

The Monarch Partnership Limited

Annual Report and Financial Statements

For the year ended 31 March 2016



The Monarch Partnership Limited

Company Information

Directors	P S Dosanjh S K Dosanjh A S Dosanjh
Secretary	P S Dosanjh
Company number	04346309
Registered office	Monarch House 7/9 Stafford Road Wallington Surrey SM6 9AN
Auditors	Kingston Smith LLP Surrey House 36-44 High Street Redhill Surrey RH1 1RH

The Monarch Partnership Limited

Strategic Report

For the year ended 31 March 2016

The directors present the strategic report and financial statements for the year ended 31 March 2016.

Fair review of the business

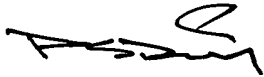
The company has remained consistent in terms of performance paralleling the last two financial years, this has been against a back drop of increased market competition and rising energy prices.

Monarch's revenue has increased due to strategic investment in products and services tailored to our core customer base together with advancement in new I&C and SME sectors. A sunk cost this financial year in customer acquisition has seen a lower EBITDA however this will be offset in the future as this investment should produce increased revenue from repeat business from our new client acquisitions.

Principal risks and uncertainties

Principal risks for the organisation are mainly centred around geopolitical uncertainty leading to dramatic increases in energy prices. Despite this, Monarch's services will expand from primarily negotiating energy contracts to a differentiated energy consultancy services which will tailor our business to current and future customers.

On behalf of the board



P S Dosanjh

Director

21 December 2016

The Monarch Partnership Limited

Directors' Report

For the year ended 31 March 2016

The directors present their annual report and financial statements for the year ended 31 March 2016.

Principal activities

The principal activity of the company continued to be that of utility cost consultants.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P S Dosanjh
S K Dosanjh
A S Dosanjh

Results and dividends

The results for the year are set out on page 6.

Turnover increased by 2.5% to £5,239,051. Due to an increase in administrative expenses, there is a 6% decrease in pre-tax profit.

Ordinary dividends were paid amounting to £3,855,774. The directors do not recommend payment of a final dividend.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



P S Dosanjh

Director

21 December 2016

The Monarch Partnership Limited

Directors' Responsibilities Statement

For the year ended 31 March 2016

The directors are responsible for preparing the Annual 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 judgements 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.

The Monarch Partnership Limited

Independent Auditors' Report

To the Members of The Monarch Partnership Limited

We have audited the financial statements of The Monarch Partnership Limited for the year ended 31 March 2016 which comprise the Statement of Total Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. 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), including Financial Reporting Standard 102.

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 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. 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. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2016 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

The Monarch Partnership Limited

Independent Auditors' Report (Continued)

To the Members of The Monarch Partnership 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.



David Montgomery (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

21 December 2016

Chartered Accountants
Statutory Auditor

Surrey House
36-44 High Street
Redhill
Surrey
RH1 1RH

The Monarch Partnership Limited

Statement of Total Comprehensive Income

For the year Ended 31 March 2016

	Notes	2016 £	2015 £
Turnover	3	5,239,051	5,109,689
Administrative expenses		(2,554,391)	(2,246,361)
Operating profit	4	2,684,660	2,863,328
Interest receivable and similar income	7	16,297	22,951
Interest payable and similar charges		-	(833)
Profit before taxation		2,700,957	2,885,446
Taxation	8	(543,388)	(603,374)
Profit for the financial year		2,157,569	2,282,072

The statement of total comprehensive income has been prepared on the basis that all operations are continuing operations.

The Monarch Partnership Limited

Balance Sheet

As at 31 March 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10		71,205		70,582
Current assets					
Debtors	12	1,259,813		327,776	
Cash at bank and in hand		3,217,505		5,778,743	
		4,477,318		6,106,519	
Creditors: amounts falling due within one year	13	(737,425)		(685,253)	
Net current assets			3,739,893		5,421,266
Total assets less current liabilities			3,811,098		5,491,848
Creditors: amounts falling due after more than one year	14		(17,455)		-
Net assets			3,793,643		5,491,848
Capital and reserves					
Called up share capital	17		999		999
Profit and loss reserves			3,792,644		5,490,849
Total equity			3,793,643		5,491,848

The financial statements were approved by the board of directors and authorised for issue on 21 December 2016 and are signed on its behalf by:



P S Dosanjh
Director

Company Registration No. 04346309

The Monarch Partnership Limited

Statement of Changes in Equity

For the year ended 31 March 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
Year ended 31 March 2015:				
Balance at 1 April 2014		999	5,038,277	5,039,276
Profit and total comprehensive income for the year		-	2,282,072	2,282,072
Dividends	9	-	(1,829,500)	(1,829,500)
Balance at 31 March 2015		999	5,490,849	5,491,848
Year ended 31 March 2016:				
Profit and total comprehensive income for the year		-	2,157,569	2,157,569
Dividends	9	-	(3,855,774)	(3,855,774)
Balance at 31 March 2016		999	3,792,644	3,793,643

The Monarch Partnership Limited

Statement of Cash Flows

For the year ended 31 March 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	21	2,016,254		4,490,618	
Interest paid		-		(833)	
Income taxes paid		(711,000)		(299,062)	
Net cash inflow from operating activities		1,305,254		4,190,723	
Investing activities					
Purchase of tangible fixed assets		(1,936)		(229)	
Interest received		16,297		22,951	
Net cash generated from investing activities		14,361		22,722	
Financing activities					
Payment of finance leases obligations		(25,079)		(25,419)	
Dividends paid		(3,855,774)		(1,829,500)	
Net cash used in financing activities		(3,880,853)		(1,854,919)	
Net (decrease)/increase in cash and cash equivalents		(2,561,238)		2,358,526	
Cash and cash equivalents at beginning of year		5,778,743		3,420,217	
Cash and cash equivalents at end of year		3,217,505		5,778,743	

The Monarch Partnership Limited

Notes to the Financial Statements

For the year ended 31 March 2016

1 Accounting policies

Company information

The Monarch Partnership Limited is a company limited by shares incorporated in England and Wales. The registered office is Monarch House, 7/9 Stafford Road, Wallington, Surrey, SM6 9AN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2016 are the first financial statements of The Monarch Partnership Limited prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover represents amounts receivable for services net of VAT.

