

## Adopting a Platform.

## Due Diligence checklist.

<b>Firm Name:</b>	<b>Portcullis Financial Planning Limited of: Mere Lodge   Pear Tree Drive   Stourbridge   West Midlands   DY8 2LB or telephone 01562 510510.</b>	
<b>Firm Principal:</b>	Jonathan Thompson	<b>Date: 2nd January 2018</b>

The Financial Conduct Authority has given helpful guidance about adopting a platform strategy and this has been consulted to create this review document.

Platforms: using supermarkets and wraps

<https://www.fca.org.uk/publication/other/fs012-platforms-using-fund-supermarkets-and-wraps.pdf>

CP10/29: Platforms: Delivering the RDR and other issues for platforms and nominee-related services

[http://www.fsa.gov.uk/pubs/cp/cp10\\_29.pdf](http://www.fsa.gov.uk/pubs/cp/cp10_29.pdf)

The following checklist is taken directly from the FSA's own guidance in their 'Platforms: using supermarkets and wraps' paper.

### 1. Overall business model and the type of services offered to our clients

**Portcullis Financial Planning Limited** is a Financial Advice firm offering savings, investment, pension and protection advice to our clients.

Our business model is one that relies upon the use of dynamic technology to monitor and control our administration and compliance responsibilities, meaning that more time can be spent working with our clients to help them achieve their goals and improve their wealth. This is also subsequently displayed to the client via their own personal client website for access 24/7.

We have adopted an investment platform to further increase these efficiencies and supply an even more effective wealth management service to our clients through a thorough understanding of their goals and allying this to innovative strategies and secure instant online access to key personal financial information.

### 2. Our typical target market and approach to client segmentation:

All clients will benefit from our clear and consistent approach to wealth creation. Through correctly harnessing technology, this consistent approach is infinitely scale-able and gives our clients the opportunity to access their financial information through the web or their mobile devices.

Because of this consistent and low-impact way of working we have not seen the need to segment our client bank.

### **3. Our remuneration model: Fees, adviser charging or combination:**

**Portcullis Financial Planning Limited** is currently remunerated through a combination of adviser charging, fees and provider commissions in the form of ongoing trail commission.

We have successfully transitioned from a model that predominately relied on up-front and trail commission to adviser charging and / or fee based payments direct from the client in line with the policy laid out in the Retail Distribution Review. Our adviser charging structure is set at levels so as not to erode our client's current or future wealth.

### **4. Our existing systems and procedures:**

Our new business administration, compliance and financial support is carried out using back office software provided by True Potential Adviser Services LLP. This approach means that all aspects of True Potential Wealth Management LLP are linked through common client and financial data delivering a high level of business reporting, control and transparency.

**Portcullis Financial Planning Limited** has adopted a wealth platform that extends this linkage, lifestyle analysis, risk versus reward analysis and investment advice

### **5. The platform provider (their reputation and financial standing)**

True Potential Investments LLP is powered by technology that is renowned for its award-winning systems and integration capabilities. The Wealth Platform is fully integrated with True Potential Adviser Services LLP.

True Potential Investments LLP was awarded 21 five star ratings in the first F&TRC Adviser Software Systems 2011 e-Excellence survey, has been awarded a 'eee' rating in the Financial Planning Tools survey for Growing Pensions and Investments and is the 2011 winner of the prestigious Money Marketing Best use of Technology by an Adviser award. In addition True Potential Investments LLP has also been awarded best New Investment Platform 2012 at the Aberdeen UK Platform awards.

The Senior Partner leadership team within True Potential LLP have extensive experience in UK financial services including IFA distribution, investment management and applying effective technology systems to empower businesses.

The custodian of the assets on the Wealth Platform, SEI Investments, is a leading global provider of asset management, investment processing, and investment operations solutions. SEI manages or administers \$429 billion in mutual fund and pooled or separately managed assets, including \$179 billion in assets under management and \$250 billion in client assets under administration. This is substantially more than any other platform provider, and gives our clients security as to the safe custody of their assets.

### **6. Terms and Conditions of using the platform**

The terms and conditions of True Potential Investments LLP, (Platform) are straightforward and easy to understand. Their best execution policy ensures a timely transmission of all platform transactions. Payment methods are available to best suit clients including debit card, bank transfer and personal cheque.

### **7. Charges – including actual cost, charging structure and transparency of charges**

The platform charges levied by True Potential Investments LLP are straightforward, were and are designed to be transparent, and easy to understand by our clients.

Where agreed Adviser Charging is in place, these charges are taken from the client cash account held on the platform. We have the flexibility to choose the most appropriate fee structure with our clients and the charging procedure is in line with customer agreed remuneration and RDR policy.

