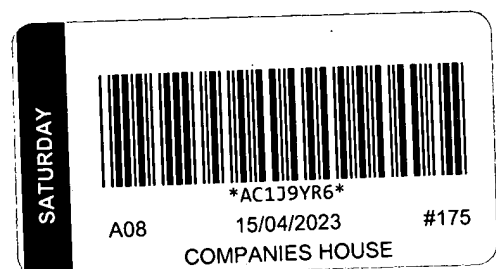


True Potential Adviser Services LLP
Report and financial statements
for the year ended 31 December 2022

Registered number OC326607



True Potential Adviser Services LLP
Report and financial statements
for the year ended 31 December 2022
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True Potential Adviser Services LLP

Members and advisers for the year ended 31 December 2022

Managing Board members

David Harrison

(Managing Partner)

Daniel Harrison

Mark Henderson

Neil Johnson

(Resigned 28 February 2023)

Registered office

Newburn House

Gateway West

Newburn Riverside

Newcastle upon Tyne

NE15 8NX

Bankers

The Royal Bank of Scotland plc

Bishopsgate

Threadneedle Street

London

EC2R 8AH

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Central Square

29 Wellington Street

Leeds

LS1 4DL

True Potential Adviser Services LLP

Members report for the year ended 31 December 2022

The members present their report and audited financial statements of the LLP for the year ended 31 December 2022.

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

Throughout 2022 True Potential Adviser Services LLP provided a back-office system to over 600 directly authorised financial advice firms nationwide. Turnover was £4.3 million (2021: £5.0 million) resulting in profit of £1.2 million (2021: £2.4 million).

Designated members

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

David Harrison (Managing Partner)
Daniel Harrison
Mark Henderson
Neil Johnson (Resigned 28 February 2023)

Members profit shares

True Potential LLP as the parent of True Potential Adviser Services LLP is entitled to all profits generated by the subsidiary as per the partnership agreement. Profits are distributed to repay any intercompany balance with the parent. Where there is no intercompany loan balance, profits will be retained by True Potential Adviser Services LLP until called upon by the parent.

Statement of members' responsibilities in respect of the financial statements

The members are responsible for preparing the 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 101 "Reduced Disclosure Framework", and applicable law).

True Potential Adviser Services LLP

Members report for the year ended 31 December 2022 (continued)

Statement of members' responsibilities in respect of the financial statements (continued)

Under company law, as applied to limited liability partnerships, 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 company and of the profit or loss of the company 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 101 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 company will continue in business.

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

The members are also 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.

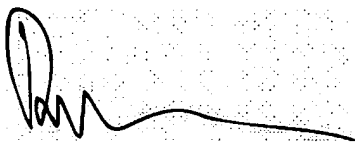
Disclosure of information to auditors

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



Daniel Harrison

Designated member

29 March 2023

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 LLP's affairs as at 31 December 2022 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, including FRS 101 "Reduced Disclosure Framework", 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 2022; the Statement of comprehensive income, the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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 LLP 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

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 LLP'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.

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

True Potential Adviser Services LLP

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.

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, 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 LLP'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 LLP 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the LLP and industry, we identified that the principal risks of non-compliance with laws and regulations related to the requirements of the Limited Liability Partnership Agreement and the Statement of Recommended Practice ('SORP') Accounting by Limited Liability Partnerships (issued 17 December 2021), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as 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 evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journals entries to turnover and administrative expenses. Audit procedures performed by the engagement team included:

- Enquiries with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding management's internal controls designed to prevent and detect irregularities;
- Identifying and testing journal entries meeting certain risk-based criteria, including unusual or unexpected account combinations and entries posted by unexpected users, where any such journals entries were identified;
- Designing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing; and

True Potential Adviser Services LLP

- Review of Board minutes.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 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.

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 obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the LLP, 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

Leeds

29 March 2023

True Potential Adviser Services LLP

Statement of comprehensive income for the year ended 31 December 2022

	Note	2022 £	2021 £
Turnover		4,332,445	4,957,700
Administrative expenses		(3,118,743)	(2,598,640)
Operating profit	3	1,213,702	2,359,060
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members		1,213,702	2,359,060
Other comprehensive income		-	-
Total comprehensive income		1,213,702	2,359,060

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 2022

	Note	2022 £	2021 £
Non-current assets			
Tangible assets	5	19,579	25,466
Current assets			
Trade and other receivables	6	27,243,813	28,064,918
Cash and cash equivalents	8	995,324	230,038
		28,239,137	28,294,956
Current liabilities			
Trade and other payables	7	(684,223)	(745,929)
Net current assets		27,554,914	27,549,027
Total assets less current liabilities		27,574,493	27,574,493
Net assets		27,574,493	27,574,493
Members' other interests			
Members' capital		27,574,493	27,574,493
Other reserves		-	-
Total members' interests		27,574,493	27,574,493

The financial statements on pages 7 to 15 were approved by the board of members on 29 March 2023 and were signed on its behalf by:



Daniel Harrison
Designated member

True Potential Adviser Services LLP

Statement of changes in equity for the year ended 31 December 2022

	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 2022	27,574,493	-	27,574,493	-	27,574,493
Profit for the financial year available for discretionary distribution among members	-	1,213,702	1,213,702	-	1,213,702
Members' interests after profit for the year	27,574,493	1,213,702	28,788,195	-	28,788,195
Divisions of profit	-	(1,213,702)	(1,213,702)	1,213,702	-
Distribution of profit	-	-	-	(1,213,702)	(1,213,702)
Members' interests at 31 December 2022	27,574,493	-	27,574,493	-	27,574,493

	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 2021	27,574,493	-	27,574,493	-	27,574,493
Profit for the financial year available for discretionary distribution among members	-	2,359,060	2,359,060	-	2,359,060
Members' interests after profit for the year	27,574,493	2,359,060	29,933,553	-	29,933,553
Divisions of profit	-	(2,359,060)	(2,359,060)	2,359,060	-
Distribution of profit	-	-	-	(2,359,060)	(2,359,060)
Members' interests at 31 December 2021	27,574,493	-	27,574,493	-	27,574,493

True Potential Adviser Services LLP

Notes to the financial statements for the year ended 31 December 2022

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 101: reduced Disclosure framework. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2022.

