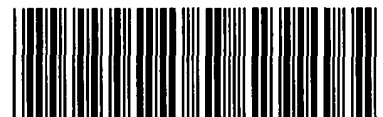


REGISTERED NUMBER: 04346309 (England and Wales)

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2021
for
The Monarch Partnership Ltd**

**BBK Partnership
Chartered Accountants & Statutory Auditors
1 Beauchamp Court
10 Victors Way
Barnet
Hertfordshire
EN5 5TZ**

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The Monarch Partnership Ltd
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FOR THE YEAR ENDED 31 MARCH 2021

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The Monarch Partnership Ltd
Company Information
FOR THE YEAR ENDED 31 MARCH 2021

DIRECTORS: Mrs S K Dosanjh
Mr P S Dosanjh
Mr A S Dosanjh

SECRETARY: Mr P S Dosanjh

REGISTERED OFFICE: 7-9 Stafford Road
Wallington
Surrey
SM6 9AN

REGISTERED NUMBER: 04346309 (England and Wales)

SENIOR STATUTORY AUDITOR: Alan Kaye FCA

AUDITORS: BBK Partnership
Chartered Accountants & Statutory Auditors
1 Beauchamp Court
10 Victors Way
Barnet
Hertfordshire
EN5 5TZ

The Monarch Partnership Ltd
Strategic Report
FOR THE YEAR ENDED 31 MARCH 2021

The directors present their strategic report for the year ended 31 March 2021.

REVIEW OF BUSINESS

The Covid-19 pandemic and the resulting measures and restrictions imposed by the government have had a profound impact on many aspects of business and economic activity, in addition to their serious effects on families, friends and social activity; despite the great challenges for the conduct of business operations. Monarch reacted positively and bore stronger results for the financial year due to the restructuring of the organisation in the 2019/20 financial year.

The company has adapted our operations, risen to these challenges and worked constructively with our suppliers and professional advisers. As a result, the company has performed within expectations and its performance is reflected below.

The profit for the year after taxation amounted to £2,663,225 (2020: £2,198,289).

The directors are satisfied with the results in the year under review in a progressively competitive industry with tough trading conditions.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's principal financial instruments comprise cash, short term deposits and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to fund the company's operation as well as to manage working capital, liquidity and invest surplus funds.

The directors continue to assess the risks facing the company, both the securing of new business and maintaining existing relationship are key to the company's success. On 11 March 2020, COVID-19 was declared a pandemic by the World Health Organisation and most governments took resistive measure to contain its further spread, affecting the free movement of people and goods. The Company's primary business as an energy consultant relies heavily on the consumption of energy by businesses. The subsequent lockdowns of businesses will have a material effect on the closure of these businesses but is mitigated by the sectors Monarch operates within. The Company's performance for 2021 and beyond will largely depend upon the time taken to fully control COVID-19 and the easing/lifting of lockdown restrictions and opening of businesses that severely impact the industry.

The negotiations around Britain's exit from the European Union and the subsequent uncertainties into the future economic outlook are being carefully monitored. The company believes it is agile enough to respond and mitigate any negative outcomes and to take advantage of any positive outcomes.

Other ongoing challenges are overhead cost control which is kept under regular review by the director. The directors of the company meet on a regular basis to evaluate risk exposure and risk appetite. The key risk broadly fall into the following categories:

MARKET

The company monitors the general economic and political changes in the energy sector. The directors pay attention to these changes and tailor their services and agreement in order to maintain the level of income and profitability.

COMPETITIVE

The main competitive risks to the company arise from changing customer requirements based on market demand. The company continues to monitor changes and has developed effective procedures to satisfy their current and future needs.

The Monarch Partnership Ltd
Strategic Report
FOR THE YEAR ENDED 31 MARCH 2021

LEGISLATIVE RISK

On a regular basis the director reviews the company legislative risk exposure to ensure that all applicable directions are observed.

FINANCIAL INSTRUMENT RISK

The company has established a risk and financial management framework whose primary objectives are to protect the company from events that hinder the achievement of its performance objectives. The objectives aim to limit undue counterpart exposure, ensure efficient working capital exists and monitor the management of risk.

