

Company Registration No. 03477351 (England and Wales)

The Newton Follis Partnership Limited

**Annual report and unaudited financial statements
for the year ended 31 December 2017**



Saffery Champness
CHARTERED ACCOUNTANTS

The Newton Follis Partnership Limited

Company information

Directors	Mr William Cox Mr Anthony Harris Mr David Newton Mr David Monksfield
Secretary	Miss Marion Wondja Dooh
Company number	03477351
Registered office	71 Queen Victoria Street London EC4V 4BE
Accountants	Saffery Champness LLP Kintail House Beechwood Park Inverness IV2 3BW
Business address	1 King Street London EC2V 8AU
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Solicitors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT

The Newton Follis Partnership Limited

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The Newton Follis Partnership Limited

Strategic report

For the year ended 31 December 2017

The directors present the strategic report for the year ended 31 December 2017.

Fair review of the business

The principal activity of the company continued to be that of the provision of financial advisory services to clients participating in Lloyd's either through limited liability vehicles or on an unlimited basis.

Review of the business

The Company has 51 clients underwriting for the 2018 year of account with an aggregate capacity of approximately £100m. In 2017 there were 52 clients with an aggregate capacity of £84.7m. The main reason for the increase in capacity for 2018 was that several syndicates increased their Stamps in anticipation of a firmer market following the multiple catastrophes of 2017.

The overall percentage return for clients for the 2014 year of account, which closed on December 31, 2016, was 13.6% before members' agency fees and profit commission, slightly down from the 13.9% for the 2013 year of account. The latest midpoint estimate for clients' aggregate return for the 2015 year of account is for a profit of 8.4%. The average for the 2016 year of account is just above break even, reflecting the very weak market conditions, and some fall back of catastrophe losses from the 2017 calendar year. There are no forecasts available yet for 2017.

Total fee income and profit commission received in 2017 was £445,517, slightly down from £454,784 in 2016.

No dividend was declared for 2017.

Strategy

Because of weak market conditions we have in recent years advised clients not to increase premium income limits unnecessarily and keep portfolio risk down. Overall capacity advised has fallen significantly since the peak of £159m in 2006, partly because of recommended reductions in clients' underwriting limits, but also because the number of clients has reduced from 84 in 2006 to 51 in 2018. Underwriting conditions have been challenging in many classes of business for several years, and it was disappointing that the catastrophe losses in the last quarter of 2017 did not lead to a significant market upturn at the January renewals, although it appears that rates and terms and conditions have stopped deteriorating.

We continue to recommend that our clients maintain a cautious approach to underwriting for 2018 while the (re)insurance market emerges from the bottom the underwriting cycle, yet recognise that there are likely to be specific opportunities following recent catastrophes. Overall, the outlook is somewhat brighter than it has been in recent years, although we anticipate that clients' results for the 2018 year of account will again be dependent on the number and severity of catastrophes.

In spite of our clients now having portfolios that tend to be less risky than for the average name, their returns have not suffered. Clients' overall average return on capacity has beaten the All Members' Agents' average every year between 2007 and 2013, and has matched it for the 2014 year of account. Indeed, the record since The Newton Follis Partnership Limited started business in 1999 is one of outperformance in most years. Furthermore, in the few years in which returns lagged the average differential was minimal.

The Newton Follis Partnership Limited

Strategic report (continued)

For the year ended 31 December 2017

Strategy (continued)

Many clients have the resources to increase their underwriting limits substantially when the time is right and are inclined to do so. The Company has, in the past, advised clients to increase exposures significantly when it has judged the risk/reward ratio to be favourable and will do so again in the future but, as suggested above, the time for this has not yet come.

The overall strategy of the Board is to continue to advise existing clients and to seek out opportunities to develop a broader client base as the means of access by third party capital providers develops. However, a significant ingress of capital is only likely to happen once rates in the insurance market turn up, as in earlier cycles it is necessary to be patient.

