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COMPANY REGISTRATION NUMBER: 02591252

Alan Boswell Insurance Brokers Limited
Financial statements
31 March 2020

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Alan Boswell Insurance Brokers Limited

Financial statements

Year ended 31 March 2020

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Alan Boswell Insurance Brokers Limited

Officers and professional advisers

The board of directors

A C Boswell
C J Gibbs
A J Dowler
A M Rayner
H D Alexander-Bew
G S Anderson-Brown
A F Drew

Registered office

Harbour House
126 Thorpe Road
Norwich
Norfolk
NR1 1UL

Auditor

Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Alan Boswell Insurance Brokers Limited

Strategic report

Year ended 31 March 2020

Business Model

Alan Boswell Insurance Brokers provides a wide range of Insurance Broking activities including business, landlords and personal insurance services.

We are authorised and regulated by the Financial Conduct Authority.

Goals and objectives

The company aims to be the natural choice for friendly, expert advice on insurance. We will achieve this through our corporate goals:

- We are passionate about providing expert tailored advice and recommendations.
- Our staff are friendly, knowledgeable and care about our clients.
- We aim for success in everything we do and we recognise the value of positive contributions in achieving this.
- Our employees are highly trained, and we provide a supportive, caring environment that enables them to thrive.
- We aim to make a positive contribution to the communities in which we work.

Principal risks

Due to the sector in which the company operates, a significant risk exists in relation to changing demand for our services dependent on economic factors. The company addresses this risk by building on existing relations, with both our external clients and suppliers.

We also continue to look for further areas where we can provide specialist niche insurance schemes and bring further expertise into the business. By diversifying our offering to both business and personal customers alike, we believe we are strategically placed to deal with most significant changes in economic factors.

A further risk to our business is that of regulatory compliance and change. We mitigate this risk by monitoring our compliance with all relevant regulations through our internal compliance team. We take a positive approach to changes in regulations; considering these to present an improvement upon best practice, which we are committed to apply.

We do not currently trade overseas and therefore have little exposure to foreign currency risks.

Review of year

The company's turnover increased by 9% to £12,275,694, which the board considers satisfactory given the continuing competitive general insurance market. There was little impact from the Covid-19 pandemic on the key financial metrics.

Company pre-tax profits increased by 1% to £2,186,189.

Capital and reserves after dividend distributions remains substantially above minimum regulatory capital requirements at £4,353,890. The company continues to have no borrowings and remains extremely liquid and financially strong.

We were delighted to be able to donate £252,563 to the Alan Boswell Group Charitable Trust this year, in what was the Trust's first year since being set up. These monies have been used to provide a wide-range of charitable donations throughout the local communities in which we operate.

Alan Boswell Insurance Brokers Limited

Strategic report *(continued)*

Year ended 31 March 2020

We continue to benefit from the substantial investment made in recent years in technology and infrastructure as well as comprehensive training and staff development initiatives. We remain committed to providing our clients with an ever wider range of services and skills. Our aim is to deliver an exceptional level of service and we are grateful to our highly committed and professional staff for their contribution towards achieving this.

Additional key performance indicators are reported upon on a monthly basis together with the benchmarking of ongoing performance against a number of targets.

Key performance indicators

The company regularly assess a number of key performance indicators internally. These include:

- Client retention rates
- New business volumes
- Customer complaints
- Financial targets, including turnover, profits and EBITDA.
- Various regulatory compliance indicators

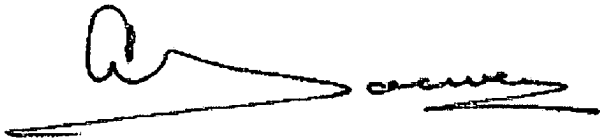
Future outlook

The Covid-19 pandemic has had an impact on the company. Our staff have been working from home since late March, though a phased return to the offices is planned.

Our client base is extremely diverse and we are not at risk from any one sector of the economy. We have ensured that all clients can continue to be serviced to the high level of standard that we expect, even throughout the challenging times seen.

We are still budgeted to be profitable for the year ended 31 March 2021 and will continue to be very well capitalised. We also benefit from being part of a group that includes a Risk Management division and substantial and respected and independent Financial Planning operation.

This report was approved by the board of directors on 15/09/2020 and signed on behalf of the board by:



A C Boswell
Director

Registered office:
Harbour House
126 Thorpe Road
Norwich
Norfolk
NR1 1UL

Alan Boswell Insurance Brokers Limited

Directors' report

Year ended 31 March 2020

The directors present their report and the financial statements of the company for the year ended 31 March 2020.

