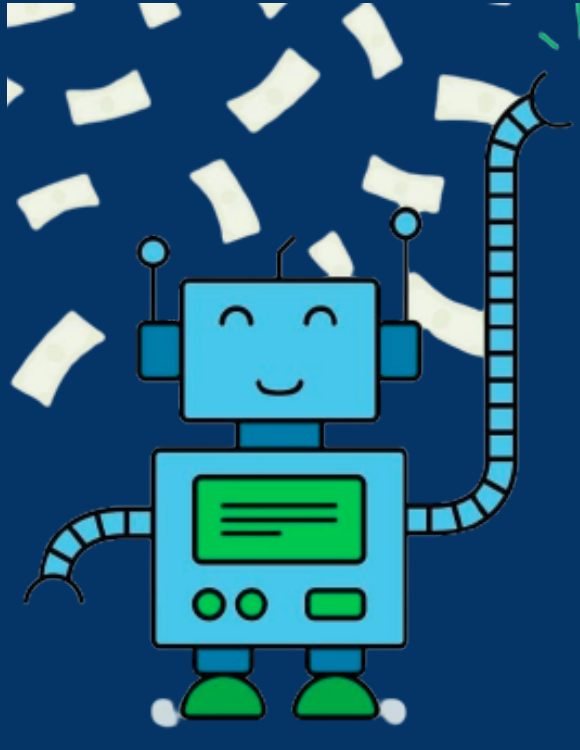
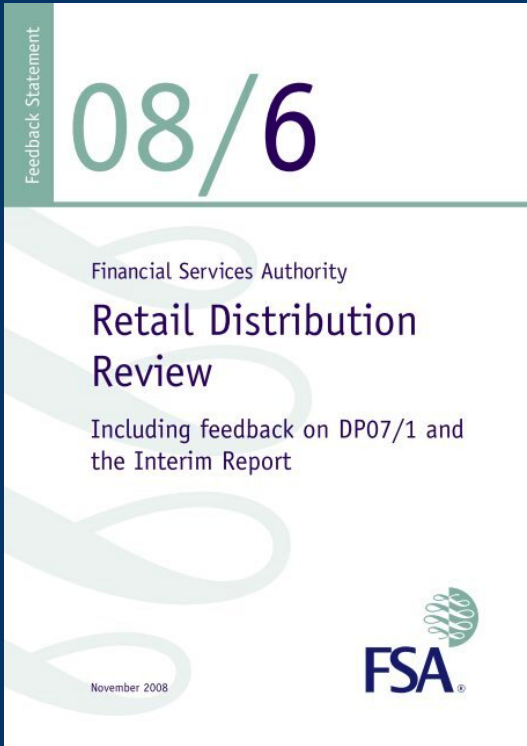


