

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007
FOR
ALAN BOSWELL INSURANCE BROKERS LIMITED**

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ALAN BOSWELL INSURANCE BROKERS LIMITED

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FOR THE YEAR ENDED 31 MARCH 2007**

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ALAN BOSWELL INSURANCE BROKERS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2007**

DIRECTORS.

A C Boswell
E N Drew
R J Graver
I L Payter
C J Gibbs
D J Tuttle

SECRETARY

E N Drew

REGISTERED OFFICE:

Harbour House
126 Thorpe Road
Norwich
Norfolk
NR1 1UL

REGISTERED NUMBER

2591252 (England and Wales)

AUDITORS:

Quinneys
Registered Auditor
Chartered Accountants
Bank Chambers
Market Place
Reepham
Norfolk
NR10 4JJ

BANKERS:

Barclays Bank Plc
PO Box 614
1st Floor St Cuthberts House
7 Upper King Street
Norwich
Norfolk
NR3 1WX

ALAN BOSWELL INSURANCE BROKERS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2007

The directors present their report with the financial statements of the company for the year ended 31 March 2007

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of general insurance brokers

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements

The company increased its income from all sources by over 18% almost entirely through organic growth throughout most of its operations. In the context of the soft market currently affecting most areas of general insurance this performance was extremely satisfactory

The company has made no material acquisitions of other businesses in the year and is thus dissimilar from many of the other larger brokers whose businesses have grown substantially through acquisition

The company has continued to invest in IT resources and sown many seeds for future growth in various niche operational areas

Costs have increased by 18% overall and profit for the financial year before taxation increased by over 20% to £1,581,047. The average number of employees increased by 8½% from 82 to 89 and income and profit per employee both increased. Once again we are indebted to our dedicated and highly professional teams of employees. We aim to continue to invest in people and systems and always strive to provide our clients with increasing levels of service and expertise

Individual managers and the board set and regularly review a series of key performance indicators with the aim of achieving budgeted levels of income, efficiency and cost control

Business risks are regularly monitored and reviewed by the directors and none are felt likely to materially impact on the company in the forthcoming year. The company has many different strands to the business and is not overly dependent on any one particular area

The directors regularly review the business operation and performance to identify opportunities for development. The main emphasis remains on organic growth, in addition to the development of new ideas within the business and, if the opportunity arises, strategic acquisitions

The company is budgeted to increase both income and profits in the year to 31st March 2008

DIVIDENDS

Interim dividends per share were paid as follows

£580	- 31 March 2007
£250	- 30 September 2006
£250	- 30 June 2006
<hr/>	
£1,080	
<hr/>	

The directors recommend that no final dividend be paid

The total distribution of dividends for the year ended 31 March 2007 will be £1,080,000

ALAN BOSWELL INSURANCE BROKERS LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2007**

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2006 to the date of this report

A C Boswell
E N Drew
R J Graver
I L Payter
C J Gibbs
D J Tuttle

The interests of the directors in the parent undertaking, Alan Boswell Group Limited are shown in the financial statements of that company

COMPANY'S POLICY ON PAYMENT OF CREDITORS

The company maintains the payment terms which have been agreed with suppliers

At 31 March 2007 the aggregate amount owed to trade creditors, as a proportion of the aggregate amounts invoiced by suppliers during the year then ended, represent an average of 22 days credit (2006 20 days credit)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Quinneys, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



E N Drew - Secretary

23 July 2007

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
ALAN BOSWELL INSURANCE BROKERS LIMITED**

We have audited the financial statements of Alan Boswell Insurance Brokers Limited for the year ended 31 March 2007 on pages six to seventeen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page three.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

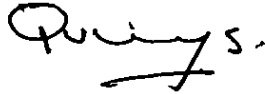
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
ALAN BOSWELL INSURANCE BROKERS LIMITED**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements



Quinneys
Registered Auditor
Chartered Accountants
Bank Chambers
Market Place
Reepham
Norfolk
NR10 4JJ

23 July 2007

ALAN BOSWELL INSURANCE BROKERS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2007**

