

Registration number: 03999011

**Astute Financial Advisers Limited**  
**Annual Report and Unaudited Financial Statements**  
**for the Period Ended 30 September 2021**



## Astute Financial Advisers Limited

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Astute Financial Advisers Limited  
Company Information

**Directors**

H M Ball  
S M Jones  
M K Tyler

**Company secretary**

R J Fletcher

**Registered office**

5 Lister Hill  
Horsforth  
Leeds  
LS18 5AZ

**Solicitors**

Addleshaw Goddard LLP  
Milton Gate  
60 Chiswell Street  
London  
EC1Y 4AG

**Bankers**

Lloyds Bank PLC  
1 Lovell Park Road  
Leeds  
LS2 8DA

Astute Financial Advisers Limited  
Strategic Report for the Period Ended 30 September 2021

The directors present their strategic report for the 15-month period ended 30 September 2021.

**Review of the business**

On 30 July 2021, Tenet & You Limited acquired 100% of the issued share capital of Flexcrest Limited, the parent company of Astute Financial Advisers Limited (the Company). On 17 January 2022, the entire share capital of the Company was transferred to Tenet & You Limited, another Group company.

The Company changed its year end date to 30 September and therefore this report is for the 15-month period to 30 September 2021.

The Company's principal activity is the provision of financial advice in respect of and the distribution of regulated pension, insurance, investment and mortgage products as an appointed representative of TenetConnect Limited, another Group company. There have not been any significant changes in the Company's principal activities in the period under review

Turnover increased by £343k to £1,170k (2020: £827k). The Company had a profit before tax of £453k (2020: £311k). The statement of financial position shows that the Company's net assets have increased to £211k (2020: £73k). The directors are satisfied with the results for the period and expect the general level of activity in the forthcoming year to reflect market conditions.

The directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. Notes 2 and 3 include details of key assumptions used in the preparation of the Company's financial statements. The principal risks and uncertainties facing the Company are detailed below. There have been no significant events since the balance sheet date.

**Principal risks and uncertainties**

The business is active in the sale of regulated financial products and advises customers as to their appropriateness. As a consequence, the Company's activities are regulated which gives rise to a number of risks, including censure by the FCA. Such risks may manifest themselves financially through redress payable regarding the sale of financial products and fines imposed by the FCA for regulatory breaches. The Company operates a strict compliance regime, to mitigate such risks and has arranged professional indemnity insurance which conforms to the requirements of the FCA.

The business receives commission for the sale of financial products from life insurers and mortgage lenders. Some commission payments are received on an "indemnity" basis and may become repayable in the event that a policy is cancelled subsequent to its sale. Where such clawbacks of commission occur, the Company monitors such activity.

Competitive pressure is a continuing risk for the Company, which could result in it losing sales to its key competitors. The Company manages this risk by providing added value services to its Appointed Representatives, having fast response times not only in supplying products and services but in handling all Appointed Representatives queries and by maintaining strong relationships with its Appointed Representatives.

Approved by the Board on 28 September 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M K Tyler', is written over a horizontal line.

M K Tyler  
Director

**Astute Financial Advisers Limited**  
**Directors' Report for the Period Ended 30 September 2021**

The directors present their annual report and the audited financial statements for the 15-month period ended 30 September 2021.

**Dividends**

The company paid a dividend of £243,900 (2020: £238,600).

**Directors of the company**

The directors, who held office during the period and up to the date of this report were as follows:

H M Ball (appointed 30 July 2021)  
S M Jones (appointed 30 July 2021)  
C M Hawkins (resigned 30 July 2021)  
M H Bickler (resigned 30 July 2021)  
M K Tyler (appointed 22 September 2022)

**Future developments and post balance sheet events**

There have been no post balance sheet events. At the date of this report, the directors are not aware of any likely major changes in the Company's activities in the next year.

**Directors' Indemnities**

As at the date of this report, it is Group policy to provide the directors of Group companies with indemnities as disclosed in the financial statements of Tenet Group Limited.

**Going concern**

The Company holds large buffers for regulatory capital and cash. This is monitored on a monthly basis. However, the Company's forecasts and projections, including sensitivity analysis taking into account reasonably possible adverse changes in trading performance, show that the company should be able to operate successfully. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully in the present challenging economic environment.

