

M C EDWARDS (INSURANCE BROKERS) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2010

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M C EDWARDS (INSURANCE BROKERS) LIMITED

COMPANY INFORMATION

DIRECTORS	M C Edwards (chairman) J T Edwards (CEO) D C Edwards
COMPANY SECRETARY	J R Edwards
COMPANY NUMBER	01232753
REGISTERED OFFICE	The MCE Building Crown Way Rushden Northamptonshire NN10 6BS
AUDITORS	Reeves & Co LLP Statutory Auditors & Chartered Accountants Third Floor 24 Chiswell Street London EC1Y 4YX
BANKERS	Lloyds TSB Bank Plc 64 Harborough Road Northampton NN2 7SM

M C EDWARDS (INSURANCE BROKERS) LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the financial statements	8 - 17
The following pages do not form part of the statutory financial statements	
Detailed profit and loss account and summaries	19 - 21

M C EDWARDS (INSURANCE BROKERS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2010

The directors present their report and the financial statements for the year ended 31 May 2010

PRINCIPAL ACTIVITIES

The principal activity of the company during the year continued to be that of insurance broking

BUSINESS REVIEW

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

The company faced a number of market challenges during the course of the financial year. In the opinion of the directors, the company successfully identified these challenges and implemented proactive solutions resulting in a strong financial performance overall.

The directors manage the company's operations and their key performance indicators are seen as levels of brokerage and resultant turnover. Total turnover on continuing operations increased in comparison to the previous financial year to £11,380,280. This increase can be explained by marketing initiatives and systems advancements in the business.

The principal risks and uncertainties that affect the company are those that impact income, such as competition and maintaining commission levels. The directors are of the opinion that the coming financial year will continue to be challenging, with the company facing increased competition, resulting in industry pressures. The company plans to counteract this stagnant market by continued focus on sales. Additionally a continuous cost monitoring and control programme will be undertaken.

The company's operations expose it to a variety of financial risks that include the effects of changes in interest rates, credit risk and liquidity risk. The directors actively monitor the exposure of the company to these risks and where necessary take action to mitigate identified risks. The company's principal financial assets are cash and trade debtors. The credit risk associated with the cash is limited as the company's bankers are well established and have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises from its trade debtors.

The directors have a positive future outlook for the company and continue to build upon the historic results and customer base.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £8,102 (2009 - £113,951)

The total distribution of dividends for the year ended 31 May 2010 will be £24,000 (2009 - £24,000)

DIRECTORS

The directors who served during the year were

M C Edwards (chairman)
J T Edwards (CEO)
D C Edwards

M C EDWARDS (INSURANCE BROKERS) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2010**

AUDITORS

The auditors, Reeves & Co LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 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 judgments and 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.

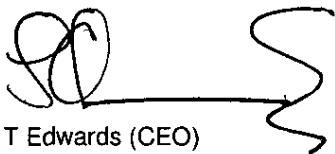
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

This report was approved by the board on 15 October 2010 and signed on its behalf



J T Edwards (CEO)
Director

M C EDWARDS (INSURANCE BROKERS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF M C EDWARDS (INSURANCE BROKERS) LIMITED

We have audited the financial statements of M C Edwards (Insurance Brokers) Limited for the year ended 31 May 2010, set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 May 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.


M C EDWARDS (INSURANCE BROKERS) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF M C EDWARDS (INSURANCE
BROKERS) LIMITED**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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



James O'Brien ACA (Senior statutory auditor)

for and on behalf of

REEVES & CO LLP

Statutory Auditors

Chartered Accountants

Third Floor

24 Chiswell Street

London

EC1Y 4YX

Date 15 October 2015

M C EDWARDS (INSURANCE BROKERS) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2010**

	Note	2010 £	2009 £
TURNOVER	1	11,380,280	10,191,091
Cost of sales		(413,071)	(464,371)
GROSS PROFIT		10,967,209	9,726,720
Administrative expenses		(10,944,100)	(9,746,056)
OPERATING PROFIT/(LOSS)	2	23,109	(19,336)
Interest receivable		19,002	167,377
Interest payable	5	(9)	(217)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		42,102	147,824
Tax on profit on ordinary activities	6	(34,000)	(33,873)
PROFIT FOR THE FINANCIAL YEAR		8,102	113,951