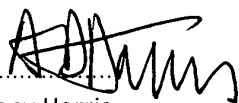
Principal risks and uncertainties

Turnover is a combination of fees and profit commission and is dependent on two main factors: the number of clients and the level of profit each client obtains. These factors and costs obviously determine the bottom line. Current market conditions are weak and it is not a good time to recruit new clients. The Company has lost several long standing clients in recent years as they have left the market. The volatility of returns from underwriting has meant that even with fewer clients it is possible in some years for the Company to obtain a higher income owing to increased profit commission, although the risks are mainly on the downside.

Because of variable market conditions and the year to year variability of natural catastrophes, profit commission and, therefore, gross profit margin tends to be volatile. It was 6.6% in 2013, 10.3% in 2014, and 2.8% in 2015. The Company made an operating loss in 2016 that was 7.7% of turnover and another in 2017 that was 2.6% of turnover.

A principal risk for the Company is that minimal profits or a loss in the Lloyd's market would result in negligible profit commission or none at all. Another risk is that the Company's relationship with Argenta Private Capital Limited, its largest client, could come to an end.

On behalf of the board



Mr Anthony Harris

Director

15/3/18

The Newton Follis Partnership Limited

Directors' report

For the year ended 31 December 2017

The directors present their annual report and financial statements for the year ended 31 December 2017.

Directors

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

Mr William Cox
Mr Anthony Harris
Mr David Newton
Mr David Monksfield

Results and dividends

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Statement of directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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.

On behalf of the board



.....
Mr Anthony Harris

Director

15/3/18

The Newton Follis Partnership Limited

Chartered Accountants' report to the Board of Directors on the preparation of the unaudited statutory financial statements of The Newton Follis Partnership Limited for the year ended 31 December 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Newton Follis Partnership Limited for the year ended 31 December 2017 set out on pages 5 to 20 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of The Newton Follis Partnership Limited, as a body, in accordance with the terms of our engagement letter dated 19 March 2017. Our work has been undertaken solely to prepare for your approval the financial statements of The Newton Follis Partnership Limited and state those matters that we have agreed to state to the Board of Directors of The Newton Follis Partnership Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Newton Follis Partnership Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that The Newton Follis Partnership Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of The Newton Follis Partnership Limited. You consider that The Newton Follis Partnership Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of The Newton Follis Partnership Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Saffery Champness LLP

Saffery Champness LLP

Chartered Accountants

28/3/18

Kintail House
Beechwood Park
Inverness
IV2 3BW

The Newton Follis Partnership Limited

**Statement of comprehensive income
For the year ended 31 December 2017**

	Notes	2017 £	2016 £
Turnover	2	445,517	454,784
Administrative expenses		(457,024)	(490,543)
Operating loss	3	(11,507)	(35,759)
Interest receivable and similar income	6	182	418
Loss before taxation		(11,325)	(35,341)
Tax on loss	8	(972)	4,294
Loss for the financial year		(12,297)	(31,047)

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

The Newton Follis Partnership Limited

Balance sheet

As at 31 December 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	7		601		801
Current assets					
Debtors	10	82,505		70,023	
Cash at bank and in hand		300,174		332,222	
		<u>382,679</u>		<u>402,245</u>	
Creditors: amounts falling due within one year	11	(18,124)		(25,593)	
Net current assets			<u>364,555</u>		<u>376,652</u>
Total assets less current liabilities			<u>365,156</u>		<u>377,453</u>
Capital and reserves					
Called up share capital	13		218,604		260,000
Capital redemption reserve	16		81,396		40,000
Own shares	14		-		(67,889)
Profit and loss reserves	15		65,156		145,342
Total equity			<u>365,156</u>		<u>377,453</u>

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The financial statements were approved by the board of directors and authorised for issue on 15/3/2018 and are signed on its behalf by:



Mr Anthony Harris
Director

Company Registration No. 03477351

The Newton Follis Partnership Limited

**Statement of changes in equity
For the year ended 31 December 2017**

	Notes	Share capital £	Capital redemption reserve £	Treasury shares £	Profit and loss reserves £	Total £
Balance at 1 January 2016		260,000	40,000	-	176,389	476,389
Year ended 31 December 2016:						
Loss and total comprehensive income for the year		-	-	-	(31,047)	(31,047)
Own shares acquired		-	-	(67,889)	-	(67,889)
Balance at 31 December 2016		260,000	40,000	(67,889)	145,342	377,453
Year ended 31 December 2017:						
Loss and total comprehensive income for the year		-	-	-	(12,297)	(12,297)
Disposals of own shares		-	-	67,889	-	67,889
Redemption of shares	13	-	41,396	-	-	41,396
Reduction of shares	13	(41,396)	-	-	(67,889)	(109,285)
Balance at 31 December 2017		218,604	81,396	-	65,156	365,156