The Company has an adequate level of financial resources, including £211k cash at bank (2020: £115k) and net current assets of £211k (2020: £67k). Furthermore, the Company has no bank debt or other financial liabilities with any restrictive or financial covenants. It has long established relationships with a large number of advisers, product providers and suppliers across a diverse geographical area within the UK, with no significant credit risk exposure to any single counterparty.

Taking these factors into account, and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to trade successfully and fully comply with its regulatory requirements for 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

**Audit exemption**

For the period ended 30 September 2021, the Company was entitled to exemption under section 479a of the Companies Act 2006. No members have required the Company to obtain an audit of its financial statements for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of financial statements. In line with the criteria relating to this legislation, the Group's financial statements, which includes the consolidation of this company and its subsidiaries, have been audited.

## Astute Financial Advisers Limited

### Directors' Report for the Period Ended 30 September 2021 (continued)

#### Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

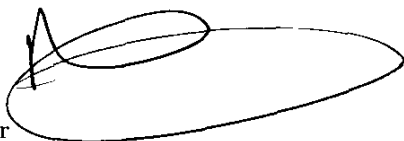
- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board on 28 September 2022 and signed on its behalf by:

M K Tyler  
Director

A handwritten signature in black ink, consisting of a stylized 'M' followed by a large, sweeping loop that extends to the right and then curves back down to the baseline.

**Astute Financial Advisers Limited**  
**Income Statement for the Period Ended 30 September 2021**

	<b>Note</b>	<b>15 months to 30 September 2021 £</b>	<b>12 months to 30 June 2020 £</b>
Turnover	2	1,170,479	827,439
Cost of sales		<u>(97,574)</u>	<u>(51,666)</u>
Gross profit		1,072,905	775,773
Administrative expenses		<u>(619,537)</u>	<u>(463,257)</u>
Operating profit	4	453,368	312,516
Finance income	5	69	-
Finance costs	5	<u>(402)</u>	<u>(1,230)</u>
Net finance costs		(333)	(1,230)
Profit before tax		453,035	311,286
Income tax charge	8	<u>(71,189)</u>	<u>(62,161)</u>
Profit for the period		<u>381,846</u>	<u>249,125</u>

All amounts relate to continuing operations. There was no recognised income and expenditure in the period *other than the result for the period as shown above and consequently no statement of other comprehensive income* has been presented.

The notes on pages 8 to 16 form an integral part of these financial statements.

Astute Financial Advisers Limited

(Registration number: 03999011)

Statement of Financial Position as at 30 September 2021

	Note	30 September 2021 £	30 June 2020 £
<b>Fixed assets</b>			
Tangible assets	9	-	6,119
Intangible assets	10	-	229
		-	6,348
<b>Current assets</b>			
Trade and other receivables	11	179,169	26,606
Investments	12	-	61,129
Cash at bank and in hand		211,340	115,217
		390,509	202,952
Trade and other payables	13	(179,983)	(135,692)
<b>Net current assets</b>		210,526	67,260
<b>Total assets less: current liabilities</b>		210,526	73,608
<b>Provisions for liabilities</b>		-	(1,028)
<b>Equity</b>		210,526	72,580
<b>Capital and reserves</b>			
Called up share capital	14	100	100
Retained earnings		210,426	72,480
<b>Total equity</b>		210,526	72,580

For the financial period in question the company was entitled to exemption under section 479a of the Companies Act 2006.

No members have required the company to obtain an audit of its financial statements for the period in question in accordance with section 476 of the Companies Act 2006.

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

The notes on pages 8 to 16 form an integral part of these financial statements.

Approved by the Board 28 September 2022 and signed on its behalf by:

  
 M K Tyler  
 Director



Astute Financial Advisers Limited

Statement of Changes in Equity for the Period Ended 30 September 2021

	Called up share capital £	Retained earnings £	Total £
At 1 July 2020	100	72,480	72,580
Profit for the period	-	381,846	381,846
Total comprehensive income	-	381,846	381,846
Dividend paid	-	(243,900)	(243,900)
At 30 September 2021	100	210,426	210,526

	Called up share capital £	Retained earnings £	Total £
At 1 July 2019	100	61,955	62,055
Profit for the year	-	249,125	249,125
Total comprehensive income	-	249,125	249,125
Dividend paid	-	(238,600)	(238,600)
At 30 June 2020	100	72,480	72,580

The notes on pages 8 to 16 form an integral part of these financial statements.

