

True Potential Adviser Services LLP
(formerly True Potential LLP)
Report and financial statements
for the year ended 31 December 2012

Registered number OC326607

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True Potential Adviser Services LLP
Report and accounts
for the year ended 31 December 2012
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True Potential Adviser Services LLP

Members and advisers for the year ended 31 December 2012

Managing Board members

David Harrison (Managing Partner)

Earl Glasgow

Daniel Harrison

Mark Henderson

Neil Johnson

Bankers

The Royal Bank of Scotland plc

31 Grey Street

Newcastle upon Tyne

NE1 6ES

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

89 Sandyford Road

Newcastle upon Tyne

NE1 8HW

Registered office

Newburn House

Gateway West

Newburn Riverside

Newcastle upon Tyne

NE15 8NX

True Potential Adviser Services LLP

Members' report for the year ended 31 December 2012

The members present their report and audited financial statements of the partnership for the year ended 31 December 2012

Going concern

The members believe that preparing the accounts on the going concern basis is appropriate due to the partnership's liquidity position and the continued support of the individual partners

Principal activities and results

The principal activity of True Potential Adviser Services LLP ("the LLP") is that of provision of services to financial services distribution firms and their clients. The results for the LLP are noted on page 6. These were considered satisfactory by the members who expect continued growth in the foreseeable future.

Review of business

The members are satisfied with the progress of the business.

Designated members

The following designated members have held office during the year and to the date of signing the financial statements:

David Harrison
Mark Henderson
Neil Johnson

Policy on members' drawings

The overall policy for members' drawings is to distribute the majority of the profit during the financial year, taking into account the need to maintain sufficient funds to finance the working capital and other needs of the business. The managing board sets the level of drawings.

Members' profit shares

Any remaining profit after the members' drawings for the year is allocated to the members as set out in the partnership deed and approved by the Managing Board.

Members' responsibilities statement

The members are responsible for preparing the report and the financial statements in accordance with applicable law and regulations.

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations") requires the members to prepare financial statements for each financial year. Under that law the members have prepared the partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to limited liability partnerships the members 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 partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,

True Potential Adviser Services LLP

Members' report for the year ended 31 December 2012 (continued)

Members' responsibilities statement (continued)

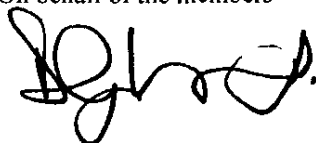
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the partnership will continue in business

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations. They are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

The members confirm that so far as each member is aware, there is no relevant audit information of which the LLP's auditors are unaware, and that each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

On behalf of the members



David Harrison

Designated member



Neil Johnson

Designated member

1 March 2013

True Potential Adviser Services LLP

Registered number OC326607

True Potential Adviser Services LLP

Independent auditors' report to the members of True Potential Adviser Services LLP

We have audited the financial statements of True Potential Adviser Services LLP for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet, the statement of accounting policies 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).

Respective responsibilities of members and auditors

As explained more fully in the Members' responsibilities statement set out on pages 2 and 3, the members 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.

This report, including the opinions, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 limited liability partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the designated members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report and accounts to identify material inconsistencies with the audited financial statements. 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 limited liability partnership's affairs as at 31 December 2012 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 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

True Potential Adviser Services LLP

Independent auditors' report to the members of True Potential Adviser Services LLP (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 as applied to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit

Bill MacLeod

Bill MacLeod (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne

1 March 2013

True Potential Adviser Services LLP

Profit and loss account for the year ended 31 December 2012

	Note	2012 £	2011 £
Turnover		6,947,554	5,784,830
Administrative expenses		(3,810,861)	(3,260,376)
Operating profit	1	3,136,693	2,524,454
Loss on disposal		(159,898)	-
Interest payable and similar charges	2	(233,311)	(214,648)
Interest receivable and similar income	3	1,271	431
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members	9	2,744,755	2,310,237

All operations are continuing

The partnership has no recognised gains and losses other than the profit shown above and therefore no separate statement of total recognised gains and losses has been presented

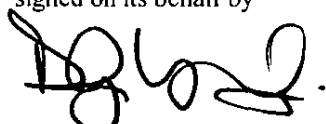
There is no difference between the profit for the financial year above and the historic cost equivalent

True Potential Adviser Services LLP

Balance sheet as at 31 December 2012

	Note	2012 £	2011 £
Fixed assets			
Tangible assets	5	1,259,614	760,954
Current assets			
Debtors	6	1,218,757	1,101,681
Cash at bank and in hand		235,221	212,062
		1,453,978	1,313,743
Creditors: amounts falling due within one year	7	(4,466,803)	(3,102,153)
Net current liabilities		(3,012,825)	(1,788,410)
Total assets less current liabilities		(1,753,211)	(1,027,456)
Creditors: amounts falling due after more than one year	8	-	(3,404,424)
Net liabilities		(1,753,211)	(4,431,880)
Total members' interests			
Members' capital	9	1,945,234	134
Other reserves	9	(3,698,445)	(4,432,014)
Total members' deficit	9	(1,753,211)	(4,431,880)

The financial statements on pages 6 to 13 were approved by the board of members on 1 March 2013 and were signed on its behalf by



David Harrison

Designated member

True Potential Adviser Services LLP

Statement of accounting policies for the year ended 31 December 2012

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to LLPs, the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

The accounts have been prepared on a going concern assumption. The partners will continue to support the LLP.

