

True Potential Adviser Services LLP
Report and financial statements
for the year ended 31 December 2019

Registered number OC326607

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True Potential Adviser Services LLP
Report and financial statements
for the year ended 31 December 2019
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True Potential Adviser Services LLP

Members and advisers for the year ended 31 December 2019

Managing Board members

David Harrison (Managing Partner)

Daniel Harrison

Mark Henderson

Neil Johnson

Registered office

Newburn House

Gateway West

Newburn Riverside

Newcastle upon Tyne

NE15 8NX

Bankers

The Royal Bank of Scotland plc

1 Trinity Gardens

2nd Floor, Broadchare

Newcastle upon Tyne

NE1 2HF

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Central Square South

Orchard Street

Newcastle upon Tyne

NE1 3AZ

True Potential Adviser Services LLP

Members' report for the year ended 31 December 2019

The members present their report and audited financial statements of the partnership for the year ended 31 December 2019.

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. Services include our award-winning technology, adviser support and compliance. The results for the LLP are noted on page 7. These were considered satisfactory by the members.

Review of business

The members are satisfied with the progress of the business, and expect to continue to trade in line with previous years.

Designated members

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

David Harrison (Managing Partner)
Daniel Harrison
Mark Henderson
Neil Johnson

Members' profit shares and capital contributions

All profits for the year are allocated to True Potential LLP as set out in the partnership deed. A Members' capital contribution has been made to re-invest the profits back into True Potential Adviser Services LLP. 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.

Members' responsibilities statement

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 limited liability partnership and of the profit or loss of the limited liability partnership for that period. In preparing the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

True Potential Adviser Services LLP

Members' report for the year ended 31 December 2019 (continued)

Members' responsibilities statement (continued)

The members are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability 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.

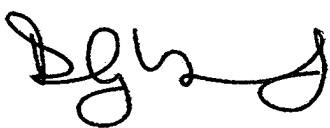
Disclosure of information to auditors

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.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they be reappointed will be proposed at the annual general meeting.

On behalf of the members



David Harrison
Designated member



Daniel Harrison
Designated member

29th April 2020

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

Report on the audit of the financial statements

Opinion

In our opinion, True Potential Adviser Services LLP's financial statements:

- **give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2019 and of its profit for the year then ended;**
- **have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); 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.**

We have audited the financial statements, included within the Report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2019; the statement of comprehensive income, the statement of changes in equity for the year then ended; the Statement of accounting policies for the year ended 31 December 2019; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- **the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or**
- **the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited liability partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.**

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the limited liability partnership's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

True Potential Adviser Services LLP

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

Reporting on other information (continued)

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the members for the financial statements

As explained more fully in the Members' responsibilities statement set out on page 2 and 3, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they determine is 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 members are responsible for assessing the limited liability partnership'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 members either intend to liquidate the limited liability partnership 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 an auditors' report 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, 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 this opinion, 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.

True Potential Adviser Services LLP

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

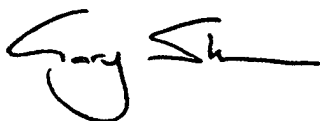
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the limited liability partnership, 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.

We have no exceptions to report arising from this responsibility.



Gary Shaw (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Newcastle upon Tyne

30th April 2020

True Potential Adviser Services LLP

Statement of comprehensive income for the year ended 31 December 2019

	Note	2019 £	2018 £
Turnover		5,397,861	5,913,776
Administrative expenses		(2,000,953)	(1,985,027)
Operating profit	1	3,396,908	3,928,749
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members		3,396,908	3,928,749
Other comprehensive income		-	-
Total comprehensive income		3,396,908	3,928,749

All operations are continuing.

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 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	3	143,035	250,270
Current assets			
Debtors	4	25,122,254	21,236,164
Cash at bank and in hand		82,104	386,273
		25,204,358	21,622,437
Creditors: amounts falling due within one year	5	(693,619)	(615,841)
Net current assets		24,510,739	21,006,596
Total assets less current liabilities		24,653,774	21,256,866
Net assets		24,653,774	21,256,866
Members' other interests			
Members' capital		24,653,774	21,256,866
Other reserves		-	-
Total members' interests		24,653,774	21,256,866

The financial statements on pages 7 to 14 were approved by the board of members on 29th April 2020 and were signed on its behalf by:



David Harrison
Designated member

True Potential Adviser Services LLP

Statement of changes in equity for the year ended 31 December 2019

	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 2019	21,256,866	-	21,256,866	-	21,256,866
Profit for the financial year available for discretionary distribution among members	-	3,396,908	3,396,908	-	3,396,908
Members' interests after profit for the year	21,256,866	3,396,908	24,653,774	-	24,653,774
Divisions of profit	-	(3,396,908)	(3,396,908)	3,396,908	-
Distribution of profit	-	-	-	(3,396,908)	(3,396,908)
Members' capital contribution	3,396,908	-	3,396,908	-	3,396,908
Members' interests 31 December 2019	24,653,774	-	24,653,774	-	24,653,774