## Astute Financial Advisers Limited

### Notes to the Unaudited Financial Statements for the Period Ended 30 September 2021

#### **1. General information**

The Company is a private company limited by share capital incorporated and domiciled in England and Wales.

The address of its registered office is:

5 Lister Hill  
Horsforth  
Leeds  
LS18 5AZ

#### **Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council and prepares accounts under ("FRS 101") as issued by the Financial Reporting Council.

The financial statements have been prepared on the historic cost basis. The functional currency of the Group is considered to be pounds sterling because that is the currency of the primary economic environment in which the Group operates.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to standards issued but not yet effective, financial instruments, presentation of a cash-flow statement and related party transactions. Where required, equivalent disclosures are given in the Group financial statements of Tenet Group Limited. The Group financial statements of Tenet Group Limited are available to the public.

As stated in the Directors' Report, after making enquiries the directors have a reasonable expectation that the company has adequate resources to continue trading successfully and fully comply with its regulatory requirements for 12 months from the date of the director's report. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

#### **2. Accounting policies**

##### **Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **New accounting standards**

##### **New standards, amendments and improvements to IFRS applicable to the current accounting period**

There are no new accounting standards, amendments, or IFRS ICs which are expected to have an impact on the financial statements.

##### **New standards, amendments and improvements to IFRS, applicable to the next accounting period.**

There are no new accounting standards, amendments, or IFRS ICs which are expected to have an impact on the financial statements for the next accounting period

## Astute Financial Advisers Limited

### Notes to the Unaudited Financial Statements for the Period Ended 30 September 2021 (continued)

#### **2. Accounting policies (continued)**

##### **Revenue**

All revenue relates to the principal activities described in the Strategic Report and arises in the United Kingdom.

Revenue is measured at the fair value of the consideration received or receivable and represents commissions and fees receivable, other amounts receivable from product providers and sales of services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Initial fee income is recognised once the performance obligation has been met, which is the provision of financial advice. Renewal commissions are accounted for when received for those which have a servicing element. Fee income is recognised based on when the performance obligation is met and when there is likely to be no significant revenue reversal.

##### **Tax**

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expenses 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, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are only recognised when it is probable that the Company will be able to realise these benefits. Deferred tax liabilities are recognised when incurred. These are recognised at the substantially enacted tax rates.

##### **Goodwill**

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Company's interest in the fair value of the identifiable assets and liabilities of the subsidiary at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Goodwill arising on acquisition before the date of transition to IFRSs has been retained at the previous UK GAAP amounts, subject to being tested for impairment at that date.

##### **Intangible assets**

Intangible assets are stated at cost net of amortisation. Amortisation is provided at rates calculated to write off the costs of each asset over its estimated useful economic life, of between 7-14 years on a straight-line basis.

##### **Property, plant and equipment**

Property, plant and equipment is stated at cost net of depreciation. Depreciation is provided at rates calculated to write off the cost, less the estimated residual value of each asset, on a straight-line basis over its estimated useful life of 5 years.

## Astute Financial Advisers Limited

### Notes to the Unaudited Financial Statements for the Period Ended 30 September 2021 (continued)

#### **2. Accounting policies (continued)**

##### **Trade receivables**

Trade and other receivables are classified as financial assets measured at amortised cost. Under the IFRS 9 ECL model, a credit event (or impairment trigger) no longer needs to occur before credit losses are recognised. The Company analysed the risk profile of trade receivables based on past experience and an analysis of the receivables current financial position, potential for a default event to occur, adjusted for specific factors, general economic conditions of the industry in which the receivables operate and assessment of both the current and forecast direction of conditions at the reporting date. A default event is considered to occur when information is obtained that indicates a receivable is unlikely to settle their liability with the Company.

Credit risk is regularly reviewed by management to ensure the expected credit loss model (ECL) is being appropriately applied.

##### **Investments held as current assets**

Investments are included at fair value and changes are recognised through the profit and loss account.