All amounts relate to continuing operations

There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and loss account

The notes on pages 8 to 17 form part of these financial statements

M C EDWARDS (INSURANCE BROKERS) LIMITED
REGISTERED NUMBER 01232753

BALANCE SHEET
AS AT 31 MAY 2010

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Tangible fixed assets	7		1,499,991		1,634,018
Fixed asset investments	8		5		5
			<u>1,499,996</u>		<u>1,634,023</u>
CURRENT ASSETS					
Debtors	9	5,110,525		4,002,593	
Cash at bank and in hand	10	1,132,445		4,272,015	
		<u>6,242,970</u>		<u>8,274,608</u>	
CREDITORS: amounts falling due within one year	11	<u>(5,663,265)</u>		<u>(7,813,032)</u>	
NET CURRENT ASSETS			<u>579,705</u>		<u>461,576</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,079,701</u>		<u>2,095,599</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	12		<u>(41,206)</u>		<u>(41,206)</u>
NET ASSETS			<u>2,038,495</u>		<u>2,054,393</u>
CAPITAL AND RESERVES					
Called up share capital	13		1,000		1,000
Profit and loss account	14		<u>2,037,495</u>		<u>2,053,393</u>
SHAREHOLDERS' FUNDS	15		<u>2,038,495</u>		<u>2,054,393</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

15 October 2010



M C Edwards (chairman)
Director

The notes on pages 8 to 17 form part of these financial statements

M C EDWARDS (INSURANCE BROKERS) LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2010**

	Note	2010 £	2009 £
Net cash flow from operating activities	17	(3,082,978)	(705,164)
Returns on investments and servicing of finance	18	18,993	167,160
Taxation		(35,128)	(95,244)
Capital expenditure and financial investment	18	(16,457)	(155,304)
Equity dividends paid		(24,000)	(24,000)
DECREASE IN CASH IN THE YEAR		<u>(3,139,570)</u>	<u>(812,552)</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MAY 2010**

	2010 £	2009 £
Decrease in cash in the year	<u>(3,139,570)</u>	<u>(812,552)</u>
MOVEMENT IN NET DEBT IN THE YEAR	<u>(3,139,570)</u>	<u>(812,552)</u>
Net funds at 1 June 2009	<u>4,272,015</u>	<u>5,084,567</u>
NET FUNDS AT 31 MAY 2010	<u>1,132,445</u>	<u>4,272,015</u>

The notes on pages 8 to 17 form part of these financial statements

M C EDWARDS (INSURANCE BROKERS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2010

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 BASIS OF CONSOLIDATION

The company is the parent company of a medium sized group and as such, is required to prepare group accounts by section 399 of the Companies Act 2006. However, each of the five subsidiaries are dormant companies and for this reason, can be excluded from the consolidation on the grounds that their inclusion would not be material by virtue of section 405 of the Companies Act 2006

1.3 TURNOVER

Commissions receivable is recognised when the company's obligations to arrange the respective insurance policy has been substantially completed and the income due is reasonably certain

The brokerage fee is recognised when and to the extent that the insurance services to which it relates have been substantially completed

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	2%	straight line
L/Term Leasehold Property	-	2%	straight line
Motor vehicles	-	25%	straight line
Fixtures & fittings	-	33%	straight line
Leasehold improvements	-	10%	straight line
Computer equipment	-	33%	straight line

1.5 INVESTMENTS

Investments held as fixed assets are shown at cost less provision for impairment

1.6 OPERATING LEASES

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

M C EDWARDS (INSURANCE BROKERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

1. ACCOUNTING POLICIES (continued)

1.7 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.8 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.9 INSURANCE DEBTORS AND CREDITORS

(i) The company acts as an agent in broking the insurable risks of its clients and, generally, is not liable as a principle for premiums due to underwriters nor for claims payable to clients. Notwithstanding the company's legal relationship with clients and underwriters and since, in practice, premium and claims monies are usually accounted for by insurance intermediaries, it has followed generally accepted accounting practice by showing cash, debtors and creditors relating to insurance business as assets and liabilities of the company itself

