

Unaudited Abbreviated Accounts for the year ended 30 April 2005

for

Karen Arnold (UK) Ltd

Chapman & Co.
Chartered Accountants
39 Ferndene Road
Whitefield
Manchester
M45 6RB



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for the year ended 30 April 2005**

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Karen Arnold (UK) Ltd

**Company Information
for the year ended 30 April 2005**

DIRECTOR:	Michael Isaacs
SECRETARY:	Andrea Cumming
REGISTERED OFFICE:	The Barn Blakelow Farm Blakelow Road Macclesfield Cheshire SK11 7ED
REGISTERED NUMBER:	3045942 (England and Wales)
ACCOUNTANTS:	Chapman & Co. Chartered Accountants 39 Ferndene Road Whitefield Manchester M45 6RB
BANKERS:	National Westminster Bank 64 Bury Old Road Cheetham Hill Manchester M8 6BN

**Chartered Accountants' Report to the Director
on the Unaudited Financial Statements of
Karen Arnold (UK) Ltd**

The following reproduces the text of the report prepared for the director in respect of the company's annual unaudited financial statements, from which the unaudited abbreviated accounts (set out on pages three to four) have been prepared.

In accordance with our terms of engagement and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company for the year ended 30 April 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's director, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's director, that we have done so, and state those matters that we have agreed to state to them in this 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 and the company's director, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet as at 30 April 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit 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.



Chapman & Co.
Chartered Accountants
39 Ferndene Road
Whitefield
Manchester
M45 6RB

17 June 2005

Karen Arnold (UK) Ltd

Abbreviated Balance Sheet
30 April 2005

	2005 £	2004 £
CURRENT ASSETS		
Debtors	5	5
Cash at bank	4,382	2,069
	<u>4,387</u>	<u>2,074</u>
CREDITORS		
Amounts falling due within one year	12,040	9,266
	<u>(7,653)</u>	<u>(7,192)</u>
NET CURRENT LIABILITIES		
	<u>(7,653)</u>	<u>(7,192)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		
	<u>(7,653)</u>	<u>(7,192)</u>
CAPITAL AND RESERVES		
Called up share capital	2	904
Share premium	8,100	8,100
Profit and loss account	(16,657)	(16,196)
	<u>(7,653)</u>	<u>(7,192)</u>
SHAREHOLDERS' FUNDS		
	<u>(7,653)</u>	<u>(7,192)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 April 2005.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2005 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 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



Michael Isaacs - Director

Approved by the Board on 17 June 2005

Notes to the Abbreviated Accounts
for the year ended 30 April 2005

1. ACCOUNTING POLICIES

Going concern

The company meets its day to day capital requirements through reliance on its trade creditors and director. In view of the good relationship with the company's trade creditors, the director considers that it is reasonable to rely on their continued support. The financial statements have therefore been prepared on a going concern basis and do not contain any adjustments that might be necessary if that support was not continued.

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 June 2002).

2. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2005 £	2004 £
1,000	Ordinary	£1	1,000	1,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2005 £	2004 £
904	Ordinary	£1	904	904