

COMPANY REGISTRATION NUMBER: 02591252

Alan Boswell Insurance Brokers Limited
Financial statements
31 March 2023

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Alan Boswell Insurance Brokers Limited

Financial statements

Year ended 31 March 2023

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Alan Boswell Insurance Brokers Limited

Officers and professional advisers

The board of directors

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

Registered office

Prospect House
Rouen Road
Norwich
Norfolk
NR1 1RE

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 2023

Business Model

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

Alan Boswell Insurance Brokers is 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 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 explore areas where we can provide specialist niche insurance schemes and bring in further expertise into the business. By diversifying our offering to both business and personal customers alike, we believe we are well placed to deal with any 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 against all relevant regulations through an internal compliance team. We take a proactive approach to changes in regulations; considering these to present an opportunity for improvement upon own best practice measures, to which we are committed.

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

Alan Boswell Insurance Brokers Limited

Strategic report *(continued)*

Year ended 31 March 2023

Review of year

Turnover increased by 50% to £31.1m and profits before tax increased by £4.1m to £9.8m. The main reason for the large increase in both key metrics is due to the transfer of trade and assets to the company from a fellow subsidiary, S-Tech Insurance Services Ltd on 1 April 2022.

The board are satisfied with the growth in turnover and profits with strong increases being seen across the underlying business.

The directors are extremely grateful to the staff of Alan Boswell Insurance Brokers who continue to provide a quality service to our clients.

Capital and reserves remain substantially above minimum regulatory capital requirements at £13.6m. The company continues to have no borrowings and remains extremely liquid and financially strong.

The company continued to make significant donations to the Alan Boswell Group Charitable Trust. In the year to 31 March 2023 a further £560,297 (2022: £516,116) was donated to the Trust. This was an increase on the prior year and affirms the commitment the company has to making a positive contribution to our local communities.

The company also continued to invest in the office and in IT hardware during the year.

During the year the Boston office moved to new premises.

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

Our client base is extremely diverse and we are not at risk from any one sector of the economy.

We are budgeting for strong levels of income and profits for the year ended 31 March 2024. The company also benefits from being part of a group that includes a Risk Management division and a substantial, respected and independent Financial Planning operation.

In September 2023 our Bury office moved to larger premises nearer the centre of town.

Alan Boswell Insurance Brokers Limited

Strategic report *(continued)*

Year ended 31 March 2023

S172 (1) Statement

This Statement focuses on how the Directors have had regard during the year to the matters set out in Section 172 (1) of the Companies Act 2006. It incorporates information from the Strategic report to avoid duplication.

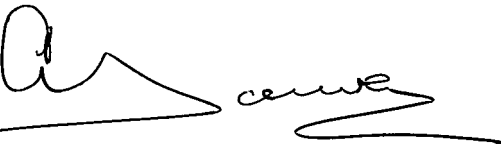
In the performance of its duty to promote the success of the Company, the Directors have regard to a number of matters, including considering the views of the key stakeholders to ensure it fully understands the potential impacts of the decision it makes for those stakeholders, the environment and the communities in which it operates.

The company's key stakeholders are generally managed on a day-to-day basis by the Directors. Matters discussed in the year and their impacts on key stakeholders, the environment and communities in which it operates are discussed in the strategic report.

The below table identifies where, in the Strategic Report, the Directors have considered the requirements of Section 172 (1) with regard to relevant matters and stakeholders.

	Specific examples	Page
(a) The likely consequences of any decision in the long term	Goals and objectives	2
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This report was approved by the board of directors on 22 November 2023 and signed on behalf of the board by:


A C Boswell
Director

Registered office:
Prospect House
Rouen Road
Norwich
Norfolk
NR1 1RE

Alan Boswell Insurance Brokers Limited

Directors' report

Year ended 31 March 2023

The directors present their report and the financial statements of the company for the year ended 31 March 2023.

Directors

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

A C Boswell
C J Gibbs
A M Rayner
H D Alexander-Bew
G S Anderson-Brown
A F Drew
A J Dowler (Resigned 23 November 2022)

Dividends

Particulars of recommended dividends are detailed in note 13 to the financial statements.

Greenhouse gas emissions and energy consumption

The table below includes total energy consumption (reported as kWh) and total greenhouse gas emissions (reported as kg CO₂ equivalent ("kg CO₂e")), for the sources required by the regulations. We have included a relevant intensity ratio, as required by the regulations.