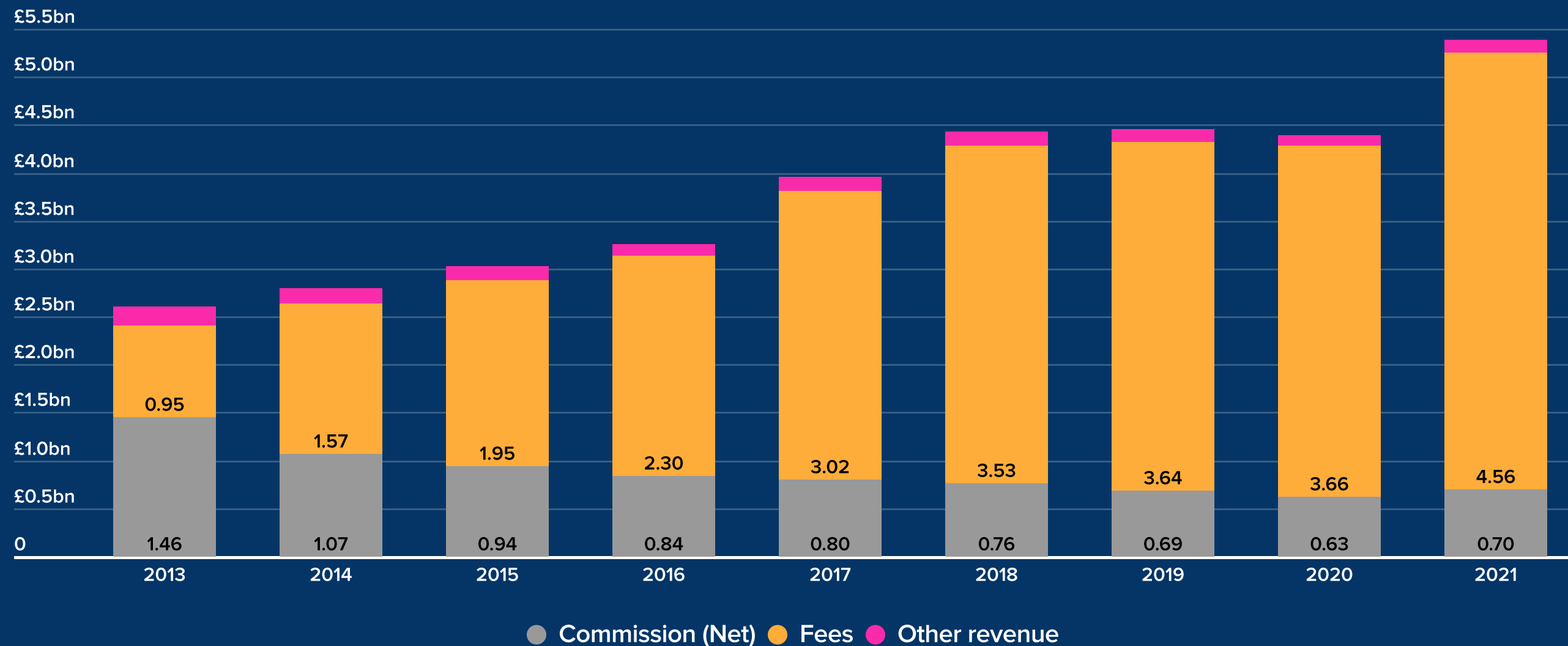


# What Doesn't Kill You....



# Better, Faster, Stronger...

Revenue from retail investment advice business



Sources: FCA (Jun, 2022) - The retail intermediary sector in 2021 July 2022 data publication - underlying data pack

# Never Had It So Good...

News of the demise of the independent adviser has been greatly exaggerated



## 3.21m

Ongoing Advice Clients (2021)



## 21%

Av increase in fee revenue (2013 -2021)



## 93%

Net Client Retention (2021)



## £5.3bn

Retail Investment Advice Revenue (2021)



## 8.3%

Net New Client Growth (2021)



## 0.09%

% of Advice Client Complaints to FOS (2021)

# 'Threats'

Supposed emerging threats to the independent financial advisers!