	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 2018	17,328,117	-	17,328,117	-	17,328,117
Profit for the financial year available for discretionary distribution among members	-	3,928,749	3,928,749	-	3,928,749
Members' interests after profit for the year	17,328,117	3,928,749	21,256,866	-	21,256,866
Divisions of profit	-	(3,928,749)	(3,928,749)	3,928,749	-
Distribution of profit	-	-	-	(3,928,749)	(3,928,749)
Members' capital contribution	3,928,749	-	3,928,749	-	3,928,749
Members' interests 31 December 2018	21,256,866	-	21,256,866	-	21,256,866

True Potential Adviser Services LLP

Statement of accounting policies for the year ended 31 December 2019

Statement of compliance

True Potential Adviser Services LLP is a limited liability partnership incorporated in England, UK. The Registered Office is Newburn House, Gateway West, Newburn Riverside, Newcastle upon Tyne, NE15 8NX.

These financial statements are prepared in compliance 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, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"). The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of preparation

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 members consider this to be appropriate due to the cash generative and profitable nature of the entity. The principal accounting policies, which have been applied consistently throughout the year are set out below.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the members.

The partnership has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows includes the partnership's cash flows;
- (ii) from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures; and
- (iii) from disclosing the partnership's key management personnel compensation, as required by FRS 102 paragraph 33.7.

Turnover

Turnover represents fees earned from the provision of back-office services to financial advice companies. Turnover is recognised on a receivable basis 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% - 33.3%
Short leasehold buildings	length of lease

True Potential Adviser Services LLP

Statement of accounting policies for the year ended 31 December 2019 (continued)

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.

Members' profit shares and capital contributions

All profits for the year are allocated to True Potential LLP as set out in the partnership deed. A Members' capital contribution has been made to re-invest the profits back into True Potential Adviser Services LLP.

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.

Accounting judgements and estimates

The preparation of the financial statements in conformity with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. The estimates and judgements are based on historical experience and contracted rates, including expectation of future events that are believed to be reasonable. Management do not consider there to be any significant judgements and estimates.

Financial instruments

(i) Financial assets

Basic financial assets, including other debtors, cash and bank balances are initially recognised at transaction price. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 the profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled, or substantially all the risks and rewards of the ownership of the asset are transferred to another party.

(ii) Financial liabilities

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

True Potential Adviser Services LLP

Notes to the financial statements for the year ended 31 December 2019

1 Operating profit

The operating profit is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	120,155	122,021
Operating lease rentals – technology leasing	7,263	5,568
Auditors' remuneration		
- audit services	14,400	13,596
- taxation services	5,070	4,500

There are no persons holding service contracts with the partnership. None of the management board received any remuneration from the partnership during the year, or in the previous year.

2 Employee information

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

	2019	2018
	Number	Number
Administrative	35	35

	2019	2018
	£	£
Staff costs		
Wages and salaries	885,685	781,355
Social security costs	77,252	60,896
Other pension costs	19,116	8,624
	982,053	850,875

Notes to the financial statements for the year ended 31 December 2019 (continued)

3 Tangible assets

	Fixtures, fittings and equipment	Short leasehold buildings	Total
	£	£	£
Cost			
At 1 January 2019	1,768,800	76,806	1,845,606
Additions	12,920	-	12,920
At 31 December 2019	1,781,720	76,806	1,858,526
Accumulated depreciation			
At 1 January 2019	1,538,470	56,866	1,595,336
Charged during the year	110,549	9,606	120,155
At 31 December 2019	1,649,019	66,472	1,715,491
Net book amount			
At 31 December 2019	132,701	10,334	143,035
At 31 December 2018	230,330	19,940	250,270

4 Debtors

	2019	2018
	£	£
Amounts owed by group undertakings	24,908,785	21,048,406
Other debtors	142,262	139,876
Prepayments and accrued income	71,207	47,882
	25,122,254	21,236,164

Amounts owed by group companies are unsecured, non-interest bearing and repayable on demand.

True Potential Adviser Services LLP

Notes to the financial statements for the year ended 31 December 2019 (continued)

5 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	92,581	69,343
Taxation and social security	1,227	18,647
Pension contributions	4,170	2,249
Accruals and deferred income	595,641	525,602
	693,619	615,841

6 Related party transactions

The company has taken advantage of the exemption in FRS 102 para 33 'Related party disclosures' not to disclose transactions with other members of the Group headed by True Potential LLP, on the grounds that it is a wholly owned subsidiary of True Potential LLP, whose financial statements are publicly available. There were no other related party transactions in the year (2018: none).

7 Ultimate controlling party

The immediate parent undertaking is True Potential LLP. However, the ultimate parent undertaking and controlling party is True Potential Group Limited, a UK registered Limited Liability Company. Copies of the parent's consolidated financial statements can be obtained from Newburn House, Gateway West, Newburn Riverside, Newcastle upon Tyne, NE15 8NX.