##### **Cash and cash equivalents**

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

##### **Trade payables**

Trade payables are other financial liabilities initially measured at fair value and subsequently measured at amortised cost.

##### **Pensions**

The Company contributes to a defined contribution pension scheme administered by another Group company. The amount charged to the income statement relates to the contributions payable in the year. Differences arising between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

##### **Financial assets and liabilities**

##### ***Classification and measurement of financial assets and liabilities***

Classification of financial assets and liabilities are generally based on the business model in which the financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at amortised cost if it is held with the objective of collecting the contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. There are currently no other financial assets which are measured at fair value through other comprehensive income or profit or loss.

#### **3. Critical accounting judgements and key sources of estimation uncertainty**

##### **Critical judgements in applying the Company's accounting policies**

The Company has determined that there are no critical judgements or estimates in the Company's accounting policies.

# Astute Financial Advisers Limited

## Notes to the Unaudited Financial Statements for the Period Ended 30 September 2021 (continued)

### 4. Operating profit

The operating profit is arrived at after charging:

	<b>15 months to 30 September 2021 £</b>	<b>12 months to 30 June 2020 £</b>
Amortisation expense	229	2,681
Depreciation expense	2,587	3,549
Loss on sale of fixed assets	5,039	-

### 5. Interest payable and similar charges

	<b>15 months to 30 September 2021 £</b>	<b>12 months to 30 June 2020 £</b>
<b>Finance income</b>		
Interest income on bank deposits	69	-
Total finance income	69	-
<b>Finance costs</b>		
Interest payable and similar items	402	1,230
Total finance costs	402	1,230

## Astute Financial Advisers Limited

### Notes to the Unaudited Financial Statements for the Period Ended 30 September 2021 (continued)

#### 6. Staff costs

All staff utilised by the company in the delivery of its services are employed by Tenet Group Limited. Tenet Group Limited is responsible for the payment of the remuneration of all Tenet Group Limited employees, including the directors of the Company, and it receives recompense from the Company in respect of this service through management recharges.

The amounts disclosed below relate to amounts which have been incurred by the Company and have been recharged to the Company by Tenet Group Limited.

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>15 months to 30 September 2021 £</b>	<b>12 months to 30 June 2020 £</b>
Wages and salaries	254,424	178,651
Social security costs	32,224	22,301
Pension costs, defined contribution scheme	138,624	106,800
	<u>425,272</u>	<u>307,752</u>

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows:

	<b>15 months to 30 September 2021 No.</b>	<b>12 months to 30 June 2020 No.</b>
Administration and consultancy	6	6
Directors	2	2
	<u>8</u>	<u>8</u>

#### 7. Directors' remuneration

The fees or emoluments of all directors were paid by Tenet Group Limited, post-acquisition.

One of the Directors is an executive of the ultimate parent undertaking, Tenet Group Limited, and their remuneration is disclosed within Tenet Group Limited consolidated accounts. The previous directors received total remuneration of £18,417 (2020: £17,000) and £123,716 (2020: £79,748) defined contribution pension benefit. No allocation between the services is made.

# Astute Financial Advisers Limited

## Notes to the Unaudited Financial Statements for the Period Ended 30 September 2021 (continued)

### 8. Income tax

Tax charged in the income statement

	15 months to 30 September 2021 £	Year to 30 June 2020 £
<b>Current taxation</b>		
UK corporation tax	72,217	61,456
Deferred tax	(1,028)	705
	<u>71,189</u>	<u>62,161</u>

The tax on profit before tax for the period is lower (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

The differences are reconciled below:

	15 months to 30 September 2021 £	Year to 30 June 2020 £
Profit before tax	<u>453,035</u>	<u>311,286</u>
Corporation tax at standard rate	86,077	59,144
Adjustments for:		
- Depreciation and assets subject to capital allowances written off	1,353	674
- Group relief	(14,825)	-
- Amortisation not subject to tax	44	509
- Capital allowances	(231)	(178)
- Prudential onshore bond	(362)	-
- Disallowable expenditure	161	1,307
Deferred tax movement	<u>(1,028)</u>	<u>705</u>
Total tax charge	<u>71,189</u>	<u>62,161</u>

Finance Act 2021, which was substantively enacted on 24 May 2021, includes a provision to increase corporation tax to 25% with effect from 1 April 2023. This rate increase has been applied to any timing differences expected to reverse on or after 1 April 2023.