Directors

The directors who served the company during the year were as follows:

A C Boswell
C J Gibbs
A J Dowler
A M Rayner
H D Alexander-Bew
G S Anderson-Brown
A F Drew

Dividends

Particulars of recommended dividends are detailed in note 12 to the financial statements.

Disclosure of information in the strategic report

The company has taken advantage of the exemptions available in section 414C(11) of the Companies Act 2006 with regards to the disclosure of certain information in the directors report. Such information is now included in the strategic report starting on page 2 which contains appropriate detailed information of the review of the business during the year and the principal risks and uncertainties affecting the company and its business.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Alan Boswell Insurance Brokers Limited

Directors' report *(continued)*

Year ended 31 March 2020

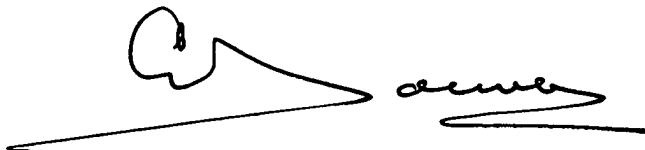
Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 15/3/2020 and signed on behalf of the board by:



A C Boswell
Director

Registered office:
Harbour House
126 Thorpe Road
Norwich
Norfolk
NR1 1UL

Alan Boswell Insurance Brokers Limited

Independent auditor's report to the members of Alan Boswell Insurance Brokers Limited

Year ended 31 March 2020

Opinion

We have audited the financial statements of Alan Boswell Insurance Brokers Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Alan Boswell Insurance Brokers Limited

Independent auditor's report to the members of Alan Boswell Insurance Brokers Limited *(continued)*

Year ended 31 March 2020

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Alan Boswell Insurance Brokers Limited

Independent auditor's report to the members of Alan Boswell Insurance Brokers Limited *(continued)*

Year ended 31 March 2020

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. 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 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Scarlett ACA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

15/09/2020

Alan Boswell Insurance Brokers Limited

Statement of income and retained earnings

Year ended 31 March 2020

	Note	2020 £	2019 £
Turnover	4	12,275,694	11,304,007
Gross profit		12,275,694	11,304,007
Administrative expenses		(10,257,160)	(9,248,182)
Other operating income	5	23,116	15,000
Operating profit	6	2,041,650	2,070,825
Other interest receivable and similar income	10	144,539	89,983
Profit before taxation		2,186,189	2,160,808
Tax on profit	11	(447,595)	(420,246)
Profit for the financial year and total comprehensive income		1,738,594	1,740,562
Dividends paid and payable	12	(3,000,000)	(3,000,000)
Retained earnings at the start of the year		5,614,296	6,873,734
Retained earnings at the end of the year		4,352,890	5,614,296

All the activities of the company are from continuing operations.

The notes on pages 12 to 21 form part of these financial statements.

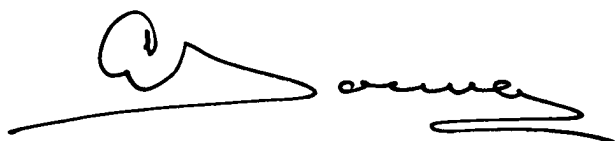
Alan Boswell Insurance Brokers Limited

Statement of financial position

31 March 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	14		1,178,257		1,258,159
Investments	15		18,375		268,375
			<u>1,196,632</u>		<u>1,526,534</u>
Current assets					
Debtors	16	12,371,655		11,907,911	
Cash at bank and in hand		<u>5,529,668</u>		<u>5,773,821</u>	
		17,901,323		17,681,732	
Creditors: Amounts falling due within one year	17	(14,744,065)		(13,592,970)	
Net current assets			3,157,258		4,088,762
Total assets less current liabilities			4,353,890		5,615,296
Net assets			<u>4,353,890</u>		<u>5,615,296</u>
Capital and reserves					
Called up share capital	21		1,000		1,000
Profit and loss account	22		4,352,890		5,614,296
Shareholders funds			<u>4,353,890</u>		<u>5,615,296</u>

These financial statements were approved by the board of directors and authorised for issue on 15/09/2020, and are signed on behalf of the board by:



A C Boswell
Director



A F Drew
Director

Company registration number: 02591252

The notes on pages 12 to 21 form part of these financial statements.