	2023
Total energy consumption used for emissions calculations (kWh)	628,879
Total Buildings emissions (gas and electricity) - (kg CO ₂ e)	124,598
Total Vehicle emissions (fuel combustion) - (kg CO ₂ e)	59,938
Total reported emissions (kg CO ₂ e)	184,536
Average number of employees	329
Employee intensity ratio (kg CO ₂ e per employee)	561

Principal measures taken to increase energy efficiency

Predominantly operating from an office environment within the financial services sector, the environmental impacts of our operations are fairly low.

The Board is committed to its responsibility to achieve good environmental practice. Areas of focus include managing energy consumption and waste, use of technology to hold meetings to reduce travel and moving to electric/hybrid vehicles. In September 2022, over 250 solar panels were added to the roof of the Registered office to reduce energy consumption from the grid. All buildings are going through a programme to replace older lighting with modern LED systems, which consume much less electricity.

The Board does not consider climate change to be of significant risk to the company in the medium term but continues to monitor and manage any risks that arise and support the wider drive towards establishing a carbon neutral world.

Employment of disabled persons

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the company's policy, wherever practicable, to provide continuing employment under normal terms and conditions and to continue to provide training and career development and promotion to disabled employees wherever appropriate.

Alan Boswell Insurance Brokers Limited

Directors' report *(continued)*

Year ended 31 March 2023

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company and wider group performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Engagement with customers and suppliers

All strategic decisions are considered to be in the complete interest of shareholders, employees, suppliers and customers of the Group. The Group operates with the highest degree of integrity in its dealing with customers and suppliers. The importance of supplier relationships is recognised by the company.

The fundamental overriding principles in the governance of the Group are that of ensuring transparent conduct which reflects fairness in the dealings with the shareholders, employees, clients and suppliers, while having due consideration for the wider community and environment.

Qualifying indemnity provision

During the year, the company maintained liability insurance for its directors and officers. This provision, which is a qualifying third-party indemnity provision as defined by sections 234 and 235 of the Companies Act 2006, was in force throughout the year and is currently in force. Neither the company's indemnity nor insurance provides cover in the event that director or officer is proved to have acted fraudulently or dishonestly.

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;
- state whether applicable UK 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.

Alan Boswell Insurance Brokers Limited

Directors' report *(continued)*

Year ended 31 March 2023

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.

Auditor

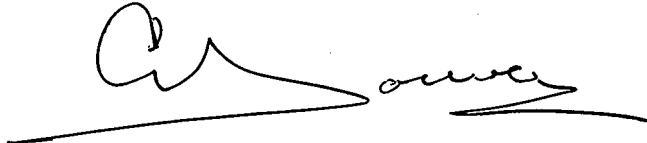
Each of the persons who is a director at the date of approval of this report confirms that:

- 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 2 November 2023 and signed on behalf of the board by:

A C Boswell
Director



Registered office:
Prospect House
Rouen Road
Norwich
Norfolk
NR1 1RE

Alan Boswell Insurance Brokers Limited

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

Year ended 31 March 2023

Opinion

We have audited the financial statements of Alan Boswell Insurance Brokers Limited (the 'company') for the year ended 31 March 2023 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 2023 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Alan Boswell Insurance Brokers Limited

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

Year ended 31 March 2023

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 2023

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Alan Boswell Insurance Brokers Limited

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

Year ended 31 March 2023

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 FCA (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

2 November 2023

Alan Boswell Insurance Brokers Limited

Statement of income and retained earnings

Year ended 31 March 2023

	Note	2023 £	2022 £
Turnover	4	31,089,773	20,749,946
Gross profit		31,089,773	20,749,946
Administrative expenses		(21,656,728)	(15,053,082)
Other operating income	5	21,818	18,951
Operating profit	6	9,454,863	5,715,815
Other interest receivable and similar income	10	390,771	43,448
Interest payable and similar expenses	11	–	(94)
Profit before taxation		9,845,634	5,759,169
Tax on profit	12	(2,047,149)	(987,044)
Profit for the financial year and total comprehensive income		7,798,485	4,772,125
Dividends paid and payable	13	–	(3,055,000)
Retained earnings at the start of the year		5,801,166	4,084,041
Retained earnings at the end of the year		13,599,651	5,801,166

All the activities of the company are from continuing operations.

