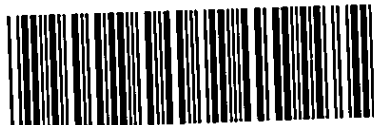


**ABBREVIATED UNAUDITED ACCOUNTS**  
**FOR THE PERIOD 9 SEPTEMBER 2005 TO 30 SEPTEMBER 2006**  
**FOR**  
**SALEM HOMES LIMITED**

THURSDAY



LD6 \*L4KJ7QZO\* 252  
05/07/2007  
COMPANIES HOUSE

**SALEM HOMES LIMITED**

**CONTENTS OF THE ABBREVIATED ACCOUNTS  
for the Period 9 September 2005 to 30 September 2006**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Abbreviated Balance Sheet</b>	<b>2</b>
<b>Notes to the Abbreviated Accounts</b>	<b>3</b>

**SALEM HOMES LIMITED**

**COMPANY INFORMATION**  
**for the Period 9 September 2005 to 30 September 2006**

**DIRECTOR:** L Mohammed

**SECRETARY:** S Mohammed

**REGISTERED OFFICE:** 102-104 Watling Street  
Radlet  
Hertfordshire  
WD6 3QZ

**REGISTERED NUMBER:** 05557751 (England and Wales)

**SALEM HOMES LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**30 September 2006**

	Notes	£
<b>CURRENT ASSETS</b>		
Stocks		1,223,174
<b>CREDITORS</b>		
Amounts falling due within one year	2	1,310,283
<b>NET CURRENT LIABILITIES</b>		<u>(87,109)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>(87,109)</u></u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	3	2
Profit and loss account		<u>(87,111)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u>(87,109)</u></u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 30 September 2006

The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2006 in accordance with Section 249B(2) of the Companies Act 1985

The director acknowledges his responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) 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

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements were approved by the director on 4 July 2007 and were signed by

  
L. Mohammed - Director

The notes form part of these abbreviated accounts

# SALEM HOMES LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS for the Period 9 September 2005 to 30 September 2006

### 1 ACCOUNTING POLICIES

#### Basis of preparing the financial statements

The financial statements have been prepared on a going concern basis, the applicability of which is dependent upon the continued support of the company's financiers and directors

#### 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 January 2005)

#### Stocks

Stocks are valued at the lower of cost and net realisable value

Stocks comprise of property bought and refurbishment expenses on property for resale

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

### 2 CREDITORS

The following secured debts are included within creditors

Bank loans	£ <u>911,264</u>
------------	---------------------

### 3 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	£
1,000	Ordinary	1	<u>1,000</u>

Allotted, issued and fully paid Number	Class	Nominal value	£
2	Ordinary	1	<u>2</u>

2 Ordinary shares of 1 each were allotted and fully paid for cash at par during the period

### 4 TRANSACTIONS WITH DIRECTOR

Included in creditors falling due within one year is a balance of £384,381 due to the director, L Mohammed. This was the maximum outstanding in the period under review.

### 5 BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, the applicability of which is dependent upon the continued support of the company's financiers and director. The company reported a loss for the year of £87,111 and at the balance sheet date its current liabilities exceeded its current assets by £87,109. The director anticipates that the company will continue to be able to meet its commitments as they fall due, and therefore considers it appropriate to adopt the going concern basis of preparing the financial statements.