(ii) The company has adopted Financial Reporting Standard 5 (FRS 5) 'Reporting the substance of transactions' and offsets debtors and creditors from insurance broking transactions only where it is legally enforceable

2. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets		
- owned by the company	150,484	136,423
Auditors' remuneration	13,175	10,300
Operating lease rentals		
- other operating leases	57,813	58,103
	<u>150,484</u>	<u>136,423</u>

M C EDWARDS (INSURANCE BROKERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2010 £	2009 £
Wages and salaries	2,433,863	5,788,945
Social security costs	220,924	664,713
Other pension costs	3,563,533	226,100
	<u>6,218,320</u>	<u>6,679,758</u>

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

	2010 No.	2009 No.
Administrative staff	125	110
Management staff	9	9
	<u>134</u>	<u>119</u>

4. DIRECTORS' REMUNERATION

	2010 £	2009 £
Emoluments	<u>262,930</u>	<u>3,818,610</u>
Company pension contributions to money purchase pension schemes	<u>3,350,333</u>	<u>192,800</u>

During the year retirement benefits were accruing to 3 directors (2009 - 3) in respect of money purchase pension schemes

The highest paid director received remuneration of £107,711 (2009 - £1,995,778)

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £12,000 (2009 - £188,000)

5 INTEREST PAYABLE

	2010 £	2009 £
Bank interest	<u>9</u>	<u>217</u>

M C EDWARDS (INSURANCE BROKERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

6 TAXATION

	2010 £	2009 £
ANALYSIS OF TAX CHARGE IN THE YEAR		
CURRENT TAX (see note below)		
UK corporation tax charge on profit for the year	34,000	35,272
DEFERRED TAX (see note 12)		
Deferred tax	-	(1,399)
TAX ON PROFIT ON ORDINARY ACTIVITIES	<u>34,000</u>	<u>33,873</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is the same as (2009 - *the same as*) the standard rate of corporation tax in the UK (21%) as set out below

	2010 £	2009 £
Profit on ordinary activities before tax	<u>42,102</u>	<u>147,824</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2009 - 21%)	8,841	31,043
EFFECTS OF:		
Expenses not deductible for tax purposes	13,719	13,481
Deferred tax movement	-	(9,252)
Depreciation in excess of capital allowances during the year	11,198	-
Other tax adjustments	242	-
CURRENT TAX CHARGE FOR THE YEAR (see note above)	<u>34,000</u>	<u>35,272</u>

M C EDWARDS (INSURANCE BROKERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

7. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Motor vehicles £	Furniture, fittings and equipment £	Leasehold improvements £	Total £
COST						
At 1 June 2009	421,876	719,870	48,051	677,836	246,075	2,113,708
Additions	-	-	-	16,457	-	16,457
At 31 May 2010	421,876	719,870	48,051	694,293	246,075	2,130,165
DEPRECIATION						
At 1 June 2009	79,455	36,750	11,787	322,327	29,371	479,690
Charge for the year	8,438	14,397	12,013	90,389	25,247	150,484
At 31 May 2010	87,893	51,147	23,800	412,716	54,618	630,174
NET BOOK VALUE						
At 31 May 2010	333,983	668,723	24,251	281,577	191,457	1,499,991
At 31 May 2009	342,421	683,120	36,264	355,509	216,704	1,634,018

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST OR VALUATION	
At 1 June 2009 and 31 May 2010	5

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Rider Direct Insurance Services Limited	Ordinary	50%
CC Direct Limited	Ordinary	50%
Peugeot Scooter Plus Limited	Ordinary	50%
Cagiva Choice Limited	Ordinary	50%
Crusade Solutions Limited	Ordinary	50%

M C EDWARDS (INSURANCE BROKERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

8. FIXED ASSET INVESTMENTS (continued)

The aggregate of the share capital and reserves as at 31 May 2010 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Rider Direct Insurance Services Limited	2	-
CC Direct Limited	2	-
Peugeot Scooter Plus Limited	2	-
Cagiva Choice Limited	2	-
Crusade Solutions Limited	2	-
	<u>2</u>	<u>-</u>

9 DEBTORS

	2010 £	2009 £
Trade debtors	994,708	845,772
Insurance debtors	3,723,695	2,700,881
Other debtors	34,324	16,106
Prepayments and accrued income	357,798	439,834
	<u>5,110,525</u>	<u>4,002,593</u>