The notes on pages 15 to 25 form part of these financial statements.

Alan Boswell Insurance Brokers Limited


Statement of financial position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	14	7,859	8,959
Tangible assets	15	1,367,240	1,044,357
Investments	16	18,375	18,375
		<u>1,393,474</u>	<u>1,071,691</u>
Current assets			
Debtors	17	24,827,012	18,349,654
Cash at bank and in hand		22,539,311	12,520,798
		<u>47,366,323</u>	<u>30,870,452</u>
Creditors: Amounts falling due within one year	18	<u>(34,958,968)</u>	<u>(25,959,206)</u>
Net current assets		<u>12,407,355</u>	<u>4,911,246</u>
Total assets less current liabilities		<u>13,800,829</u>	<u>5,982,937</u>
Creditors: Amounts falling due after more than one year	19	(59,837)	(94,939)
Provisions			
Taxation including deferred tax	21	<u>(140,341)</u>	<u>(85,832)</u>
Net assets		<u>13,600,651</u>	<u>5,802,166</u>
Capital and reserves			
Called up share capital	25	1,000	1,000
Profit and loss account	26	13,599,651	5,801,166
Shareholders funds		<u>13,600,651</u>	<u>5,802,166</u>

These financial statements were approved by the board of directors and authorised for issue on 02 November 2023 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 15 to 25 form part of these financial statements.

Alan Boswell Insurance Brokers Limited

Statement of cash flows

Year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	7,798,485	4,772,125
<i>Adjustments for:</i>		
Depreciation of tangible assets	516,185	374,817
Amortisation of intangible assets	1,100	1,100
Other interest receivable and similar income	(390,771)	(43,448)
Interest payable and similar expenses	–	94
Gains on disposal of tangible assets	(78,109)	(55,207)
Tax on profit	2,047,149	987,044
<i>Changes in:</i>		
Trade and other debtors	(6,477,358)	(823,877)
Trade and other creditors	8,332,415	4,048,234
Cash generated from operations	11,749,096	9,260,882
Interest paid	–	(94)
Interest received	390,771	43,448
Tax paid	(1,397,568)	(763,482)
Net cash from operating activities	<u>10,742,299</u>	<u>8,540,754</u>
Cash flows from investing activities		
Purchase of tangible assets	(781,919)	(287,266)
Proceeds from sale of tangible assets	93,235	75,886
Net cash used in investing activities	<u>(688,684)</u>	<u>(211,380)</u>
Cash flows from financing activities		
Proceeds from loans from group undertakings	–	(129,982)
Payments of finance lease liabilities	(35,102)	(40,023)
Dividends paid	–	(3,055,000)
Net cash used in financing activities	<u>(35,102)</u>	<u>(3,225,005)</u>
Net increase in cash and cash equivalents	10,018,513	5,104,369
Cash and cash equivalents at beginning of year	<u>12,520,798</u>	<u>7,416,429</u>
Cash and cash equivalents at end of year	<u>22,539,311</u>	<u>12,520,798</u>

The notes on pages 15 to 25 form part of these financial statements.

Alan Boswell Insurance Brokers Limited

Notes to the financial statements

Year ended 31 March 2023

1. General information

These financial statements are for Alan Boswell Insurance Brokers Limited for the year ended 31 March 2023.

The company is a private company limited by shares, registered in England & Wales and incorporated under the Companies Act 2006. The registered office is Prospect House, Rouen Road, Norwich, Norfolk NR1 1RE. 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.

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.

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 2023 the financial statements include accrued income of £4,070,838 (2022: £2,940,706) and deferred income of £3,691,910 (2022: £3,350,281) in respect of the above.

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

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.

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.

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

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:

Freehold property	-	Not depreciated
Office equipment	-	20% straight line
Fixtures and fittings	-	20% straight line
Motor vehicles	-	25% 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.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Alan Boswell Insurance Brokers Limited

Notes to the financial statements (continued)

Year ended 31 March 2023

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:

	2023 £	2022 £
Commissions	30,644,592	20,355,008
Premium finance income	445,181	394,938
	<u>31,089,773</u>	<u>20,749,946</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

