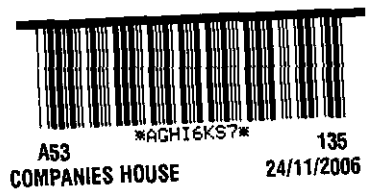


ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2006
FOR
VSM PROPERTIES LTD



**CONTENTS OF THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2006**

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VSM PROPERTIES LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2006**

DIRECTORS:

S Pole
Mrs V Pole
M Thyer

SECRETARY:

Mrs V Pole

REGISTERED OFFICE:

432 Gloucester Road
Horfield
Bristol
BS7 8TX

REGISTERED NUMBER:

3195057 (England and Wales)

ACCOUNTANTS:

SBMC Business Management Ltd.
432 Gloucester Road
Horfield
Bristol
BS7 8TX

VSM PROPERTIES LTD
ABBREVIATED BALANCE SHEET
31 MAY 2006

		2006	2005
	Notes	£	£
FIXED ASSETS			
Tangible assets	2	1,293,729	1,301,039
Investments	3	7,500	7,500
		<u>1,301,229</u>	<u>1,308,539</u>
CURRENT ASSETS			
Debtors		181,773	32,743
Cash at bank		188,674	773
		<u>370,447</u>	<u>33,516</u>
CREDITORS			
Amounts falling due within one year	4	251,397	35,354
NET CURRENT ASSETS/(LIABILITIES)		<u>119,050</u>	<u>(1,838)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,420,279</u>	<u>1,306,701</u>
CREDITORS			
Amounts falling due after more than one year	4	443,200	462,830
NET ASSETS		<u>977,079</u>	<u>843,871</u>
CAPITAL AND RESERVES			
Called up share capital	5	300	300
Revaluation reserve		762,232	666,308
Profit and loss account		214,547	177,263
SHAREHOLDERS' FUNDS		<u>977,079</u>	<u>843,871</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 May 2006.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2006 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these abbreviated accounts

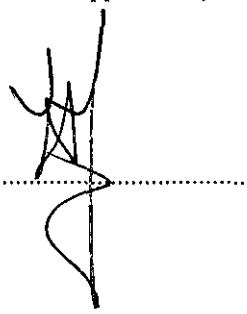
VSM PROPERTIES LTD

ABBREVIATED BALANCE SHEET - continued
31 MAY 2006

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

The financial statements were approved by the Board of Directors on *9th November 2006* and were signed on its behalf by:

.....
Director



The notes form part of these abbreviated accounts

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2006**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation. Investment properties are not depreciated but revalued on an annual basis. Depreciation is provided on the other assets at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures & Fittings 25% Straight line

2. TANGIBLE FIXED ASSETS

	Total £
COST OR VALUATION	
At 1 June 2005	1,301,189
Disposals	(125,000)
Revaluations	117,950
	<hr/>
At 31 May 2006	1,294,139
	<hr/>
DEPRECIATION	
At 1 June 2005	150
Charge for year	260
	<hr/>
At 31 May 2006	410
	<hr/>
NET BOOK VALUE	
At 31 May 2006	1,293,729
	<hr/>
At 31 May 2005	1,301,039
	<hr/>

3. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 June 2005 and 31 May 2006	7,500
	<hr/>
NET BOOK VALUE	
At 31 May 2006	7,500
	<hr/>
At 31 May 2005	7,500
	<hr/>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MAY 2006

3. FIXED ASSET INVESTMENTS - continued

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

Associated Company

Perspective Developments Ltd

Nature of business: Property Development

	% holding	2006	2005
Class of shares:		£	£
Ordinary	25.00	56,529	33,675
Preferential	25.00	22,854	73,371
Aggregate capital and reserves		<u>56,529</u>	<u>33,675</u>
Profit for the year		<u>22,854</u>	<u>73,371</u>

4. CREDITORS

The following secured debts are included within creditors:

	2006	2005
	£	£
Bank overdraft	-	3,559
Bank loans	462,828	480,952
	<u>462,828</u>	<u>484,511</u>

Creditors include the following debts falling due in more than five years:

	2006	2005
	£	£
Repayable by instalments		
Bank loans more 5 yr by instal	346,961	373,979
	<u>346,961</u>	<u>373,979</u>

5. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2006	2005
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2006	2005
			£	£
300	Ordinary	£1	<u>300</u>	<u>300</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MAY 2006

6. TRANSACTIONS WITH DIRECTORS

The Directors had a material interest in transactions with Perspective Development Ltd. During last year they loaned the company £175000 , all of which was outstanding at the year end. Perspective Development Ltd recharged wages of £ 20083 in the year and was recharged expenses of £ 5901 both items were outstanding at the year end.