FUTURE DEVELOPMENTS

Due to the decline in forecasted long-term performance, the company looks to expand and explore new opportunities. It is therefore the directors' intentions to diversify its trading merchandise from the wholesale of sporting goods to other goods with higher demand.

KEY PERFORMANCE INDICATORS

The directors have considered the use of the key performance indicators. The continuous measurement and monitoring of the business performance is a critical element of the management process. In order to provide consistent and comprehensive information the Company use a number of key performance indicators (KPI's) to provide a timely and well-balanced review of the financial performance against predefined targets.

Turnover and operating profit are the key measure of financial performance in the company, and are as follows:

	Units	2021	2020
Turnover	£	6,473,783	6,139,123
Operating profit	£	3,302,385	2,359,653

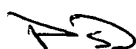
Other key KPIs that demonstrate the level of performance in different parts of the business include:

Average salary levels

Performance against budget and prior year.

The directors are satisfied with the KPI's delivered in the year and is confident that expected performance levels can be maintained for the foreseeable future.

ON BEHALF OF THE BOARD:



Mr P S Dosanjh - Director

11 March 2022

The Monarch Partnership Ltd
Report of the Directors
FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of utility cost consultants.

DIVIDENDS

The total distribution of dividends for the year ended 31 March 2021 will be £148,000.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

Mrs S K Dosanjh
Mr P S Dosanjh
Mr A S Dosanjh

FINANCIAL INSTRUMENTS

Treasury Operations and Financial Instruments

The directors have established a risk and financial management framework whose primary objective is to protect the company from events that hinder the achievement of performance objective.

The object aim to limit the undue counterparty exposure, ensure sufficient working capital and monitor risk at a business unit level.

The company's principal financial instruments during the year comprised of inter-company loans. The main purpose of these financial instruments are to provide funding for company operations.

Liquidity Risk

The company manages its cash requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operation needs of the business.

Credit Risk

Trade debtors will be monitored on an ongoing basis and provision may be made for doubtful debts where necessary.

GOING CONCERN

The Directors consider, as at the date of approving the financial statements, that there is reasonable expectation that the Company has adequate financial resources to continue to operate, and to meet its liabilities as they fall due for payment, for at least twelve months following the approval of the financial statements.

Following the declaration by the World Health Organisation of Covid-19 as a global pandemic in March 2020, governments in the UK and elsewhere have taken lockdown and other measures which include compulsory business closures, limitations on their operations and restrictions on movement of people and on their activities. Whilst these measures have gradually been lifted, this event has had the potential to impact the Company and its business and is considered further in the Strategic Report, which is expressly incorporated by reference into this report.

The Company has performed a series of financial stress tests to ensure that the Company has sufficient cash resources and bank facilities and sufficient covenant margin to manage the potential financial impact of the Covid-19 pandemic on its business under going concern principles.

The Monarch Partnership Ltd
Report of the Directors
FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.

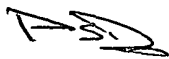
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, BBK Partnership, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr P S Dosanjh - Director

11 March 2022

**Report of the Independent Auditors to the Members of
The Monarch Partnership Ltd**

Opinion

We have audited the financial statements of The Monarch Partnership Ltd (the 'company') for the year ended 31 March 2021 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, 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 Financial Reporting Standard 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 2021 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.

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 Auditors' 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of The Monarch Partnership Ltd

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 Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, 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 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.

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The company is subject to law and regulations that directly affect the financial statements including financial legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We understood how the company is complying with those legal and regulatory frameworks by enquiries to the management and those charged with governance. We identified whether there is culture of honesty and ethical behaviour and whether there is a strong emphasis of prevention and deterrence of fraud.

**Report of the Independent Auditors to the Members of
The Monarch Partnership Ltd**

We assessed the susceptibility of the company's financial statements of material misstatements, including how fraud might occur. Audit procedures performed by the company's engagement team included:

- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Assessing matters reported through the company's whistleblowing program and the result of management's investigation of such matters;
- Challenging assumptions and judgments made by management in its significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual combinations; and
- Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

We did not identify any key audit matters relating to irregularities, including fraud.

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 Report of the Auditors.

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 a Report of the Auditors 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.