True Potential Investments LLP charges are directly from the account held on the platform. All fund rebates are added to the account in a transparent way. The platform has no transfer fee charged on assets being transferred on or off.

### **8. Range of tax wrappers, mutual funds, and diversified investment strategies**

The True Potential Investments single integrated Wealth Platform features a range of tax treatments for investments, and pensions. The tax treatments are ISA, Direct ISA, General Investment Account as well as ISA and General Investment Account Cash Park facility, Self Invested Personal Pensions and Personal pensions– the SIPPS available on the Wealth Platform are as follows, Pointon York, Intelligent Money and Suffolk Life. The platform also offers Personal Pensions through - Intelligent Money and True Potential. There is a range of Offshore Bonds available from - Canada Life International, AXA Isle of Man, AXA Life Europe, IOM Assurance Ltd and Royal London 360. There is an extensive range of funds and investment sectors to choose from via the Platform.

There are 9,700 mutual funds available together with over 1,200 Exchange Traded Funds (ETFs), 315 Investment trusts and REITS as well as over 5,500 direct equities in the form of company shares traded on the London Stock Exchange.

True Potential Investments LLP also offers strategic portfolios in a range of investment manager styles such as ‘manager of manager’; actively-managed passives, and Multi-Asset direct investments, all of which have been mapped to the Morningstar Ibbotson risk profiles. These strategies offer access to Cazenove Capital; Allianz Global Investors; Close Brothers; Seven Investment Management, SEI as well as exclusive access to Goldman Sachs and UBS.

### **9. Range of asset classes:**

The True Potential Investments Platform provides access to the complete range of all investable asset classes including: UK Equities, UK Small Cap Equities, North American Equities, European Equities, Asia Pacific Equities, Emerging Market Equities, Real Estate (Direct Property), Commodities, Emerging Market Bonds, Global High Yield Bonds, International Investment Grade Bonds, UK Gilts, UK Credit Bonds, Cash.

### **10. Functionality (for example the ability to switch or re-register off platform):**

The Platform has the capability to: switch or re-register on and off platform and record legacy assets, re-register assets; accept liquidation transfers within tax wrappers, buy sell and exchange mutual funds, ETFs and direct equities, provide annual consolidated tax reports, provide regular or extraordinary tax reports, allow access to custom and pre-defined strategies, allow rebalancing on a scheduled and ad hoc basis, allow access to external product providers, SIPPs and Bonds.

Following integration with 'Yodlee' the True Potential Investment Platform now has the ability to integrate banking details providing further detailed amalgamation of client information. This is included within the platform at no additional charge to the end client. Having moved into the Retail Distribution Review the platform can accommodate customer agreed remuneration.

#### **11. Accessibility:**

True Potential Investments LLP have developed functionality and tools that will give us and our client's unique accessibility. Live portfolio valuations, policy and client documentation and personal information held are accessible by both the adviser and the client 24 hours a day on a range of devices including web, smart-phones and tablet PCs. Contact between us and our client can be securely handled within system through secure messaging, a system that encrypts and audits all communication. Contact between us and True Potential Investments LLP (Platform) is handled using an innovative and online pipeline system, ensuring that full records are kept at all times.

#### **12. Additional tools (for example, risk profiling and asset allocation tools):**

True Potential Investments LLP have developed a number of bespoke tools, all of which are seamlessly linked to our system and are proprietary in the majority. This includes investment objective planning tools, efficient frontier, back testing, risk versus return mapping and lifestyle planning. Morningstar® Ibbotson® model portfolios, asset allocation x-ray & remodeling tools and a portfolio construction tool that allows us to individualize needs, risks and objectives per customer.

The Platform automatically captures and stores evidence of research, illustrations and fund fact sheets, to enable a full and compliant business submission to be created.

#### **13. Support services:**

Example firm is already powered by the True Potential Adviser Services LLP back office system. The excellent support and time saving processes provided by True Potential Adviser Services LLP allows for single data entry where appropriate, the Platform is able to maximize in on the single data entry in the same way and pulls through client data. The administration burden is significantly minimized due to the links between the wealth platform and our firm:

- Compliant business submissions can be created using evidence of research from the Platform.
- Fees, and adviser agreed remuneration reconciliations are automatically created
- Valuation links and feeds are automatically created
- Post and Platform documentation is automatically published to the client's personal website.

Additional training and support is available to all users of the Platform through face to face, online and offline media, including webinars, training videos and step by step training material.

**Signed by Firm Principle:**