Astute Financial Advisers Limited

Notes to the Unaudited Financial Statements for the Period Ended 30 September 2021  
(continued)

**9. Tangible assets**

	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1 July 2019	51,872	51,872
Additions	800	800
<b>At 30 June 2020</b>	<b>52,672</b>	<b>52,672</b>
At 1 July 2020	52,672	52,672
Additions	1,507	1,507
Disposals	(54,179)	(54,179)
<b>At 30 September 2021</b>	<b>-</b>	<b>-</b>
<b>Depreciation</b>		
At 1 July 2019	43,004	43,004
Charge for the year	3,549	3,549
<b>At 30 June 2020</b>	<b>46,553</b>	<b>46,553</b>
At 1 July 2020	46,553	46,553
Charge for the period	2,587	2,587
Disposals	(49,140)	(49,140)
<b>At 30 September 2021</b>	<b>-</b>	<b>-</b>
<b>Carrying amount</b>		
At 30 September 2021	-	-
At 30 June 2020	6,119	6,119



Astute Financial Advisers Limited

Notes to the Unaudited Financial Statements for the Period Ended 30 September 2021  
(continued)

**10. Intangible assets**

	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1 July 2019	53,606	53,606
<b>At 30 June 2020</b>	<b>53,606</b>	<b>53,606</b>
At 1 July 2020	53,606	53,606
<b>At 30 September 2021</b>	<b>53,606</b>	<b>53,606</b>
<b>Amortisation</b>		
At 1 July 2019	50,696	50,696
Amortisation charge	2,681	2,681
<b>At 30 June 2020</b>	<b>53,377</b>	<b>53,377</b>
At 1 July 2020	53,377	53,377
Amortisation charge	229	229
<b>At 30 September 2021</b>	<b>53,606</b>	<b>53,606</b>
<b>Carrying amount</b>		
<b>At 30 September 2021</b>	<b>-</b>	<b>-</b>
<b>At 30 June 2020</b>	<b>229</b>	<b>229</b>

**11. Trade and other receivables**

	<b>30 September 2021 £</b>	<b>30 June 2020 £</b>
Trade receivables	162,016	4,418
Amounts due from related parties	3,777	-
Other debtors	13,376	22,188
	<b>179,169</b>	<b>26,606</b>

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

# Astute Financial Advisers Limited

## Notes to the Unaudited Financial Statements for the Period Ended 30 September 2021 (continued)

### 12. Current asset investments

	30 September 2021 £	30 June 2020 £
Listed investments	-	61,129

### 13. Trade and other payables

	30 September 2021 £	30 June 2020 £
Trade payables	5,528	20,298
Accrued expenses	3,801	-
Amounts due to related parties	57,744	3,803
Taxation and social security	72,270	66,386
Other creditors	40,640	45,205
	<u>179,983</u>	<u>135,692</u>

The directors consider that the carrying amount of trade and other payables approximates their fair value. Amounts due to related parties are repayable on demand.

### 14. Called up share capital

#### Allotted, called up and fully paid shares

	No.	2021 £	No.	2020 £
Ordinary Shares of £1 each	100	100	100	100

### 15. Related party transactions

#### Summary of transactions with parent entities

As a wholly owned subsidiary, the Company has taken advantage of the exemption in FRS 101 "Related Party Transactions" from disclosing related party transactions with other entities included in the consolidated financial statements of Tenet Group Limited.

### 16. Parent and ultimate parent undertaking

The company is a wholly owned subsidiary of Flexcrest Limited, a company incorporated in England and Wales. The directors consider that Tenet Group Limited, also a company incorporated in England and Wales, is the Company's ultimate parent undertaking and is the controlling party.

Tenet Group Limited is the smallest and largest group in which the results of the company are consolidated. Copies of the financial statements of Tenet Group Limited are available from 5 Lister Hill, Horsforth, Leeds, LS18 5AZ.

### 17. Events after the balance sheet date

On 17 January 2022 the entire share capital was transferred to Tenet & You Limited, another group company.