Alan Kaye FCA (Senior Statutory Auditor)
for and on behalf of BBK Partnership
Chartered Accountants & Statutory Auditors
1 Beauchamp Court
10 Victors Way
Barnet
Hertfordshire
EN5 5TZ



Date: 14 MARCH 2022

The Monarch Partnership Ltd
Income Statement
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31.3.21 £	31.3.20 £
TURNOVER		6,473,783	6,139,123
Cost of sales		(50,720)	-
GROSS PROFIT		6,423,063	6,139,123
Administrative expenses		(3,653,782)	(3,799,615)
		2,769,281	2,339,508
Other operating income		533,104	20,145
OPERATING PROFIT	4	3,302,385	2,359,653
Interest receivable and similar income		352	4,596
		3,302,737	2,364,249
Interest payable and similar expenses	5	(9,697)	(9,338)
PROFIT BEFORE TAXATION		3,293,040	2,354,911
Tax on profit	6	(629,702)	(156,622)
PROFIT FOR THE FINANCIAL YEAR		<u>2,663,338</u>	<u>2,198,289</u>

The notes form part of these financial statements

The Monarch Partnership Ltd
Other Comprehensive Income
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31.3.21 £	31.3.20 £
PROFIT FOR THE YEAR		2,663,338	2,198,289
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,663,338</u>	<u>2,198,289</u>

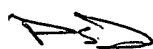
The notes form part of these financial statements

The Monarch Partnership Ltd (Registered number: 04346309)

**Statement of Financial Position
31 MARCH 2021**

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Tangible assets	8	512,752	22,319
CURRENT ASSETS			
Debtors	9	5,331,899	3,219,649
Cash at bank		4,122,215	2,357,564
		<u>9,454,114</u>	<u>5,577,213</u>
CREDITORS			
Amounts falling due within one year	10	<u>2,186,935</u>	<u>865,156</u>
NET CURRENT ASSETS		<u>7,267,179</u>	<u>4,712,057</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,779,931</u>	<u>4,734,376</u>
CREDITORS			
Amounts falling due after more than one year	11	(432,794)	-
PROVISIONS FOR LIABILITIES	14	<u>(97,423)</u>	<u>-</u>
NET ASSETS		<u><u>7,249,714</u></u>	<u><u>4,734,376</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	999	999
Retained earnings	16	<u>7,248,715</u>	<u>4,733,377</u>
SHAREHOLDERS' FUNDS		<u><u>7,249,714</u></u>	<u><u>4,734,376</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 11 March 2022 and were signed on its behalf by:



Mr P S Dosanjh - Director

The notes form part of these financial statements

The Monarch Partnership Ltd
Statement of Changes in Equity
FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2019	999	2,892,088	2,893,087
Changes in equity			
Dividends	-	(357,000)	(357,000)
Total comprehensive income	-	2,198,289	2,198,289
Balance at 31 March 2020	<u>999</u>	<u>4,733,377</u>	<u>4,734,376</u>
Changes in equity			
Dividends	-	(148,000)	(148,000)
Total comprehensive income	-	2,663,338	2,663,338
Balance at 31 March 2021	<u><u>999</u></u>	<u><u>7,248,715</u></u>	<u><u>7,249,714</u></u>

The notes form part of these financial statements

The Monarch Partnership Ltd
Statement of Cash Flows
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	1,040,022	1,345,035
Interest paid		(9,697)	(9,338)
Grant received		533,104	6,414
Tax paid		615	(687,208)
Net cash from operating activities		<u>1,564,044</u>	<u>654,903</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(597,891)	(10,692)
Interest received		352	4,596
Net cash from investing activities		<u>(597,539)</u>	<u>(6,096)</u>
Cash flows from financing activities			
New loans in year		380,000	-
Capital repayments in year		566,146	-
Amount introduced by directors		2,995	3,634
Amount withdrawn by directors		(2,995)	(700)
Equity dividends paid		(148,000)	(357,000)
Net cash from financing activities		<u>798,146</u>	<u>(354,066)</u>
Increase in cash and cash equivalents		<u>1,764,651</u>	<u>294,741</u>
Cash and cash equivalents at beginning of year	2	<u>2,357,564</u>	<u>2,062,823</u>
Cash and cash equivalents at end of year	2	<u><u>4,122,215</u></u>	<u><u>2,357,564</u></u>