Where turnover represents commission from energy suppliers, the commission is recognised once the customer energy bills have been paid in accordance with the contract between the company and the energy supplier.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% reducing balance
Computer equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

1 Accounting policies

(Continued)

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

1 Accounting policies

(Continued)

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditors for the audit of the company's financial statements	14,560	12,655
Depreciation of owned tangible fixed assets	10,827	14,185
Depreciation of tangible fixed assets held under finance leases	16,665	16,665
Operating lease charges	258,116	245,162

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
	62	62

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	1,655,785	1,525,912
Social security costs	158,302	146,411
Pension costs	9,380	-
	1,823,467	1,672,323

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

6 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	<u>224,377</u>	<u>225,446</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>101,854</u>	<u>101,738</u>
--------------------------------------	----------------	----------------

The directors are the key management personnel of the company.

7 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	<u>16,297</u>	<u>22,951</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>16,297</u>	<u>22,951</u>
--	---------------	---------------

8 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	543,388	603,500
Adjustments in respect of prior periods	-	(126)
Total current tax	<u>543,388</u>	<u>603,374</u>

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

8 Taxation

(Continued)

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2016 £	2015 £
Profit before taxation	2,700,957	2,885,446
<i>Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 21.00%)</i>	540,191	605,944
Tax effect of expenses that are not deductible in determining taxable profit	3,643	1,919
Depreciation add back	5,498	6,479
Capital allowances	(5,944)	(11,056)
Adjustment for prior years	-	(126)
Other tax adjustments	-	214
Tax charge for the year	543,388	603,374

9 Dividends

	2016 £	2015 £
Interim paid	3,855,774	1,829,500
	3,855,774	1,829,500

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

10 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost			
At 1 April 2015	130,144	120,709	250,853
Additions	-	28,115	28,115
At 31 March 2016	130,144	148,824	278,968
Depreciation and impairment			
At 1 April 2015	94,765	85,506	180,271
Depreciation charged in the year	8,845	18,647	27,492
At 31 March 2016	103,610	104,153	207,763
Carrying amount			
At 31 March 2016	26,534	44,671	71,205
At 31 March 2015	35,379	35,203	70,582

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £16,665 (2015 - £16,665) for the year.

	2016 £	2015 £
Plant and machinery	40,956	31,442

11 Financial instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,199,813	265,180
Carrying amount of financial liabilities		
Measured at amortised cost	163,159	65,807

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

12 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	984,890	56,345
Other debtors	214,923	208,835
Prepayments and accrued income	60,000	62,596
	<u>1,259,813</u>	<u>327,776</u>

13 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Obligations under finance leases	15	8,724	25,079
Trade creditors		102,311	20,250
Corporation tax		194,119	361,731
Other taxation and social security		397,602	257,715
Other creditors		11,607	7,978
Accruals and deferred income		23,062	12,500
		<u>737,425</u>	<u>685,253</u>

Included within other creditors at year end are pension contributions of £3,502 (2015: £nil).

14 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Obligations under finance leases	15	17,455	-

15 Finance lease obligations

	2016 £	2015 £
Future minimum lease payments due under finance leases:		
Within one year	8,724	25,079
In two to five years	17,455	-
	<u>26,179</u>	<u>25,079</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

16 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £9,380 (2015 - £-).

17 Share capital

	2016 £	2015 £
Issued and fully paid		
999 Ordinary shares of £1 each	999	999

18 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	11,190	13,049
Between two and five years	-	11,190
	<u>11,190</u>	<u>24,239</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016 £	2015 £
Aggregate compensation	224,377	225,446

No guarantees have been given or received.

The company is a wholly owned subsidiary of Majestic Securities Limited and has taken advantage of the exemption conferred by FRS 102 not to disclose transactions with Majestic Securities Limited or other wholly owned subsidiaries within the group.

Included within other debtors is an amount of £11,866 (2015: £6,316) owed by Monarch Estates, a Partnership in which the directors are the Partners. During the year, rent of £240,000 (2015: £222,000) was payable to Monarch Estates on an open market basis.

Included within other debtors is an amount of £3,720 (2015: £3,220) owed by P S Dosanjh.

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2016

20 Controlling party

The company is a wholly owned subsidiary of Majestic Securities Limited, a company registered in England and Wales. The largest and smallest group in which the results of the company is consolidated is that headed by Majestic Securities Limited. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is P S Dosanjh, by virtue of his shareholding in Majestic Securities Limited.

21 Cash generated from operations

	2016 £	2015 £
Profit for the year	2,157,569	2,282,072
Adjustments for:		
Income tax expense	543,388	603,374
Finance costs	-	833
Investment income	(16,297)	(22,951)
Operating profit	2,684,660	2,863,328
Depreciation and impairment of tangible fixed assets	27,492	30,850
Movements in working capital:		
(Increase)/decrease in debtors	(932,037)	1,711,700
Increase/(decrease) in creditors	236,139	(115,260)
Cash generated from operations	2,016,254	4,490,618