	Notes	2007	2006
		£	£
TURNOVER		5,446,817	4,561,769
Other operating income		21,000	44,500
		<u>5,467,817</u>	<u>4,606,269</u>
Staff costs	2	3,170,737	2,559,134
Depreciation		80,151	76,115
Other operating charges		864,237	846,751
		<u>4,115,125</u>	<u>3,482,000</u>
OPERATING PROFIT	3	1,352,692	1,124,269
Interest receivable and similar income		229,650	209,515
		<u>1,582,342</u>	<u>1,333,784</u>
Interest payable and similar charges	4	1,295	17,791
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,581,047	1,315,993
Tax on profit on ordinary activities	5	488,851	407,834
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>1,092,196</u>	<u>908,159</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

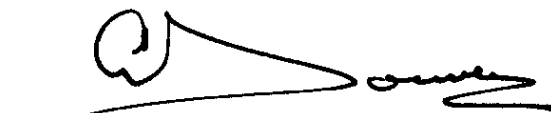
The notes form part of these financial statements

ALAN BOSWELL INSURANCE BROKERS LIMITED

**BALANCE SHEET
31 MARCH 2007**

	Notes	2007 £	2006 £
FIXED ASSETS			
Intangible assets	7	26,763	37,627
Tangible assets	8	196,263	178,732
Investments	9	100	100
		<u>223,126</u>	<u>216,459</u>
CURRENT ASSETS			
Debtors	10	2,372,926	1,959,807
Cash at bank and in hand		3,891,119	4,152,266
		<u>6,264,045</u>	<u>6,112,073</u>
CREDITORS			
Amounts falling due within one year	11	5,593,335	5,446,892
NET CURRENT ASSETS		<u>670,710</u>	<u>665,181</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>893,836</u>	<u>881,640</u>
CAPITAL AND RESERVES			
Called up share capital	14	1,000	1,000
Profit and loss account	15	892,836	880,640
SHAREHOLDERS' FUNDS	19	<u>893,836</u>	<u>881,640</u>

The financial statements were approved by the Board of Directors on 23 July 2007 and were signed on its behalf by


A C Boswell - Director


E N Drew - Director

The notes form part of these financial statements

ALAN BOSWELL INSURANCE BROKERS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

	Notes	2007	2006
		£	£
Net cash inflow from operating activities	1	1,219,068	2,071,930
Returns on investments and servicing of finance	2	228,355	191,724
Taxation		(521,564)	(573,321)
Capital expenditure	2	(86,818)	(46,988)
Equity dividends paid		(1,080,000)	(950,000)
		(240,959)	693,345
Financing	2	(20,188)	(48,413)
(Decrease)/Increase in cash in the period		(261,147)	644,932
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		(261,147)	644,932
Cash outflow from decrease in debt and lease financing		20,188	48,413
Change in net funds resulting from cash flows		(240,959)	693,345
Movement in net funds in the period		(240,959)	693,345
Net funds at 1 April		4,132,078	3,438,733
Net funds at 31 March		3,891,119	4,132,078

The notes form part of these financial statements

ALAN BOSWELL INSURANCE BROKERS LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007 £	2006 £
Operating profit	1,352,692	1,124,269
Depreciation charges	84,087	78,271
Profit on disposal of fixed assets	(3,936)	(2,156)
Increase in debtors	(413,119)	(77,468)
Increase in creditors	199,344	949,014
Net cash inflow from operating activities	<u>1,219,068</u>	<u>2,071,930</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2007 £	2006 £
Returns on investments and servicing of finance		
Interest received	229,650	209,515
Interest paid	(1,295)	(17,739)
Interest element of hire purchase or finance lease rentals payments	-	(52)
Net cash inflow for returns on investments and servicing of finance	<u>228,355</u>	<u>191,724</u>
Capital expenditure		
Purchase of intangible fixed assets	-	(11,593)
Purchase of tangible fixed assets	(107,018)	(53,395)
Sale of tangible fixed assets	20,200	18,000
Net cash outflow for capital expenditure	<u>(86,818)</u>	<u>(46,988)</u>
Financing		
Loan repayments in year	(20,188)	(45,388)
Capital repayments in year	-	(3,025)
Net cash outflow from financing	<u>(20,188)</u>	<u>(48,413)</u>

The notes form part of these financial statements

ALAN BOSWELL INSURANCE BROKERS LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 4 06 £	Cash flow £	At 31 3 07 £
Net cash			
Cash at bank and in hand	4,152,266	(261,147)	3,891,119
	<u>4,152,266</u>	<u>(261,147)</u>	<u>3,891,119</u>
 Debt			
Debts falling due within one year	(20,188)	20,188	-
	<u>(20,188)</u>	<u>20,188</u>	<u>-</u>
 Total	<u>4,132,078</u>	<u>(240,959)</u>	<u>3,891,119</u>

4 ACQUISITION OF BUSINESS

During the accounting year the company made the following acquisitions

	2007 £	2006 £
Net assets acquired		
Goodwill and intellectual property	<u>-</u>	<u>11,593</u>
Satisfied by		
Cash	<u>-</u>	<u>11,593</u>

Due to the nature in which the acquired trades have been incorporated into the company's financial recording system, it is not possible to ascertain the trades' contribution to net operating cash flows. However, the contribution is considered to be immaterial.

