

PICKWICK GROUP LIMITED
ABBREVIATED ACCOUNTS
31 MARCH 2006



PICKWICK GROUP LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2006

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PICKWICK GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO PICKWICK GROUP LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985



HURST MORRISON THOMSON

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We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of Pickwick Group Limited for the year ended 31 March 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 auditor's 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 audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITOR

The director is 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

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 have been properly prepared in accordance with those provisions.

5 Fairmile
Henley-on-Thames
Oxfordshire
RG9 2JR

20 July 2006

HURST MORRISON THOMSON LLP
Chartered Accountants
& Registered Auditors

PICKWICK GROUP LIMITED

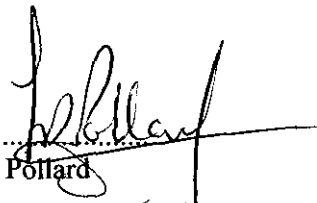
ABBREVIATED BALANCE SHEET

31 MARCH 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Intangible assets	2	399,712	381,096
Tangible assets	2	56,653	108,716
		<u>456,365</u>	<u>489,812</u>
CURRENT ASSETS			
Stocks		407,906	277,731
Debtors		771,482	993,476
Cash at bank and in hand		25,822	1,600
		<u>1,205,210</u>	<u>1,272,807</u>
CREDITORS: Amounts falling due within one year	3	<u>(872,363)</u>	<u>(1,037,007)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>332,847</u>	<u>235,800</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>789,212</u>	<u>725,612</u>
CREDITORS: Amounts falling due after more than one year	4	<u>(1,620,602)</u>	<u>(1,287,286)</u>
		<u>(831,390)</u>	<u>(561,674)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	5	534,002	399,002
Profit and loss account		<u>(1,365,392)</u>	<u>(960,676)</u>
DEFICIENCY		<u>(831,390)</u>	<u>(561,674)</u>

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

These abbreviated accounts were approved and signed by the director on 20th July 2006


.....
J D Pollard

The notes on pages 3 to 6 form part of these abbreviated accounts.

PICKWICK GROUP LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

Basis of accounting

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)*.

Going concern

The going concern basis has been used in the preparation of the financial statements. On 29 June 2006 the parent company, Republic Life Common Fund (L) Limited, signed an amending agreement extending the final repayment date for its existing loan and any additional advances subsequently made to 31 March 2008. With this continuing financial support the director considers that the company will continue to trade for the foreseeable future and meet its liabilities as they fall due.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

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

Titles, Property Rights and Masters - 5 and 10 years straight line

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Computers	- 33% Straight Line
Motor Vehicles	- 33% Straight Line
Equipment	- 25% and 33% Straight Line

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

PICKWICK GROUP LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES *(continued)*

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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 into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

PICKWICK GROUP LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2006

2. FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Total £
COST			
At 1 April 2005	564,589	218,685	783,274
Additions	129,713	23,012	152,725
Disposals	(1,578)	(7,250)	(8,828)
At 31 March 2006	<u>692,724</u>	<u>234,447</u>	<u>927,171</u>
DEPRECIATION			
At 1 April 2005	183,493	109,969	293,462
Charge for year	109,963	71,812	181,775
On disposals	(444)	(3,987)	(4,431)
At 31 March 2006	<u>293,012</u>	<u>177,794</u>	<u>470,806</u>
NET BOOK VALUE			
At 31 March 2006	<u>399,712</u>	<u>56,653</u>	<u>456,365</u>
At 31 March 2005	<u>381,096</u>	<u>108,716</u>	<u>489,812</u>

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured on the assets of the company:

	2006 £	2005 £
Bank loans and overdrafts	<u>247,575</u>	<u>354,691</u>

4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured on the assets of the company:

	2006 £	2005 £
Amounts owed to group undertakings	<u>1,619,466</u>	<u>1,281,192</u>

PICKWICK GROUP LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2006

5. SHARE CAPITAL

Authorised share capital:

	2006 £	2005 £
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted and called up:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>534,002</u>	<u>534,002</u>	<u>399,002</u>	<u>399,002</u>

The Company issued 135,000 Ordinary shares of £1 each, at par for cash consideration, to provide additional working capital. The shares were issued on the following dates:

135,000 shares 27 January 2006

6. ULTIMATE PARENT COMPANY

The immediate parent company is Republic Life Common Fund (L) Limited. The ultimate parent company is Union Mutual Pension Fund (L) Limited a company incorporated in Malaysia.