	2023 £	2022 £
Rental income	17,818	15,000
Coronavirus job retention scheme	—	951
Other operating income	4,000	3,000
	<u>21,818</u>	<u>18,951</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2023 £	2022 £
Amortisation of intangible assets	1,100	1,100
Depreciation of tangible assets	516,185	374,817
Gains on disposal of tangible assets	<u>(78,109)</u>	<u>(55,207)</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements (continued)

Year ended 31 March 2023

7. Auditor's remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>30,060</u>	<u>23,400</u>

8. Staff costs

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

	2023 No.	2022 No.
Administrative staff	322	244
Number of directors	<u>7</u>	<u>7</u>
	<u>329</u>	<u>251</u>

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

	2023 £	2022 £
Wages and salaries	12,759,319	8,821,174
Social security costs	1,471,723	956,067
Other pension costs	<u>1,587,075</u>	<u>1,099,561</u>
	<u>15,818,117</u>	<u>10,876,802</u>

9. Directors' remuneration

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

	2023 £	2022 £
Remuneration	888,034	813,091
Company contributions to defined contribution pension plans	<u>95,069</u>	<u>226,395</u>
	<u>983,103</u>	<u>1,039,486</u>

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

	2023 No.	2022 No.
Defined contribution plans	<u>6</u>	<u>6</u>

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

	2023 £	2022 £
Aggregate remuneration	127,038	166,667
Company contributions to defined contribution pension plans	<u>34,998</u>	<u>61,233</u>
	<u>162,036</u>	<u>227,900</u>

Total director remuneration shown above is net of recharges to other group companies totalling £287,500 (2022: £170,000).

Alan Boswell Insurance Brokers Limited

Notes to the financial statements (continued)

Year ended 31 March 2023

10. Other interest receivable and similar income

	2023 £	2022 £
Interest on cash and cash equivalents	390,771	11,291
Interest from group undertakings	—	32,157
	<u>390,771</u>	<u>43,448</u>

11. Interest payable and similar expenses

	2023 £	2022 £
Other interest payable and similar charges	—	94

12. Tax on profit

Major components of tax expense

	2023 £	2022 £
Current tax:		
UK current tax expense	1,837,967	967,379
Adjustments in respect of prior periods	144,393	—
Total current tax	<u>1,982,360</u>	<u>967,379</u>
Deferred tax:		
Origination and reversal of timing differences	64,789	19,665
Tax on profit	<u>2,047,149</u>	<u>987,044</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2022: lower than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

The differences are explained below:-

	2023 £	2022 £
Profit on ordinary activities before taxation	9,845,634	5,759,169
Profit on ordinary activities by rate of tax	1,870,670	1,094,242
Adjustment to tax charge in respect of prior periods	144,393	—
Effect of expenses not deductible for tax purposes	23,926	13,477
Effect of capital allowances and depreciation	28,021	3,982
Effect of revenue exempt from tax	(19,000)	—
Deferred tax transferred in	10,281	9,975
Other reconciling items	(11,142)	(134,632)
Tax on profit	<u>2,047,149</u>	<u>987,044</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements (continued)

Year ended 31 March 2023

13. Dividends

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

	2023 £	2022 £
Interim dividends on ordinary shares	—	3,055,000

14. Intangible assets

	Goodwill £
Cost	
At 1 April 2022 and 31 March 2023	824,282
Amortisation	
At 1 April 2022	815,323
Charge for the year	1,100
At 31 March 2023	816,423
Carrying amount	
At 31 March 2023	7,859
At 31 March 2022	8,959

15. Tangible assets

	Freehold property £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2022	214,703	1,217,595	583,473	357,068	2,372,839
Additions	—	192,210	349,164	240,545	781,919
Disposals	—	—	—	(157,758)	(157,758)
Transfers	4,297	19,323	4,745	43,910	72,275
At 31 March 2023	219,000	1,429,128	937,382	483,765	3,069,275
Depreciation					
At 1 April 2022	—	820,860	274,884	232,738	1,328,482
Charge for the year	3,562	193,966	164,260	154,397	516,185
Disposals	—	—	—	(142,632)	(142,632)
At 31 March 2023	3,562	1,014,826	439,144	244,503	1,702,035
Carrying amount					
At 31 March 2023	215,438	414,302	498,238	239,262	1,367,240
At 31 March 2022	214,703	396,735	308,589	124,330	1,044,357

Alan Boswell Insurance Brokers Limited

Notes to the financial statements (continued)

Year ended 31 March 2023

15. Tangible assets (continued)

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Office equipment £
At 31 March 2023	69,128
At 31 March 2022	103,692

16. Investments

	Shares in group undertakings £
Cost	
At 1 April 2022 and 31 March 2023	23,407
Impairment	
At 1 April 2022 and 31 March 2023	5,032
Carrying amount	
At 31 March 2023	18,375
At 31 March 2022	18,375

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 Prospect House, Rouen Road, Norwich, Norfolk NR1 1RE.