The notes form part of these financial statements

ALAN BOSWELL INSURANCE BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Turnover

Turnover represents commission / fee income. This is accounted for in accordance with Financial Reporting Standard 5 "Reporting the substance of transactions" application note G, and guidance issued by the ICEAW in respect of revenue recognition by insurance intermediaries

Goodwill

Goodwill, being the amount paid in connection with the acquisition of unincorporated general insurance businesses in 1994, 1999, 2000 and 2001, is being written off evenly over its estimated useful life of ten years. Goodwill acquired in 2006 is being written off evenly over its estimated useful life of three years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Improvements to property	- 5% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost

Deferred tax

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pensions

The company operates various defined contribution pension schemes for directors and staff, the assets of which are held separately from the assets of the company. Contributions payable for the year are charged in the profit and loss account

Financial Reporting Standard Number 8

Exemption has been taken from related party disclosures on the grounds that the company is a wholly owned subsidiary of Alan Boswell Group Limited and such disclosure is contained within the consolidated financial statements of the group

2 STAFF COSTS

	2007 £	2006 £
Wages and salaries	2,648,328	2,172,189
Social security costs	282,314	230,928
Other pension costs	240,095	156,017
	<u>3,170,737</u>	<u>2,559,134</u>

ALAN BOSWELL INSURANCE BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2007**

2 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

	2007	2006
Directors	6	6
Employees	83	76
	<u>89</u>	<u>82</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2007	2006
	£	£
Hire of plant and machinery	2,041	1,918
Depreciation - owned assets	73,224	70,305
Profit on disposal of fixed assets	(3,936)	(2,156)
Goodwill amortisation	10,864	7,966
Auditors' remuneration	3,300	8,000
Auditors' remuneration for non audit work	813	2,283
Operating lease rentals - property	<u>67,958</u>	<u>68,550</u>
Directors' emoluments	830,262	659,516
Directors' pension contributions to money purchase schemes	<u>128,484</u>	<u>89,567</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>5</u>	<u>5</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows

	2007	2006
	£	£
Emoluments etc	198,064	184,880
Pension contributions to money purchase schemes	<u>6,077</u>	<u>6,396</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2007	2006
	£	£
Bank interest	31	151
Interest on late payment of corporation tax	464	14,318
Loan interest	800	3,270
Hire purchase	-	52
	<u>1,295</u>	<u>17,791</u>

ALAN BOSWELL INSURANCE BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2007**

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2007 £	2006 £
Current tax		
UK corporation tax	486,234	408,947
Adjustment in respect of prior years	2,617	340
	<hr/>	<hr/>
Total current tax	488,851	409,287
Deferred tax	-	(1,453)
	<hr/>	<hr/>
Tax on profit on ordinary activities	<u>488,851</u>	<u>407,834</u>

UK corporation tax has been charged at 30% (2006 - 30%)

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2007 £	2006 £
Profit on ordinary activities before tax	<u>1,581,047</u>	<u>1,315,993</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	474,314	394,798
Effects of		
Expenses not deductible for tax purposes	8,176	7,537
Income not chargeable for tax purposes	(75)	(75)
Depreciation in excess of capital allowances	3,819	6,687
Adjustment in respect of prior year taxation	2,617	340
	<hr/>	<hr/>
Current tax charge	<u>488,851</u>	<u>409,287</u>

6 DIVIDENDS

	2007 £	2006 £
Ordinary shares of £1 each		
Interim dividends on ordinary shares	<u>1,080,000</u>	<u>950,000</u>
	<hr/>	<hr/>
	<u>1,080,000</u>	<u>950,000</u>

ALAN BOSWELL INSURANCE BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2007

7 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2006 and 31 March 2007	101,593
AMORTISATION	
At 1 April 2006	63,966
Amortisation for year	10,864
At 31 March 2007	74,830
NET BOOK VALUE	
At 31 March 2007	26,763
At 31 March 2006	37,627