Alan Boswell Insurance Brokers Limited

Statement of cash flows

Year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	1,738,594	1,740,562
<i>Adjustments for:</i>		
Depreciation of tangible assets	325,202	231,190
Other interest receivable and similar income	(144,539)	(89,983)
Gains on disposal of tangible assets	(47,750)	(29,515)
Tax on profit	447,595	420,246
<i>Changes in:</i>		
Trade and other debtors	(468,190)	564,819
Trade and other creditors	1,088,073	2,030,112
Cash generated from operations	2,938,985	4,867,431
Interest received	144,539	89,983
Tax paid	(349,545)	(420,196)
Net cash from operating activities	<u>2,733,979</u>	<u>4,537,218</u>
Cash flows from investing activities		
Purchase of tangible assets	(245,300)	(185,849)
Proceeds from sale of tangible assets	47,750	46,670
Purchases of other investments	–	(250,000)
Proceeds from sale of other investments	250,000	–
Net cash from/(used in) investing activities	<u>52,450</u>	<u>(389,179)</u>
Cash flows from financing activities		
Proceeds from loans from group undertakings	(30,582)	108,597
Dividends paid	(3,000,000)	(3,000,000)
Net cash used in financing activities	<u>(3,030,582)</u>	<u>(2,891,403)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(244,153)</u>	<u>1,256,636</u>
Cash and cash equivalents at beginning of year	<u>5,773,821</u>	<u>4,517,185</u>
Cash and cash equivalents at end of year	<u>5,529,668</u>	<u>5,773,821</u>

The notes on pages 12 to 21 form part of these financial statements.

Alan Boswell Insurance Brokers Limited

Notes to the financial statements

Year ended 31 March 2020

1. General information

These financial statements are for Alan Boswell Insurance Brokers Limited for the year ended 31 March 2020.

The company is a private company limited by shares, registered in England & Wales and incorporated under the Companies Act 2006. The registered office is Harbour House, 126 Thorpe Road, Norwich, Norfolk NR1 1UL. The nature of the company's operations and activities are set out in the strategic report on page 2.

The financial statements are presented in Sterling (£).

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Going concern

The directors have considered the company's position at the time of signing the financial statements, and in particular the current issues caused by Covid-19 and its potential impact on the company and the wider economy.

Although it is difficult to forecast the likely impact that Covid-19 will have on the company for the remainder of the financial year and medium term, the directors consider that it is right to continue to adopt the going concern basis of accounting in preparing these financial statements.

This view is taken due to the current financial strength of the company, together with the range of measures the directors can take to mitigate ongoing costs should they need to. In the period from the year end date to the date of signing the financial statements, the company has seen turnover and profit levels remain in line with expectations. In addition to this, should it be required the company would be able to call on support from the wider group in which it is part as well as be eligible to apply for support now being offered by the UK Government in addition to the support already received by way of the job retention scheme. The directors have therefore concluded that they have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future.

Consolidation

The company has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State. The parent company prepares group consolidated financial statements which are available from the Registrar of Companies.

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition seldom equal the related actual results. Any subsequent changes are accounted for with an effect on income at the time such updated information is available.

The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are as follows:

(i) Fees and commissions

Management judgements are required to estimate a suitable proportion of income to be deferred and recognised over the life of the relevant contracts to ensure that revenue appropriately reflects the fair value of fulfilment of the company's obligations together with providing for the cancellation of live policies after the reporting date based on previous experience of the volume of these. Experience may vary from these estimates, which are based on the company's historic performance.

At 31 March 2020 the financial statements include accrued income of £1,574,461 (2019: £1,463,033) and deferred income of £1,683,881 (2019: £1,400,446) in respect of the above.

Revenue recognition

Turnover includes commission and fees receivable at the later of policy inception date or when the policy placement has been completed and confirmed. To the extent that the company is contractually obliged to provide services after this date, a suitable proportion of income is deferred and recognised over the life of the relevant contracts to ensure that revenue appropriately reflects the fair value of fulfilment of these obligations. The company also makes a provision for the cancellation of live policies after the reporting date based on previous experience of the volume of these.

Turnover also includes interest receivable on premium credit. Interest income is recognised using the effective interest method.

Income tax

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Amortisation

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

Goodwill - 3 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

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

Office equipment	- 20% straight line
Fixtures and fittings	- 20% straight line
Motor vehicles	- 25% straight line
Property upgrades	- 5% straight line

No depreciation charge is made on freehold property on the grounds that it would be immaterial because the estimated residual value is not materially different from the carrying amount. At each reporting date the directors consider the estimated residual value to determine if there has been any change and assess whether the value is materially different from the carrying value.

Investments

Fixed asset investments are initially recorded at cost, and are assessed and amended for any impairment each year.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Defined contribution pension plans

The annual contributions payable to defined contribution plans are recognised as an expense in the period.

