

The Monarch Partnership Limited

Directors' Report and Financial Statements

For the year ended 31 March 2014



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

Directors' Report

For the year ended 31 March 2014

The directors present their report and financial statements for the year ended 31 March 2014.

Principal activities

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

Results and dividends

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

Turnover decreased by 34% to £5,394,751, leading to a 43% decrease in pre-tax profit.

Directors

The following directors have held office since 1 April 2013:

P S Dosanjh
S K Dosanjh
A S Dosanjh

Auditors

In accordance with the company's articles, a resolution proposing that Kingston Smith LLP be reappointed as auditors of the company will be put at a General Meeting.

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 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

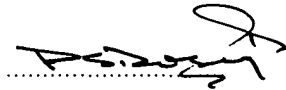
Directors' Report (Continued)

For the year ended 31 March 2014

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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

24/11/2014

The Monarch Partnership Limited

Strategic Report

For the year ended 31 March 2014

The directors present the strategic report and financial statements for the year ended 31 March 2014.

Review of the business

Monarch has had a year of statistical growth which hasn't been illustrated in this year's economic growth, however the directors believe that the infrastructure and sales strategy which has been implemented will lead to a growth in sales revenue moving forward. A much more competitive landscape has led to a move by the company of lowering its price point, this in turn has led to reduced profit margins in order to retain key clients over the last financial year, despite this the Company has had continually strong growth in customer acquisition and has invested heavily in efficiency improvements. These factors together lead to an optimistic outlook whereby the directors believe that they will be able to maintain a consistent growth in customers which will supplement revenue whilst minimising costs to compensate for the move in price point. The Company has made huge improvements in infrastructure which will give a strong platform for growth going forward, diversification in which sectors Monarch operates in has been highlighted and in conjunction with new services provided by the organisation, this will lead to greater opportunities over the coming year.

The principal risks for the Company are the possibility of depletion of energy supplies and serious shortages of supply. In such an environment, Monarch's ability to negotiate competitive prices may be challenged. This should be viewed against the potentially positive news that the production of Shale Gas will result in sufficient supplies to increase competition and this can translate to benefit to Monarch clients.

On behalf of the board



P S Dosanjh

Director

24/11/2014

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 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement 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).

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.

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 and express an opinion on 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 2014 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 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 to the Members of The Monarch Partnership Limited (Continued)

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.

Kingston Smith LLP

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

26 November 2014

Chartered Accountants
Statutory Auditor

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

The Monarch Partnership Limited

Profit and Loss Account

For the year ended 31 March 2014

	Notes	2014 £	2013 £
Turnover	2	5,394,751	8,168,064
Administrative expenses		(2,223,567)	(2,457,362)
Operating profit	3	3,171,184	5,710,702
Other interest receivable and similar income	4	69,246	20,809
Interest payable and similar charges	5	(6,762)	(9,813)
Profit on ordinary activities before taxation		3,233,668	5,721,698
Tax on profit on ordinary activities	6	(737,360)	(1,378,507)
Profit for the year	12	2,496,308	4,343,191

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

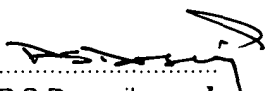
The Monarch Partnership Limited

Balance Sheet

As at 31 March 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	8		50,705		17,825
Current assets					
Debtors	9	2,039,476		3,030,385	
Cash at bank and in hand		3,420,217		7,047,120	
		5,459,693		10,077,505	
Creditors: amounts falling due within one year	10	(471,122)		(1,260,371)	
Net current assets			4,988,571		8,817,134
Total assets less current liabilities			5,039,276		8,834,959
Capital and reserves					
Called up share capital	11		999		999
Profit and loss account	12		5,038,277		8,833,960
Shareholders' funds	13		5,039,276		8,834,959

Approved by the Board and authorised for issue on 24.11.2014



P S Dosanjh
Director

Company Registration No. 04346309

The Monarch Partnership Limited

Cash Flow Statement

For the year ended 31 March 2014

	£	2014 £	£	2013 £
Net cash inflow from operating activities		4,191,721		5,410,919
Returns on investments and servicing of finance				
Interest received	69,246		20,809	
Interest paid	(6,762)		(9,813)	
Net cash inflow for returns on investments and servicing of finance		62,484		10,996
Taxation		(1,537,187)		(1,496,950)
Capital expenditure				
Payments to acquire tangible assets	(51,930)		(5,153)	
Net cash outflow for capital expenditure		(51,930)		(5,153)
Equity dividends paid		(6,291,991)		(1,000,000)
(Decrease)/increase in cash in the year		(3,626,903)		2,919,812

The Monarch Partnership Limited

Notes to the Cash Flow Statement

For the year ended 31 March 2014

1 Reconciliation of operating profit to net cash inflow from operating activities		2014	2013
		£	£
Operating profit		3,171,184	5,710,702
Depreciation of tangible assets		19,050	12,946
Decrease/(increase) in debtors		990,909	(473,521)
Increase in creditors within one year		10,578	160,792
Net cash inflow from operating activities		4,191,721	5,410,919

2 Analysis of net funds	1 April 2013	Cash flow	Other non-cash changes	31 March 2014
	£	£	£	£
Net cash:				
Cash at bank and in hand	7,047,120	(3,626,903)	-	3,420,217
Net funds	7,047,120	(3,626,903)	-	3,420,217