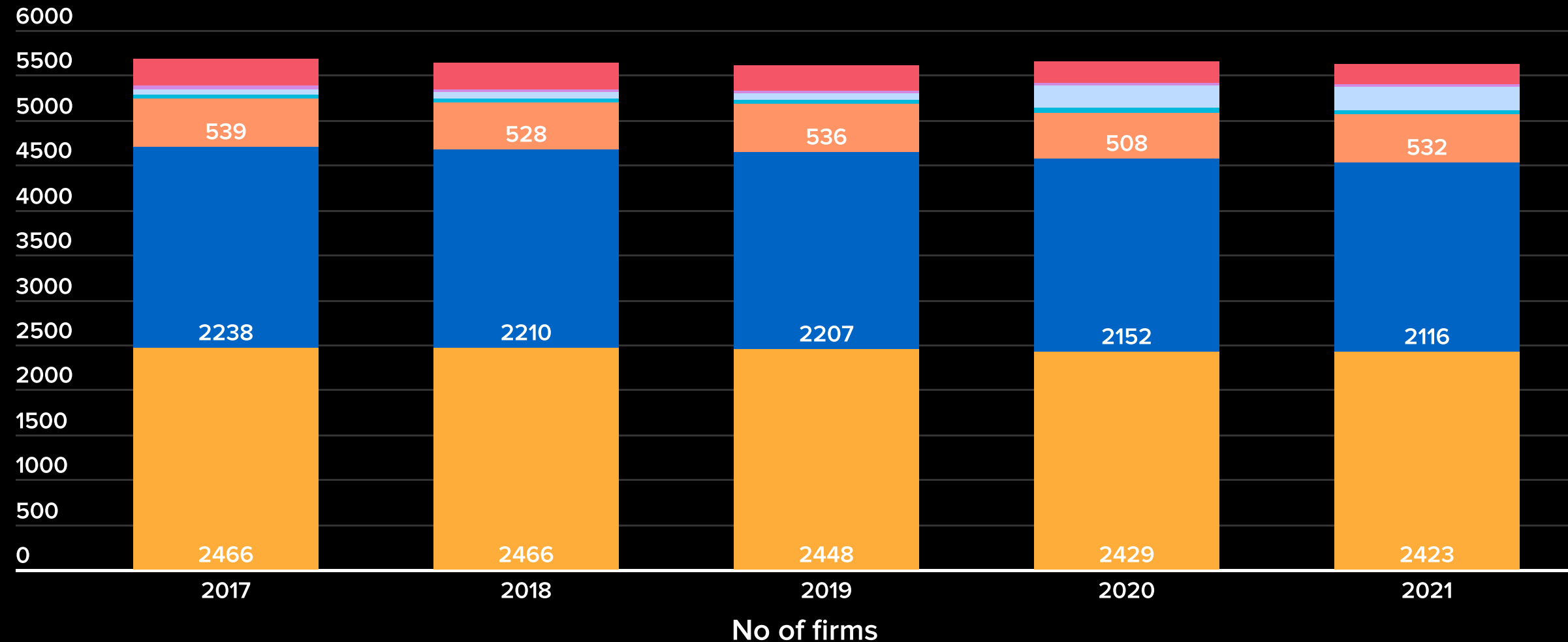
✕ Consumer Duty

✕ AI

✕ Consolidation

# Consolidation? What Consolidation?

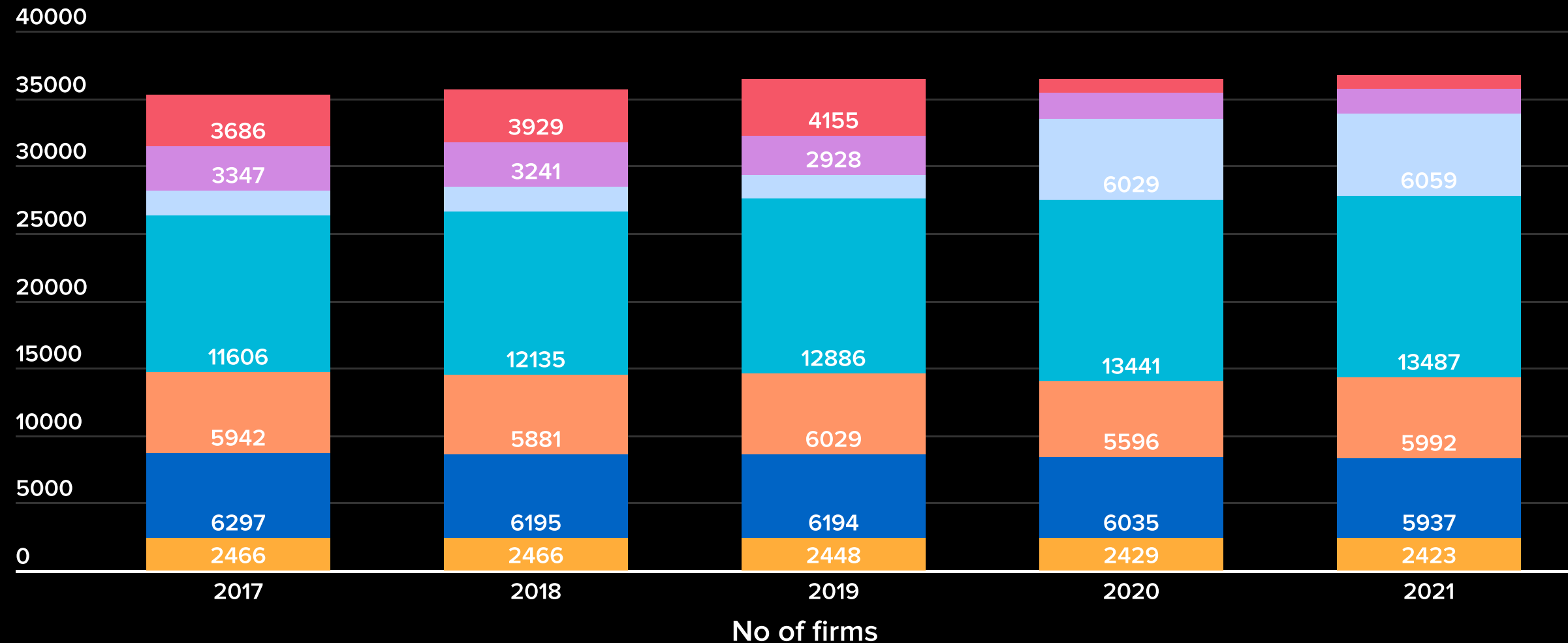
## Regulated Advice Firms by Category



● 1 adviser 
 ● 2-5 advisers 
 ● 6-50 advisers 
 ● Over 50 advisers 
 ● Wealth & Inv Mgr 
 ● Banks & BS 
