (Scotland) Limited
for the year ended 30 November 2012**

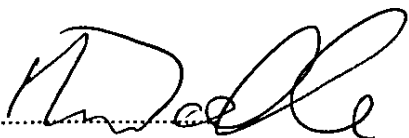
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Watershed (Scotland) Limited for the year ended 30 November 2012 which comprise of the Balance Sheet and the related notes from the Company's accounting records and from information and explanations you have given to us.

As a practising member of The Association of Chartered Certified Accountants , we are subject to its ethical and other professional requirements which are detailed at <http://rulebook.accaglobal.com/>.

This report is made to the company's director in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the accounts of Watershed (Scotland) Limited and state those matters that we have agreed to state to the company's director, as a body, in this report, in accordance with the requirements of The Association of Chartered Certified Accountants as detailed at . To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's director for our work or for this report.

It is your duty to ensure that the company has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Watershed (Scotland) Limited. You consider that Watershed (Scotland) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



.....
McDonald Gordon & Co. Ltd
Chartered Certified Accountants
29 York Place
Edinburgh
EH1 3HP

2013

Watershed (Scotland) Limited

**Abbreviated balance sheet
as at 30 November 2012**

		2012		2011	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	2		3,276,758		3,601,857
Current assets					
Stocks		325,000		-	
Debtors		285,919		384,241	
Cash at bank and in hand		58,525		44,639	
		<u>669,444</u>		<u>428,880</u>	
Creditors: amounts falling due within one year	3	<u>(716,825)</u>		<u>(758,662)</u>	
Net current liabilities			<u>(47,381)</u>		<u>(329,782)</u>
Total assets less current liabilities			3,229,377		3,272,075
Creditors: amounts falling due after more than one year	4		<u>(2,502,985)</u>		<u>(2,502,985)</u>
Net assets			<u>726,392</u>		<u>769,090</u>
Capital and reserves					
Called up share capital	5		100		100
Investment property revaluation reserve			650,142		633,625
Profit and loss account			76,150		135,365
Shareholders' funds			<u>726,392</u>		<u>769,090</u>

The director's statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 4 to 6 form an integral part of these financial statements.

Watershed (Scotland) Limited

Abbreviated balance sheet (continued)

**Director's statements required by Sections 475(2) and (3)
for the year ended 30 November 2012**

In approving these abbreviated accounts as director of the company I hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006 ;
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 30 November 2012 ; and
- (c) that I acknowledge my responsibilities for:
 - (1) ensuring that the company keeps accounting records which comply with Section 386 ; and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 393 and which otherwise comply with the provisions of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The abbreviated accounts were approved by the Board on 27 Aug 2013 and signed on its behalf by

Azhar Ghafoor
Director



Registration number SC224974

The notes on pages 4 to 6 form an integral part of these financial statements.

Watershed (Scotland) Limited

Notes to the abbreviated financial statements for the year ended 30 November 2012

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2. Turnover

Turnover represents amounts receivable for services provided during the year.

Rental income represents revenue earned under tenancy agreements. It is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its performance under these agreements. It is measured at the fair value of the right to consideration, which represents amounts chargeable to tenants, including expenses and disbursements. Revenue is recognised as the tenancy progresses.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Investment Properties	-	Nil
Fixtures, fittings and equipment	-	25% reducing balance

1.4. Investment properties

The investment properties are revalued annually at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The surplus or deficit arising on revaluation is transferred to a revaluation reserve except where the deficit reduces the property below its historical cost, in which case it is taken to the profit and loss account.

No depreciation is provided on investment properties which is a departure from the requirements of the Companies Act 2006. In the opinion of the directors these properties are held primarily for their investment potential and so their current value is of more significance than any measure of consumption and to depreciate them would not give a true and fair view. The provisions of the FRSSE (effective April 2008) in respect of investment properties have therefore been adopted in order to give a true and fair view. If this departure had not been made, the profit for the year would have been reduced by depreciation. However the amount of depreciation cannot reasonably be quantified and the amount which might otherwise have been shown cannot be separately identified or quantified.

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

Watershed (Scotland) Limited

**Notes to the abbreviated financial statements
for the year ended 30 November 2012**

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2. Fixed assets	Tangible fixed assets	Investments
	£	£
Cost or valuation		
At 1 December 2011	3,605,609	-
Additions	-	55,000
Impairment losses	(16,517)	-
Reversal of downward revaluation	16,517	-
Disposals / transfers	(325,000)	(55,000)
At 30 November 2012	<u>3,280,609</u>	<u>-</u>
Depreciation		
At 1 December 2011	3,752	-
Charge for year	99	-
At 30 November 2012	<u>3,851</u>	<u>-</u>
Net book values		
At 30 November 2012	<u>3,276,758</u>	<u>-</u>
At 30 November 2011	<u>3,601,857</u>	<u>-</u>

The historical cost of investment properties is £2,626,320 (2011 £2,967,837).

The director, Azhar Ghafoor considers that the valuation of £3,276,463 is reasonable and he does not consider that there has been any material change in value of the assets remaining in investment properties.

3. Creditors: amounts falling due within one year	2012 £	2011 £
Creditors include the following:		
Secured creditors	<u>661,200</u>	<u>684,000</u>

Watershed (Scotland) Limited

**Notes to the abbreviated financial statements
for the year ended 30 November 2012**

..... continued

4. Creditors: amounts falling due after more than one year	2012	2011
	£	£

Creditors include the following:

Instalments repayable after more than five years	2,502,985	2,502,985
Secured creditors	2,502,985	2,502,985

The mortgages were granted on an interest-only basis over a 20 year term. They are repayable in full in June 2028. All the long-term borrowing is secured by a bond and floating charge over the assets of the company, by a standard security over the heritable property of the company, by a supported guarantee given by Mr & Mrs A Ghafoor and by a supported guarantee given by Thistle Properties Investments Ltd, a company of which Mr Ghafoor is a director and shareholder.

5. Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
Equity Shares		
100 Ordinary shares of £1 each	100	100