The notes form part of these financial statements

The Monarch Partnership Ltd
Notes to the Statement of Cash Flows
FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS		
	31.3.21	31.3.20
	£	£
Profit before taxation	3,293,040	2,354,911
Depreciation charges	107,458	8,009
Government grants	(533,104)	(6,414)
Finance costs	9,697	9,338
Finance income	(352)	(4,596)
	<u>2,876,739</u>	<u>2,361,248</u>
Increase in trade and other debtors	(2,040,783)	(681,410)
Increase/(decrease) in trade and other creditors	204,066	(334,803)
	<u>1,040,022</u>	<u>1,345,035</u>
Cash generated from operations		

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2021

	31.3.21	1.4.20
	£	£
Cash and cash equivalents	<u>4,122,215</u>	<u>2,357,564</u>

Year ended 31 March 2020

	31.3.20	1.4.19
	£	£
Cash and cash equivalents	<u>2,357,564</u>	<u>2,062,823</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank	2,357,564	1,764,651	4,122,215
	<u>2,357,564</u>	<u>1,764,651</u>	<u>4,122,215</u>
Debt			
Finance leases	-	(566,146)	(566,146)
Debts falling due within 1 year	-	(380,000)	(380,000)
	<u>-</u>	<u>(946,146)</u>	<u>(946,146)</u>
Total	<u>2,357,564</u>	<u>818,505</u>	<u>3,176,069</u>

The notes form part of these financial statements

The Monarch Partnership Ltd
Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2021

1. STATUTORY INFORMATION

The Monarch Partnership Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest pound.

Significant judgements and estimates

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of the 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 estimates 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.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures & fittings	-25% reducing balance
Computer equipment	-33% Straight Line

The Monarch Partnership Ltd

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and all deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Foreign currency transactions and balances.

Transactions in a foreign currency are initially recorded at an average standard exchange rate. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective financial currency of the entity at the rate prevailing on the reporting period date.

Debtors and creditors receivable/payable within one year.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognized in the profit and loss account in other administrative expenses.

Director and Inter-company loans

Loans provided by the director or Inter-company loans considered to be neutral persons, will be measured at amortised cost calculated using the initial recognition date transaction price with an effective interest rate of 0%.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The Monarch Partnership Ltd

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Going concern

The accounts have been prepared under the going concern basis.

The current pandemic caused by Covid-19 has triggered global uncertainty and the impact has affected the energy supply industry. The director is monitoring the progress and effect of the spread of the virus, though he is unable to immediately quantify its impact on future commerciality. Strategies and policies to manage the evolving developments have been implemented by the director, specifically:

- monitoring changes in confirmed orders.
- reviewing the impact on forecasts that may impact impairment evaluations
- possibilities in insurance recoveries.

The director is assured that the company has sufficient resources to bear the global impact within the energy supply industry.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Employee benefits

When employees have rendered service to the company, short term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Impairment

Assets not valued at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit and loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Government grants

The company receives government grants in respect of furlough of employees. These grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value

The Monarch Partnership Ltd

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2021**

3. EMPLOYEES AND DIRECTORS

	31.3.21	31.3.20
	£	£
Wages and salaries	2,345,078	2,118,873
Social security costs	210,295	204,638
Other pension costs	37,932	34,136
	<u>2,593,305</u>	<u>2,357,647</u>

The average number of employees during the year was as follows:

	31.3.21	31.3.20
Staff	<u>85</u>	<u>76</u>

	31.3.21	31.3.20
	£	£
Directors' remuneration	<u>233,760</u>	<u>231,442</u>

Information regarding the highest paid director is as follows:

	31.3.21	31.3.20
	£	£
Emoluments etc	<u>101,635</u>	<u>231,442</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	31.3.21	31.3.20
	£	£
Other operating leases	260,168	264,505
Depreciation - owned assets	107,458	8,009
Auditors' remuneration	9,050	13,250
Auditors' remuneration for non audit work	950	-
	<u>477,626</u>	<u>285,764</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.21	31.3.20
	£	£
Bank interest	1,149	-
Interest on overdue taxation	4,808	9,338
HP Interest	3,740	-
	<u>9,697</u>	<u>9,338</u>