8 TANGIBLE FIXED ASSETS

	Improvem- ents to property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2006	60,668	116,939	529,403	51,324	758,334
Additions	-	-	65,802	41,216	107,018
Disposals	-	-	-	(21,685)	(21,685)
At 31 March 2007	60,668	116,939	595,205	70,855	843,667
DEPRECIATION					
At 1 April 2006	24,535	112,012	429,328	13,726	579,601
Charge for year	3,034	2,446	56,571	11,173	73,224
Eliminated on disposal	-	-	-	(5,421)	(5,421)
At 31 March 2007	27,569	114,458	485,899	19,478	647,404
NET BOOK VALUE					
At 31 March 2007	33,099	2,481	109,306	51,377	196,263
At 31 March 2006	36,133	4,927	100,075	37,598	178,733

9 FIXED ASSET INVESTMENTS

	Unlisted investme- nts £
COST	
At 1 April 2006 and 31 March 2007	100
NET BOOK VALUE	
At 31 March 2007	100
At 31 March 2006	100

ALAN BOSWELL INSURANCE BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2007**

9 FIXED ASSET INVESTMENTS - continued

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

Alan Boswell Leisure Insurance Brokers Limited

Nature of business Dormant company

Class of shares	% holding	2007	2006
Ordinary £1	100 00	£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Trade debtors	2,118,988	1,886,994
Other debtors (see note 17)	183,000	-
Amounts owed by group undertakings	-	23,555
Prepayments	70,938	49,258
	<u>2,372,926</u>	<u>1,959,807</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Other loans (see note 12)	-	20,188
Trade creditors	48,953	14,637
Insurance company creditors	4,300,204	4,390,191
Taxation	111,234	143,947
Social security and other taxes	72,760	65,214
Other creditors	65,707	94,229
Amounts owed to group undertakings	142,979	80,105
Accrued expenses	851,498	638,381
	<u>5,593,335</u>	<u>5,446,892</u>

12 LOANS

An analysis of the maturity of loans is given below

	2007	2006
	£	£
Amounts falling due within one year or on demand	-	20,188
Loan from directors' pension scheme	<u>-</u>	<u>20,188</u>

ALAN BOSWELL INSURANCE BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2007**

13 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings
	2007 £
	2006 £
Expiring	
Between one and five years	85,000
	<u>85,000</u>

14 CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid Number	Class	Nominal value	2007 £	2006 £
1,000	Ordinary	£1	1,000	1,000
			<u>1,000</u>	<u>1,000</u>

15 RESERVES

	Profit and loss account £
At 1 April 2006	880,640
Profit for the year	1,092,196
Dividends	(1,080,000)
	<u>892,836</u>
At 31 March 2007	<u>892,836</u>

16 ULTIMATE PARENT COMPANY

The ultimate parent company is Alan Boswell Group Limited, a company incorporated in England

17 RELATED PARTY DISCLOSURES

The property from which the company trades is owned by Alan Boswell Group Directors Pension Fund. The pension fund is a small self administered pension scheme, whose members are A C Boswell, E N Drew and I L Payter. These persons are also trustees of the scheme. The lease agreement with the company is for a ten year period at an annual rental of £85,000, expiring in April 2009.

During the year, the company advanced a loan of £312,600 to Alan Boswell Group Directors Pension Fund at a commercial rate of interest and agreed term of repayment. At the year end, £183,000 remained outstanding. The directors anticipate this balance will be wholly repaid by 31 March 2008.

Anglian Business Services Limited a company in which E N Drew is a director was contracted to provide accountancy services during the year. The fee for these services was £22,858 (2006 £21,244).

18 ULTIMATE CONTROLLING PARTY

The company is under the immediate control of Alan Boswell Group Limited which owns 100% of the company's issued share capital. The company is ultimately controlled by A C Boswell who holds 66.66% of the issued share capital of Alan Boswell Group Limited.

ALAN BOSWELL INSURANCE BROKERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2007**

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£	£
Profit for the financial year	1,092,196	908,159
Dividends	(1,080,000)	(950,000)
	<hr/>	<hr/>
Net addition/(reduction) to shareholders' funds	12,196	(41,841)
Opening shareholders' funds	881,640	923,481
	<hr/>	<hr/>
Closing shareholders' funds	<u>893,836</u>	<u>881,640</u>