10. ANALYSIS OF CASH AT BANK

	2010 £	2009 £
Cash held on agents for insurers	708,537	477,068
Cash held on office	423,908	3,794,947
Total	<u>1,132,445</u>	<u>4,272,015</u>

M C EDWARDS (INSURANCE BROKERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

**11 CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £	2009 £
Trade creditors	1,789,541	3,544,132
Insurance creditors	3,486,263	2,270,602
Other creditors	659	1,790,926
Corporation tax	34,000	35,128
Social security and other taxes	69,480	56,971
Accruals and deferred income	283,322	115,273
	<u>5,663,265</u>	<u>7,813,032</u>

12. DEFERRED TAXATION

	2010 £	2009 £
At beginning and end of year	<u>41,206</u>	<u>41,206</u>

The provision for deferred taxation is made up as follows

	2010 £	2009 £
Accelerated capital allowances	<u>41,206</u>	<u>41,206</u>

13. SHARE CAPITAL

	2010 £	2009 £
ALLOTTED, CALLED UP AND FULLY PAID		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

14 RESERVES

	Profit and loss account £
At 1 June 2009	2,053,393
Profit for the year	8,102
Dividends Equity capital	(24,000)
At 31 May 2010	<u>2,037,495</u>

M C EDWARDS (INSURANCE BROKERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Opening shareholders' funds	2,054,393	1,964,442
Profit for the year	8,102	113,951
Dividends (Note 16)	(24,000)	(24,000)
Closing shareholders' funds	<u>2,038,495</u>	<u>2,054,393</u>

16. DIVIDENDS

	2010 £	2009 £
Final dividends paid on equity capital of £24 (2009 £24) per share	<u>24,000</u>	<u>24,000</u>

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2010 £	2009 £
Operating profit/(loss)	23,109	(19,336)
Depreciation of tangible fixed assets	150,484	136,423
Loss on disposal of tangible fixed assets	-	2,667
Increase in debtors	(1,107,932)	(931,600)
(Decrease)/increase in creditors	(2,148,639)	106,682
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	<u>(3,082,978)</u>	<u>(705,164)</u>

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2010 £	2009 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	19,002	167,377
Interest paid	(9)	(217)
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>18,993</u>	<u>167,160</u>

M C EDWARDS (INSURANCE BROKERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2010 £	2009 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(16,457)	(166,304)
Sale of tangible fixed assets	-	11,000
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	<u>(16,457)</u>	<u>(155,304)</u>

19. ANALYSIS OF CHANGES IN NET DEBT

	1 June 2009 £	Cash flow £	Other non-cash changes £	31 May 2010 £
Cash at bank and in hand	4,272,015	(3,139,570)	-	1,132,445
NET FUNDS	<u>4,272,015</u>	<u>(3,139,570)</u>	<u>-</u>	<u>1,132,445</u>

20. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £230,000 (2009 £226,100). There were no amounts outstanding at the balance sheet date.

In addition to the above, during the year the company made payments of £3,333,533 (2009 £Nil) into an EFURB (Employer Financed Unapproved Retirement Benefit Scheme) on behalf of the directors.

21. OPERATING LEASE COMMITMENTS

At 31 May 2010 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2010 £	2009 £
EXPIRY DATE:		
Between 2 and 5 years	<u>73,667</u>	<u>50,000</u>

M C EDWARDS (INSURANCE BROKERS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

22. RELATED PARTY TRANSACTIONS

During the year, the company received management charges of £753 (2009 £570), to Fishface Creative Limited, a company of which M C Edwards is a director and shareholder

During the year, the company received commissions of £1,250,575 (2008 £287,568) from White Knight Solutions Limited, a company over which the directors have a significant influence. At the year end, the company was owed £80,350 (2009 £67,475) relating to commissions earned, but not yet invoiced

During the year, the company paid dividends of £12,024 (2008 £12,024) to M C Edwards, who is also a director of the company and £11,976 (2009 £11,976) to J R Edwards, who is the spouse of M C Edwards

23. CONTROLLING PARTY

The company was under the control of M C Edwards, the managing director and majority shareholder, throughout the current and previous year