4. Turnover

Turnover arises from:

	2020 £	2019 £
Commissions	11,949,605	10,987,091
Premium finance income	326,089	316,916
	<u>12,275,694</u>	<u>11,304,007</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	2020 £	2019 £
Rental income	<u>23,116</u>	<u>15,000</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2020 £	2019 £
Depreciation of tangible assets	325,202	231,190
Gains on disposal of tangible assets	<u>(47,750)</u>	<u>(29,515)</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2020

7. Auditor's remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	<u>19,200</u>	<u>18,720</u>

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2020	2019
	No.	No.
Administrative staff	181	174
Number of directors	<u>7</u>	<u>7</u>
	<u>188</u>	<u>181</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2020	2019
	£	£
Wages and salaries	6,158,155	5,660,311
Social security costs	712,992	650,182
Other pension costs	<u>706,156</u>	<u>663,562</u>
	<u>7,577,303</u>	<u>6,974,055</u>

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2020	2019
	£	£
Remuneration	648,896	568,775
Company contributions to defined contribution pension plans	<u>88,643</u>	<u>94,764</u>
	<u>737,539</u>	<u>663,539</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2020	2019
	No.	No.
Defined contribution plans	<u>5</u>	<u>5</u>

Remuneration of the highest paid director in respect of qualifying services:

	2020	2019
	£	£
Aggregate remuneration	581,535	511,528
Company contributions to defined contribution pension plans	<u>10,081</u>	<u>10,240</u>
	<u>591,616</u>	<u>521,768</u>

Total director remuneration shown above is net of recharges to other group companies totalling £290,000 (2019: £270,000).

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2020

10. Other interest receivable and similar income

	2020 £	2019 £
Interest on cash and cash equivalents	90,650	34,216
Interest from group undertakings	53,889	55,767
	<u>144,539</u>	<u>89,983</u>

11. Tax on profit

Major components of tax expense

	2020 £	2019 £
Current tax:		
UK current tax expense	443,149	421,837
Deferred tax:		
Origination and reversal of timing differences	4,446	(1,591)
Tax on profit	<u>447,595</u>	<u>420,246</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%).

The differences are explained below:-

	2020 £	2019 £
Profit on ordinary activities before taxation	<u>2,186,189</u>	<u>2,160,808</u>
Profit on ordinary activities by rate of tax	415,376	410,554
Effect of expenses not deductible for tax purposes	21,669	24,301
Effect of capital allowances and depreciation	12,987	2,042
Other reconciling items	(2,437)	(16,651)
Tax on profit	<u>447,595</u>	<u>420,246</u>

12. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2020 £	2019 £
Interim dividends on ordinary shares	<u>3,000,000</u>	<u>3,000,000</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements (continued)

Year ended 31 March 2020

13. Intangible assets

	Goodwill £
Cost	
At 1 April 2019 and 31 March 2020	814,223
Amortisation	
At 1 April 2019 and 31 March 2020	814,223
Carrying amount	
At 31 March 2020	–
At 31 March 2019	–

Amortisation is charged to administrative expenses within the Statement of income and retained earnings.

14. Tangible assets

	Freehold property £	Office Fixtures and equipment £	fittings £	Motor vehicles £	Property upgrades £	Total £
Cost						
At 1 April 2019	749,558	1,461,746	533,286	418,963	241,608	3,405,161
Additions	–	176,375	8,862	60,063	–	245,300
Disposals	–	(74,353)	–	(102,127)	–	(176,480)
Transfers	–	–	5,916	(5,916)	–	–
At 31 March 2020	<u>749,558</u>	<u>1,563,768</u>	<u>548,064</u>	<u>370,983</u>	<u>241,608</u>	<u>3,473,981</u>
Depreciation						
At 1 April 2019	–	1,260,230	504,454	229,510	152,808	2,147,002
Charge for the year	–	119,618	22,915	99,393	83,276	325,202
Disposals	–	(74,353)	–	(102,127)	–	(176,480)
Transfers	–	–	1,479	(1,479)	–	–
At 31 March 2020	<u>–</u>	<u>1,305,495</u>	<u>528,848</u>	<u>225,297</u>	<u>236,084</u>	<u>2,295,724</u>
Carrying amount						
At 31 March 2020	<u>749,558</u>	<u>258,273</u>	<u>19,216</u>	<u>145,686</u>	<u>5,524</u>	<u>1,178,257</u>
At 31 March 2019	<u>749,558</u>	<u>201,516</u>	<u>28,832</u>	<u>189,453</u>	<u>88,800</u>	<u>1,258,159</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2020