Alan Boswell Risk Solutions Limited remained dormant throughout the year (2022: dormant). Aggregate capital and reserves at 31 March 2023 were £10,000 (2022: £10,000).

The result for the year of Alan Boswell Risk Management Limited is a loss of £145,768 (2022: loss of £115,882). Aggregate capital and reserves at the year end are net liabilities of £775,012 (2022: net liabilities of £637,492).

17. Debtors

	2023 £	2022 £
Trade debtors	19,950,555	14,633,244
Amounts owed by group undertakings	425,374	547,987
Prepayments and accrued income	4,287,821	3,158,073
Other debtors	163,262	10,350
	<u>24,827,012</u>	<u>18,349,654</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2023

18. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	260,245	132,983
Accruals and deferred income	5,263,130	4,959,318
Corporation tax	976,029	391,237
Social security and other taxes	314,613	216,309
Obligations under finance leases and hire purchase contracts	35,102	35,102
Insurance company creditors	27,891,240	19,995,926
Other creditors	218,609	228,331
	<u>34,958,968</u>	<u>25,959,206</u>

Obligations under finance leases are secured on the assets concerned.

19. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Obligations under finance leases and hire purchase contracts	<u>59,837</u>	<u>94,939</u>

Obligations under finance leases are secured on the assets concerned.

20. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2023 £	2022 £
Not later than 1 year	35,102	35,102
Later than 1 year and not later than 5 years	<u>62,771</u>	<u>97,873</u>
	97,873	132,975
Less: future finance charges	<u>(2,934)</u>	<u>(2,934)</u>
Present value of minimum lease payments	<u>94,939</u>	<u>130,041</u>

21. Provisions

	Deferred tax (note 22) £
At 1 April 2022	85,832
Additions	64,790
Transfers	<u>(10,281)</u>
At 31 March 2023	<u>140,341</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements (continued)

Year ended 31 March 2023

22. Deferred tax

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

	2023 £	2022 £
Included in provisions (note 21)	<u>140,341</u>	<u>85,832</u>

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

	2023 £	2022 £
Accelerated capital allowances	140,341	158,895
General provisions	—	(73,063)
	<u>140,341</u>	<u>85,832</u>

23. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £1,492,006 (2022: £908,166).

24. Financial instruments

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

	2023 £	2022 £
Financial assets measured at fair value through profit or loss		
Total	<u>1,171</u>	<u>1,171</u>

25. Called up share capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

26. Reserves

Profit and loss reserve records retained earnings and accumulated losses.

27. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	12,520,798	10,018,513	22,539,311
Debt due within one year	(35,102)	—	(35,102)
Debt due after one year	(94,939)	35,102	(59,837)
	<u>12,390,757</u>	<u>10,053,615</u>	<u>22,444,372</u>

Alan Boswell Insurance Brokers Limited

Notes to the financial statements *(continued)*

Year ended 31 March 2023

28. Operating leases

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

	2023	2022
	£	£
Not later than 1 year	229,498	98,579
Later than 1 year and not later than 5 years	264,603	149,794
Later than 5 years	—	5,000
	<u>494,101</u>	<u>253,373</u>

Lease payments charged to profit and loss during the year amount to £280,945 (2022: £98,508).

29. 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.

30. 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 £1,111,891 (2022: £1,132,585) together with rent paid of £7,500 (2022: £7,500).

Purchases from Locket Management Limited, a company under the control of a director, amounted to £398,402 (2022: £362,616). The balance owed to that company at the year end amounted to £48,041 (2022: £21,338).

Services acquired from The Boswell Partnership Limited, a company in which a close family member of a director has an interest, amounted to £246,434 (2022: £189,248). The balance owed to that company at the year end amounted to £34,211 (2022: £18,310).

31. Controlling party

The immediate and ultimate parent company is Alan Boswell Group Limited, a company under the control of A C Boswell. The group consolidated accounts are available from the Registrar of Companies.