The LLP has adopted Financial Reporting Standard 101, reduced disclosure framework for the first time in the current year, transitioning from FRS 102 due to the UK Parent Company True Potential Group Limited transitioning to IFRS. The disclosure exemptions taken for all reporting periods in accordance with FRS 101 are:

- (a) the requirement of paragraphs 45(b) and 46-52 of IFRS 2 Share based payments, because: the share-based payment arrangement concerns the instruments of another group entity
- (b) the requirements of paragraph 62, B64(d), B64(e), B64(g), B64(h) B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- (c) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (d) the requirements of paragraph 91-99 of IFRS 13 Fair Value Measurement;
- (e) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - i. paragraph 79(a)(iv) of IAS 1;
 - ii. paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - iii. paragraph 118(e) of IAS 38 Intangible Assets;
- (f) the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D and 134-136 of IAS 1 Presentation of Financial Statements;
- (g) the requirements of IAS 7 Statement of Cash Flows;
- (h) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (i) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (j) the requirements of paragraph 134(d) – 134(f) and 135(c) - 135(e) of IAS 36 Impairment of Assets;
- (k) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers; and
- (l) the requirement of paragraph 52, the second sentence of paragraph 89 and paragraphs 90, 91 and 93 of IFRS 16 Leases.

True Potential Adviser Services LLP

Notes to the financial statements for the year ended 31 December 2022 (continued)

1 First-time Adoption of FRS 101

These financial statements, for the year ended 31 December 2022 are the first True Potential Adviser Services LLP has prepared in accordance with FRS 101. For periods up to and including the year ended 31 December 2021, the LLP prepared its financial statements in accordance with local generally accepted accounting principles, FRS 102.

Accordingly, the company has prepared financial statements that comply with FRS 101 applicable as at 31 December 2022, together with the comparative period data for the year ended 31 December 2021 as described in the summary of significant accounting policies. There are no adjustments on first-time adoption of FRS 101 applicable to True Potential Adviser Services LLP.

2 Accounting policies

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.

Administrative expenses

All administrative expenses are recognised on an accruals basis.

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% straight line
Short leasehold buildings	length of lease

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

True Potential LLP as the parent of True Potential Adviser Services LLP is entitled to all profits generated by the subsidiaries as per the partnership agreement. Profits are distributed to repay any intercompany balance with the parent. Where there is no intercompany loan balance, profits will be retained by True Potential Adviser Services LLP until called upon by the parent.

True Potential Adviser Services LLP

Notes to the financial statements for the year ended 31 December 2022 (continued)

2 Accounting policies (continued)

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.

Accounting judgements and estimates

The preparation of the financial statements in conformity with FRS 101 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.

True Potential Adviser Services LLP

Notes to the financial statements for the year ended 31 December 2022 (continued)

3 Operating profit

The operating profit is stated after charging:

	2022	2021
	£	£
Depreciation - owned assets	24,626	76,872
Auditors' remuneration		
- audit services	84,000	50,000
- taxation services	-	7,000

There are no persons holding service contracts with the LLP (2021: same). None of the management board received any remuneration from the LLP during the year, or in the previous year (2021: none).

4 Employee information

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

	2022	2021
	Number	Number
Administrative	37	38
	2022	2021
	£	£
Staff costs		
Wages and salaries	1,359,646	1,308,596
Social security costs	140,168	120,884
Other pension costs	32,093	30,213
	1,531,907	1,459,693

True Potential Adviser Services LLP

Notes to the financial statements for the year ended 31 December 2022 (continued)

5 Tangible assets

	Fixtures, fittings and equipment	Short leasehold buildings	Total
	£	£	£
At 31 December 2021			
Cost	707,855	76,806	784,661
Accumulated depreciation	(683,179)	(76,016)	(759,195)
Net book amount	24,676	790	25,466
For the year ended 31 December 2022			
Opening net book amount	24,676	790	25,466
Additions	18,739	-	18,739
Depreciation	(23,836)	(790)	(24,626)
Closing net book value	19,579	-	19,579

6 Trade and other receivables

	2022	2021
	£	£
Amounts owed by group undertakings	27,073,633	27,820,601
Other debtors	62,408	81,909
Prepayments and accrued income	107,772	162,408
	27,243,813	28,064,918

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 2022 (continued)

7 Trade and other payables

	2022	2021
	£	£
Trade creditors	43,027	84,503
Taxation and social security	93,582	86,711
Pension contributions	7,221	6,586
Accruals and deferred income	540,393	568,129
	684,223	745,929

8 Cash and cash equivalents

	2022	2021
	£	£
Cash held at bank	705,297	230,038
Investment in liquidity funds	290,027	-
Cash and Cash equivalents	995,324	230,038

9 Related party transactions

The company has taken advantage of the exemption in FRS 101 the requirements of paragraph 17 of IAS 24 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 (2021: none).

10 Ultimate controlling party

The immediate parent undertaking is True Potential LLP. However, the ultimate parent undertaking and controlling party is Cinven Capital Management (VII) General Partner Limited.