Turnover

Turnover represents fees earned in respect of work carried out in the year in the ordinary course of business. Turnover is recognised on receipt and arises fully within the UK.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided at rates calculated to write off the cost of tangible fixed assets less estimated realisable value by annual instalments over their expected useful lives. The rates applicable on a straight line basis are as follows:

Fixtures, fittings and equipment	10% - 33 1/3%
Short leasehold buildings	length of lease

Operating leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

Income tax

Income tax payable on the LLP's profits is solely the personal liability of the individual members and consequently is not dealt with in these financial statements. The LLP is not taxed as a corporate entity.

Cash flow statement

The members have taken advantage of the provision of FRS 1 (revised 1996) exempting small entities from the need to prepare a cash flow statement.

True Potential Adviser Services LLP

Notes to the financial statements for the year ended 31 December 2012

1 Operating profit

The operating profit is stated after charging

	2012	2011
	£	£
Depreciation - owned assets	254,047	200,525
Operating lease rentals – other	232,693	253,420
Auditors' remuneration		
- audit services	12,000	8,000
- taxation services	5,454	7,800

2 Interest payable and similar charges

	2012	2011
	£	£
Interest payable	233,311	214,648

3 Interest receivable and similar income

	2012	2011
	£	£
Bank interest receivable	1,271	431

True Potential Adviser Services LLP

4 Employee information

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

	2012 Number	2011 Number
Administrative	69	22

	2012 £	2011 £
Staff costs		
Wages and salaries	1,032,915	508,589
Social security costs	191,352	47,525
	744,886	556,114

5 Tangible assets

	Fixtures, fittings and equipment £	Short leasehold buildings £	Total £
Cost			
At 1 January 2012	1,032,705	93,577	1,126,282
Additions	860,888	6,349	867,237
Disposals	(197,335)	(23,120)	(220,455)
At 31 December 2012	1,696,258	76,806	1,773,064
Accumulated depreciation			
At 1 January 2012	348,715	16,613	365,328
Charged during the year	244,487	9,560	254,047
Disposals	(97,923)	(8,002)	(105,925)
At 31 December 2012	495,279	18,171	513,450
Net book amount			
At 31 December 2012	1,200,979	58,635	1,259,614
At 31 December 2011	683,990	76,964	760,954

True Potential Adviser Services LLP

6 Debtors

	2012	2011
	£	£
Prepayments	267,604	326,925
Other debtors	443,236	438,750
Amounts owing from members	507,917	336,006
	1,218,757	1,101,681

7 Creditors: amounts falling due within one year

	2012	2011
	£	£
Commercial loan	3,376,286	2,916,666
Intercompany balance	672,569	10,925
Trade creditors	346,349	107,211
Taxation and social security	57,338	42,293
Accruals and deferred income	14,261	25,058
	4,466,803	3,102,153

8 Creditors: amounts falling due after more than one year

	2012	2011
	£	£
Commercial loan	-	3,404,424

The loan is unsecured and is repayable in instalments which commenced on 31 March 2010 with the final instalment due on 30 September 2013. Interest is accrued at 2.5% above 3 month LIBOR per annum.

True Potential Adviser Services LLP

9 Total members' interests

	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors	
	Members' capital	Other reserves	Total		Total
	£	£	£	£	£
At 1 January 2012	134	-	134	(4,432,014)	(4,431,880)
Members' interests-capital introduced	1,945,100	-	1,945,100	-	1,945,100
Profit for the financial year available for discretionary distribution among members	-	2,744,755	2,744,755	-	2,744,755
Members' interests after profit for the year	1,945,234	2,744,755	4,689,989	(4,432,014)	257,975
Divisions of profit	-	(2,744,755)	(2,744,755)	2,744,755	-
Drawings	-	-	-	(2,011,186)	(2,011,186)
Members' interests 31 December 2012	1,945,234	-	1,945,234	(3,698,445)	(1,753,211)

Members' capital contributions are determined by reference to the working capital needs of the business
Individual members' capital contributions are set by the Managing Board

The amount in respect of the highest paid member in the year ended 31 December 2012 is £185,000

10 Financial commitments

At 31 December 2012 the partnership had annual commitments under non-cancellable operating leases expiring as follows

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Within one year	117,162	101,308	67,280	-
Within two to five years	619,531	-	134,561	105,360
After five years	887,576	-	-	-
	1,624,269	101,308	201,841	105,360

True Potential Adviser Services LLP

11 Related party transactions

Included in creditors is £605,062 (2011 £10,925) due to True Potential Investments LLP and £67,507 (2011 £nil) due to True Potential Wealth Management LLP. True Potential Investments LLP is considered to be a related party as Mark Henderson, David Harrison and Paul Bond, who are partners in True Potential Adviser Services LLP, are also partners in True Potential Investments LLP. True Potential Wealth Management LLP is considered to be a related party as Earl Glasgow and Tracey Elliott, who are partners in True Potential Adviser Services, are also partners in True Potential Wealth Management LLP.

12 Ultimate controlling party

The ultimate controlling party is the Managing Board of members, as listed on page 1.