3 Reconciliation of net cash flow to movement in net funds		2014	2013
		£	£
(Decrease)/increase in cash in the year		(3,626,903)	2,919,812
Movement in net funds in the year		(3,626,903)	2,919,812
Opening net funds		7,047,120	4,127,308
Closing net funds		3,420,217	7,047,120

The Monarch Partnership Limited

Notes to the Financial Statements

For the year ended 31 March 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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 and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

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

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Turnover

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

3 Operating profit

	2014 £	2013 £
Operating profit is stated after charging:		
Depreciation of tangible assets	19,050	12,946
Operating lease rentals		
- Plant and machinery	11,730	10,650
- Other assets	216,000	216,000
Auditors' remuneration	10,700	12,500
	<u>237,480</u>	<u>241,500</u>

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2014

4	Investment income	2014	2013
		£	£
	Bank interest	69,246	20,809
		<u>69,246</u>	<u>20,809</u>
5	Interest payable	2014	2013
		£	£
	Other interest	6,762	9,813
		<u>6,762</u>	<u>9,813</u>
6	Taxation	2014	2013
		£	£
	Domestic current year tax		
	U.K. corporation tax	737,360	1,378,507
	Total current tax	<u>737,360</u>	<u>1,378,507</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	3,233,668	5,721,698
		<u>3,233,668</u>	<u>5,721,698</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23%	743,744	1,373,208
		<u>743,744</u>	<u>1,373,208</u>
	Effects of:		
	Non deductible expenses	1,727	4,128
	Depreciation add back	4,382	3,107
	Capital allowances	(12,493)	(1,936)
		<u>(6,384)</u>	<u>5,299</u>
	Current tax charge for the year	<u>737,360</u>	<u>1,378,507</u>
7	Dividends	2014	2013
		£	£
	Ordinary interim paid	6,291,991	1,000,000
		<u>6,291,991</u>	<u>1,000,000</u>

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2014

8 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2013	66,140	82,056	148,196
Additions	4,071	47,859	51,930
At 31 March 2014	70,211	129,915	200,126
Depreciation			
At 1 April 2013	63,046	67,325	130,371
Charge for the year	3,403	15,647	19,050
At 31 March 2014	66,449	82,972	149,421
Net book value			
At 31 March 2014	3,762	46,943	50,705
At 31 March 2013	3,094	14,731	17,825

9 Debtors

	2014 £	2013 £
Trade debtors	804,086	1,381,014
Other debtors	195,996	1,000,648
Prepayments and accrued income	1,039,394	648,723
	2,039,476	3,030,385

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2014

10 Creditors: amounts falling due within one year	2014	2013
	£	£
Trade creditors	47,033	49,832
Corporation tax	57,419	857,246
Other taxes and social security costs	186,602	337,364
Other creditors	3,092	3,429
Accruals and deferred income	176,976	12,500
	<u>471,122</u>	<u>1,260,371</u>
11 Share capital	2014	2013
	£	£
Allotted, called up and fully paid		
999 Ordinary shares of £1 each	<u>999</u>	<u>999</u>
12 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 April 2013		8,833,960
Profit for the year		2,496,308
Dividends paid		<u>(6,291,991)</u>
Balance at 31 March 2014		<u>5,038,277</u>
13 Reconciliation of movements in shareholders' funds	2014	2013
	£	£
Profit for the financial year	2,496,308	4,343,191
Dividends	<u>(6,291,991)</u>	<u>(1,000,000)</u>
Net (depletion in)/addition to shareholders' funds	(3,795,683)	3,343,191
Opening shareholders' funds	<u>8,834,959</u>	<u>5,491,768</u>
Closing shareholders' funds	<u>5,039,276</u>	<u>8,834,959</u>

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2014

14 Financial commitments

At 31 March 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2015:

	Other 2014 £	2013 £
Operating leases which expire:		
Within one year	390	7,509
Between two and five years	2,861	390
	<u>3,251</u>	<u>7,899</u>

15 Directors' remuneration

	2014 £	2013 £
Remuneration for qualifying services	<u>225,197</u>	<u>207,893</u>
Remuneration disclosed above include the following amounts paid to the highest paid director:		
Remuneration for qualifying services	<u>101,637</u>	<u>101,479</u>

16 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
	<u>62</u>	<u>58</u>
Employment costs	2014 £	2013 £
Wages and salaries	1,518,164	1,339,891
Social security costs	142,528	126,176
	<u>1,660,692</u>	<u>1,466,067</u>

The Monarch Partnership Limited

Notes to the Financial Statements (Continued)

For the year ended 31 March 2014

17 Control

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.

18 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Included within other debtors is an amount of £4,595 (2013: £513,082) owed by Monarch Estates, a Partnership in which the directors are the Partners.

During the year, rent of £216,000 (2013: £216,000) was payable to Monarch Estates on an open market basis.

Included within other debtors is an amount of £12,572 (2013: £351,576) owed by Spark Property Assets LLP, a Limited Liability Partnership in which the directors are members.

Included within other debtors is an amount of £8,530 (2013: £5,087) owed by P S Dosanjh.