The Newton Follis Partnership Limited

Statement of cash flows

For the year ended 31 December 2017

	Notes	£	2017 £	£	2016 £
Cash flows from operating activities					
Cash absorbed by operations	18		(32,230)		(26,913)
Income taxes paid			-		(4,294)
Net cash outflow from operating activities			(32,230)		(31,207)
Investing activities					
Purchase of tangible fixed assets		-		(119)	
Interest received		182		418	
Net cash generated from investing activities			182		299
Financing activities					
Redemption of shares		(67,889)		-	
Purchase of treasury shares		-		(67,889)	
Sale of treasury shares		67,889		-	
Net cash used in financing activities			-		(67,889)
Net decrease in cash and cash equivalents			(32,048)		(98,797)
Cash and cash equivalents at beginning of year			332,222		431,019
Cash and cash equivalents at end of year			300,174		332,222

The Newton Follis Partnership Limited

Notes to the financial statements

For the year ended 31 December 2017

1 Accounting policies

Company information

The Newton Follis Partnership Limited is a private company limited by shares incorporated in England and Wales. The registered office is 71 Queen Victoria Street, London, EC4V 4BE.

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 £.

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

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts.

1.4 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:

Office equipment	25% per annum reducing balance basis
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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.

Notes to the financial statements (continued)
For the year ended 31 December 2017

1 Accounting policies (continued)

1.5 Impairment of fixed assets

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and 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.

1.7 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 debtors, 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. Financial assets classified as receivable within one year are not amortised.

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.

The Newton Follis Partnership Limited

Notes to the financial statements (continued)

For the year ended 31 December 2017

1 Accounting policies (continued)

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.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

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.

Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1 Accounting policies (continued)

1.8 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.

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. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. 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.

1.9 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.

1.10 Retirement benefits

The pension costs in the accounts represent amounts payable by the company to directors' personal pension plans.

The Newton Follis Partnership Limited

Notes to the financial statements (continued)

For the year ended 31 December 2017

1 Accounting policies (continued)

1.11 Leases

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.

2 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017 £	2016 £
Turnover analysed by class of business		
Financial services	445,517	454,784

	2017 £	2016 £
Other significant revenue		
Interest income	182	418

	2017 £	2016 £
Turnover analysed by geographical market		
United Kingdom	394,778	323,883
South Africa	40,892	68,964
United States of America	9,847	61,937
	445,517	454,784

3 Operating loss

	2017 £	2016 £
Operating loss for the year is stated after charging:		
Depreciation of owned tangible fixed assets	200	242
Operating lease charges	44,861	42,374

The Newton Follis Partnership Limited

Notes to the financial statements (continued)
For the year ended 31 December 2017

4 Employees

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

	2017	2016
	Number	Number
Directors	4	5
Office staff	2	1
	<u>6</u>	<u>6</u>

Their aggregate remuneration comprised:

	2017	2016
	£	£
Wages and salaries	212,653	196,903
Social security costs	10,864	8,491
Pension costs	22,865	62,500
	<u>246,382</u>	<u>267,894</u>

5 Directors' remuneration

	2017	2016
	£	£
Remuneration for qualifying services	166,750	151,903
Company pension contributions to defined contribution schemes	22,500	62,500
	<u>189,250</u>	<u>214,403</u>

6 Interest receivable and similar income

	2017	2016
	£	£
Interest income		
Interest on bank deposits	182	418
	<u>182</u>	<u>418</u>

The Newton Follis Partnership Limited

Notes to the financial statements (continued)
For the year ended 31 December 2017

7 Tangible fixed assets

	Office equipment
	£
Cost	
At 1 January 2017 and 31 December 2017	1,915
Depreciation and impairment	
At 1 January 2017	1,114
Depreciation charged in the year	200
At 31 December 2017	1,314
Carrying amount	
At 31 December 2017	601
At 31 December 2016	801

