

2

REGISTERED NUMBER: 01455937 (England and Wales)

Abbreviated Accounts
for the Year Ended 31 January 2006
for
CARA LONDON LIMITED



Contents of the Abbreviated Accounts
for the Year Ended 31 January 2006

	Page
Company Information	1
Report of the Independent Auditors on the Abbreviated Accounts	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Accounts	4

CARA LONDON LIMITED

Company Information
for the Year Ended 31 January 2006

DIRECTORS: JD Sommerville
M Sommerville

SECRETARY: J Sommerville

REGISTERED OFFICE: Unit 11
Albury Close
Lovelock Road
Reading
Berkshire
RG30 1BJ

REGISTERED NUMBER: 01455937 (England and Wales)

AUDITORS: The Norton Practice
Registered Auditors
1 Wesley Gate
70 Queens Road
Reading
Berkshire
RG1 4AP

BANKERS: Barclays Bank
Barclays Mid Thames Group
P O BOX 27
Reading
RG1 2HD

Report of the Independent Auditors to
Cara London Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages three to six, together with the full financial statements of the company for the year ended 31 January 2006 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. 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 auditors' 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 auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages three to six are properly prepared in accordance with those provisions.



The Norton Practice
Registered Auditors
1 Wesley Gate
70 Queens Road
Reading
Berkshire
RG1 4AP

Date: 29/10/06

CARA LONDON LIMITED

Abbreviated Balance Sheet

31 January 2006

		2006		2005	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		67,066		71,053
Investments	3		76		76
			<u>67,142</u>		<u>71,129</u>
CURRENT ASSETS:					
Stocks		439,614		272,117	
Debtors		425,457		393,364	
Cash at bank and in hand		-		5,937	
		<u>865,071</u>		<u>671,418</u>	
CREDITORS: Amounts falling due within one year		<u>752,275</u>		<u>626,245</u>	
NET CURRENT ASSETS:			<u>112,796</u>		<u>45,173</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			179,938		116,302
PROVISIONS FOR LIABILITIES:			<u>7,619</u>		<u>9,207</u>
			<u>£172,319</u>		<u>£107,095</u>
CAPITAL AND RESERVES:					
Called up share capital	4		5,000		5,000
Profit and loss account			167,319		102,095
SHAREHOLDERS' FUNDS:			<u>£172,319</u>		<u>£107,095</u>

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).

ON BEHALF OF THE BOARD:

JD Sommerville - Director

Approved by the Board on 27/1/06

The notes form part of these abbreviated accounts

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The company is dependant upon the support of the directors for the continuance of its trading operations. The directors have confirmed that recovery of the amounts owed to them by the company will only be sought when the company's assets adequately exceed its liabilities.

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).

Turnover

Turnover generated from wholesale customers represents net invoiced sale of goods, excluding vat.

Turnover generated from retail customers is recognised net of vat, at the time of the sale.

Tangible fixed assets

Tangible fixed assets are recognised at cost less accumulated depreciation. Cost comprises the purchase price of the asset and any associated costs in bringing the asset to its present condition and location.

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

Fixtures and Fittings	- 15% reducing balance
Motor Vehicles	- 25% reducing balance
Computer Equipment	- 20% straight line
Short Leasehold Improvements	- 10% straight line

Any amounts in respect of repairs and maintenance are recognised in the profit and loss account in the year in which they occur.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

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

Pensions

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

CARA LONDON LIMITED

Notes to the Abbreviated Accounts
for the Year Ended 31 January 2006

2. **TANGIBLE FIXED ASSETS**

	Total
	£
COST:	
At 1 February 2005	203,725
Additions	8,364
	<hr/>
At 31 January 2006	212,089
	<hr/>
DEPRECIATION:	
At 1 February 2005	132,671
Charge for year	12,352
	<hr/>
At 31 January 2006	145,023
	<hr/>
NET BOOK VALUE:	
At 31 January 2006	67,066
	<hr/>
At 31 January 2005	71,053
	<hr/>

3. **FIXED ASSET INVESTMENTS**

	£
COST:	
At 1 February 2005 and 31 January 2006	76
	<hr/>
NET BOOK VALUE:	
At 31 January 2006	76
	<hr/>
At 31 January 2005	76
	<hr/>

Notes to the Abbreviated Accounts
for the Year Ended 31 January 2006

3. **FIXED ASSET INVESTMENTS - continued**

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

Gladevalley Limited

Nature of business: Footwear retailer

	%
Class of shares:	holding
Ordinary A shares	76.00

	2006	2005
	£	£
Aggregate capital and reserves	(143,824)	(153,179)
Profit/(Loss) for the year	<u>9,355</u>	<u>(25,752)</u>

These financial statements present information about Cara London Limited as an individual undertaking. The group is small and is therefore exempt from the requirement to prepare group accounts.

4. **CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2006	2005
			£	£
5,000	Ordinary Share Capital	£1	<u>5,000</u>	<u>5,000</u>

5. **COMMITMENTS UNDER OPERATING LEASES**

At the period end the company had aggregate annual commitments under non-cancellable operating leases as follows:

	2006	2005
	£	£
Operating leases which expire:		
Within one year	65,500	14,000
Within two to five years		62,750
After more than five years	<u>85,725</u>	<u>66,650</u>
	<u>151,225</u>	<u>143,400</u>

6. **CONTROLLING PARTY**

During the period the company was under the control of JD Sommerville, the majority shareholder and a director of the company.