The Monarch Partnership Ltd

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2021**

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.3.21 £	31.3.20 £
Current tax:		
UK corporation tax	532,279	156,622
Deferred tax	97,423	-
Tax on profit	<u>629,702</u>	<u>156,622</u>

7. DIVIDENDS

	31.3.21 £	31.3.20 £
Interim	<u>148,000</u>	<u>357,000</u>

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2020	132,428	168,451	300,879
Additions	-	597,891	597,891
At 31 March 2021	<u>132,428</u>	<u>766,342</u>	<u>898,770</u>
DEPRECIATION			
At 1 April 2020	122,400	156,160	278,560
Charge for year	2,507	104,951	107,458
At 31 March 2021	<u>124,907</u>	<u>261,111</u>	<u>386,018</u>
NET BOOK VALUE			
At 31 March 2021	<u>7,521</u>	<u>505,231</u>	<u>512,752</u>
At 31 March 2020	<u>10,028</u>	<u>12,291</u>	<u>22,319</u>

The Monarch Partnership Ltd

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2021**

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade debtors	745,529	527,802
Amounts owed by group undertakings	1,986,612	774,309
Other debtors	1,780,537	1,343,163
HP Interest	31,791	-
Directors' current accounts	700	700
Tax	140,246	68,779
Accrued income	646,484	504,896
	<u>5,331,899</u>	<u>3,219,649</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Bank loans and overdrafts (see note 12)	380,000	-
Hire purchase contracts (see note 13)	133,352	-
Trade creditors	33,166	155,485
Amounts owed to group undertakings	2,110	10,243
Tax	862,280	257,919
Social security and other taxes	60,073	150,171
Pension Liability	9,029	7,707
VAT	622,528	249,273
Other creditors	8,125	656
Wages control account	28,795	2,079
Directors' current accounts	3,495	3,495
Accrued expenses	43,982	28,128
	<u>2,186,935</u>	<u>865,156</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.21	31.3.20
	£	£
Hire purchase contracts (see note 13)	<u>432,794</u>	<u>-</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.3.21	31.3.20
	£	£
Amounts falling due within one year or on demand:		
Coronavirus Business Interrupt	<u>380,000</u>	<u>-</u>

The Monarch Partnership Ltd

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2021**

13. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	31.3.21 £	31.3.20 £
Net obligations repayable:		
Within one year	133,352	-
Between one and five years	432,794	-
	<u>566,146</u>	<u>-</u>

14. PROVISIONS FOR LIABILITIES

	31.3.21 £	31.3.20 £
Deferred tax	<u>97,423</u>	<u>-</u>
		Deferred tax £
Provided during year		<u>97,423</u>
Balance at 31 March 2021		<u>97,423</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.3.21	31.3.20
Number:	Class:	Nominal value:	£	£
999	Ordinary	£1	<u>999</u>	<u>999</u>

16. RESERVES

	Retained earnings £
At 1 April 2020	4,733,377
Profit for the year	2,663,338
Dividends	<u>(148,000)</u>
At 31 March 2021	<u>7,248,715</u>

17. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

The Monarch Partnership Ltd

**Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2021**

18. POST BALANCE SHEET EVENTS

The COVID-19 pandemic has developed rapidly in 2020, with a significant number of cases. Measures taken by various governments to contain the virus have affected economic activity and the company's business in various material ways:

- Due to the imposed restrictive free movement the company established remote working procedures for all staff.
- Due to government measures taken, the directors established strict safety protocols for staff returning back to the offices.
- The reduction of economic activity did not proportionally reduce administrative expenses.

The company and its directors are unable to predict future trends due to the ongoing and evolving restrictions being placed by various governments. Depending on the duration of the COVID-19 crisis and continued global negative impact on global economic activity, the company might experience negative results. However it should be noted that the company is experiencing steady increase in growth and profitability.

19. PARENT COMPANY

The company is wholly owned by Majestic Securities Limited, a company registered in England and Wales. The largest and smallest group in which the results of the company are consolidated is that headed by Majestic Securities Limited. The registered office of Majestic Securities Limited is Monarch House, 7-9 Stafford Road, Wallington, Surrey, SM6 9AN. The consolidated accounts are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

20. CHARGES

The company has entered into a debenture charge on 13 August 2020 with Barclays Bank PLC, who holds a fixed and floating charge over the asset of the company.