15. Investments

	Shares in group undertakings £	Other investments other than loans £	Total £
Cost			
At 1 April 2019	20,100	253,307	273,407
Disposals	—	(250,000)	(250,000)
At 31 March 2020	<u>20,100</u>	<u>3,307</u>	<u>23,407</u>
Impairment			
At 1 April 2019 and 31 March 2020	<u>2,896</u>	<u>2,136</u>	<u>5,032</u>
Carrying amount			
At 31 March 2020	<u>17,204</u>	<u>1,171</u>	<u>18,375</u>
At 31 March 2019	<u>17,204</u>	<u>251,171</u>	<u>268,375</u>

The company owns 100% of the issued share capital of Alan Boswell Risk Solutions Limited and Alan Boswell Risk Management Limited, both of which are registered in England. The registered office of these companies is Harbour House, 126 Thorpe Road, Norwich, Norfolk NR1 1UL.

Alan Boswell Risk Solutions Limited remained dormant throughout the year (2019: dormant). Aggregate capital and reserves at 31 March 2020 were £10,000 (2019: £10,000).

The result for the year of Alan Boswell Risk Management Limited is a loss of £165,182 (2019: loss of £151,550). Aggregate capital and reserves at the year end are net liabilities of £414,671 (2019: net liabilities of £249,489).

16. Debtors

	2020 £	2019 £
Trade debtors	8,136,512	8,097,714
Amounts owed by group undertakings	2,413,206	2,107,695
Deferred tax asset	107	4,553
Prepayments and accrued income	1,812,280	1,683,799
Other debtors	9,550	14,150
	<u>12,371,655</u>	<u>11,907,911</u>

The debtors above include the following amounts falling due after more than one year:

	2020 £	2019 £
Deferred tax asset	<u>107</u>	<u>4,553</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2020

17. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	141,432	141,169
Amounts owed to group undertakings	52,832	83,414
Accruals and deferred income	3,147,085	2,562,807
Corporation tax	141,503	47,899
Social security and other taxes	148,848	142,210
Insurance company creditors	11,058,477	10,563,224
Other creditors	53,888	52,247
	<u>14,744,065</u>	<u>13,592,970</u>

18. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2020	2019
	£	£
Included in debtors (note 16)	<u>107</u>	<u>4,553</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2020	2019
	£	£
Accelerated capital allowances	(5,593)	(547)
Impairment allowance	<u>5,700</u>	<u>5,100</u>
	<u>107</u>	<u>4,553</u>

19. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £617,513 (2019: £568,798).

20. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2020	2019
	£	£
Financial assets measured at fair value through profit or loss		
Total	<u>1,171</u>	<u>251,171</u>

21. Called up share capital

Issued, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2020

22. Reserves

Profit and loss reserve records retained earnings and accumulated losses.

23. Analysis of changes in net debt

	At 1 April 2019	Cash flows	At 31 March 2020
	£	£	£
Cash at bank and in hand	5,773,821	(244,153)	5,529,668
Debt due within one year	(83,414)	30,582	(52,832)
	<u>5,690,407</u>	<u>(213,571)</u>	<u>5,476,836</u>

24. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	151,653	130,253
Later than 1 year and not later than 5 years	<u>51,875</u>	<u>130,253</u>
	<u>203,528</u>	<u>260,506</u>

Lease payments charged to profit and loss during the year amount to £163,640 (2019: £158,203).

25. Contingencies

The company has entered into a cross guarantee and debenture with other members of the Alan Boswell Group in favour of Barclays Bank plc. No liability is expected to arise in respect of this.

26. Related party transactions

The company has taken advantage of the exemption conferred by FRS 102 from disclosing transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Transactions with other related parties were as follows:

Compensation paid in respect of key management personnel amounted to £889,882 (2019: £800,590) together with rent paid of £7,500 (2019: £7,500).

Rent paid to a pension fund amounted to £112,000 (2019: £112,000).

Services acquired from The Boswell Partnership Limited, a company in which a close family member of a director has an interest, amounted to £183,298 (2019: £146,038). The balance owed to the related party at 31 March 2020 amounted to £26,604 (2019: £23,278).

27. Controlling party

The immediate and ultimate parent company is Alan Boswell Group Limited, a company under the control of A C Boswell. The registered office of Alan Boswell Group Limited is Harbour House, 126 Thorpe Road, Norwich, Norfolk NR1 1UL. The group consolidated accounts are available from the Registrar of Companies.