8 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(4,294)
Adjustments in respect of prior periods	972	-
Total current tax	972	(4,294)

The Newton Follis Partnership Limited

Notes to the financial statements (continued)
For the year ended 31 December 2017

8 Taxation (continued)

The actual charge/(credit) for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2017	2016
	£	£
Loss before taxation	(11,325)	(35,341)
	<u> </u>	<u> </u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2016: 20.00%)	(2,152)	(7,068)
Tax effect of expenses that are not deductible in determining taxable profit	451	1,309
Unutilised tax losses carried forward	1,823	1,478
Adjustments in respect of prior years	972	-
Depreciation on assets not qualifying for tax allowances	38	48
Capital allowances	(160)	(61)
	<u> </u>	<u> </u>
Taxation charge/(credit) for the year	972	(4,294)
	<u> </u>	<u> </u>

9 Financial instruments

	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	66,934	50,327
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	4,820	7,112
	<u> </u>	<u> </u>

10 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	59,338	43,092
Corporation tax recoverable	3,322	4,294
Other debtors	7,596	7,235
Prepayments and accrued income	12,249	15,402
	<u> </u>	<u> </u>
	82,505	70,023
	<u> </u>	<u> </u>

The Newton Follis Partnership Limited

Notes to the financial statements (continued)

For the year ended 31 December 2017

11 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	720	1,362
Other taxation and social security	13,304	18,481
Accruals and deferred income	4,100	5,750
	<u>18,124</u>	<u>25,593</u>

12 Retirement benefit schemes

	2017	2016
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>22,865</u>	<u>62,500</u>

The company contributes to directors Self Invested Personal Pensions. The assets of the scheme are held separately from those of the company.

13 Share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
218,604 Ordinary shares of £1 each	<u>218,604</u>	<u>260,000</u>
	<u>218,604</u>	<u>260,000</u>

The Newton Follis Partnership Limited

Notes to the financial statements (continued)
For the year ended 31 December 2017

14 Treasury shares

	£
At 1 January 2016	-
Additions	(67,889)
At 31 December 2016	(67,889)
Disposals of own shares	67,889
At 31 December 2017	-

15 Profit and loss reserves

	2017 £	2016 £
At the beginning of the year	145,342	176,389
Loss for the year	(12,297)	(31,047)
Share redemption or reduction	(67,889)	-
At the end of the year	65,156	145,342

The Newton Follis Partnership Limited

Notes to the financial statements (continued)

For the year ended 31 December 2017

16 Capital redemption reserve

	2017	2016
	£	£
At beginning of year	40,000	40,000
Transfers	41,396	-
At end of year	<u>81,396</u>	<u>40,000</u>

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017	2016
	£	£
Aggregate compensation	<u>187,699</u>	<u>214,403</u>

During the year The Newton Follis Partnership Limited received fees of £118,460 (2016 - £116,970) and profit commission of £144,848 (2016 - £138,114) from Argenta Private Capital Limited. At 31 December 2017 Argenta Private Capital Limited owed The Newton Follis Partnership Limited £35,838 (2016 - £35,091). Mr David Monksfield (director) is also a director of Argenta Private Capital Limited. Argenta Private Capital Limited is a shareholder in The Newton Follis Partnership Limited.

During the year The Newton Follis Partnership Limited paid Insel Limited £51,327 (2016 - £55,694) for professional services. Mr William Cox (director) is also a director of Insel Limited.

The Newton Follis Partnership Limited

Notes to the financial statements (continued)
For the year ended 31 December 2017

18 Cash generated from operations

	2017	2016
	£	£
Loss for the year after tax	(12,297)	(31,047)
Adjustments for:		
Taxation charged/(crediteded)	972	(4,294)
Investment income	(182)	(418)
Depreciation and impairment of tangible fixed assets	200	242
Movements in working capital:		
(Increase) in debtors	(13,454)	(3,317)
(Decrease)/increase in creditors	(7,469)	11,921
Cash absorbed by operations	<u>(32,230)</u>	<u>(26,913)</u>