 ● Other firms

# Consolidation: Talkin' Loud And Sayin' Nothing

No of Advisers by Firm Type

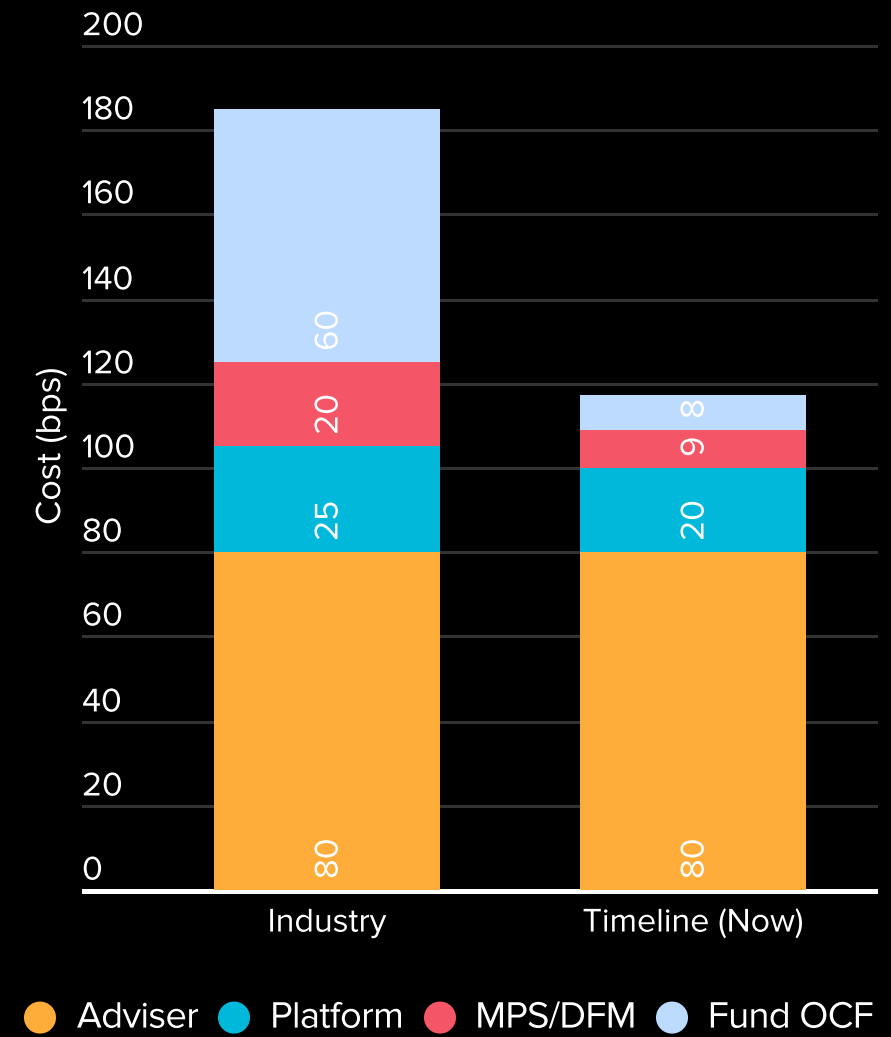


● 1 adviser ● 2-5 advisers ● 6-50 advisers ● Over 50 advisers ● Wealth Mgrs/ Stockbrokers ● Bank & BS ● Others

# Troubles, Troubles, Troubles

For PE-backed Consolidators

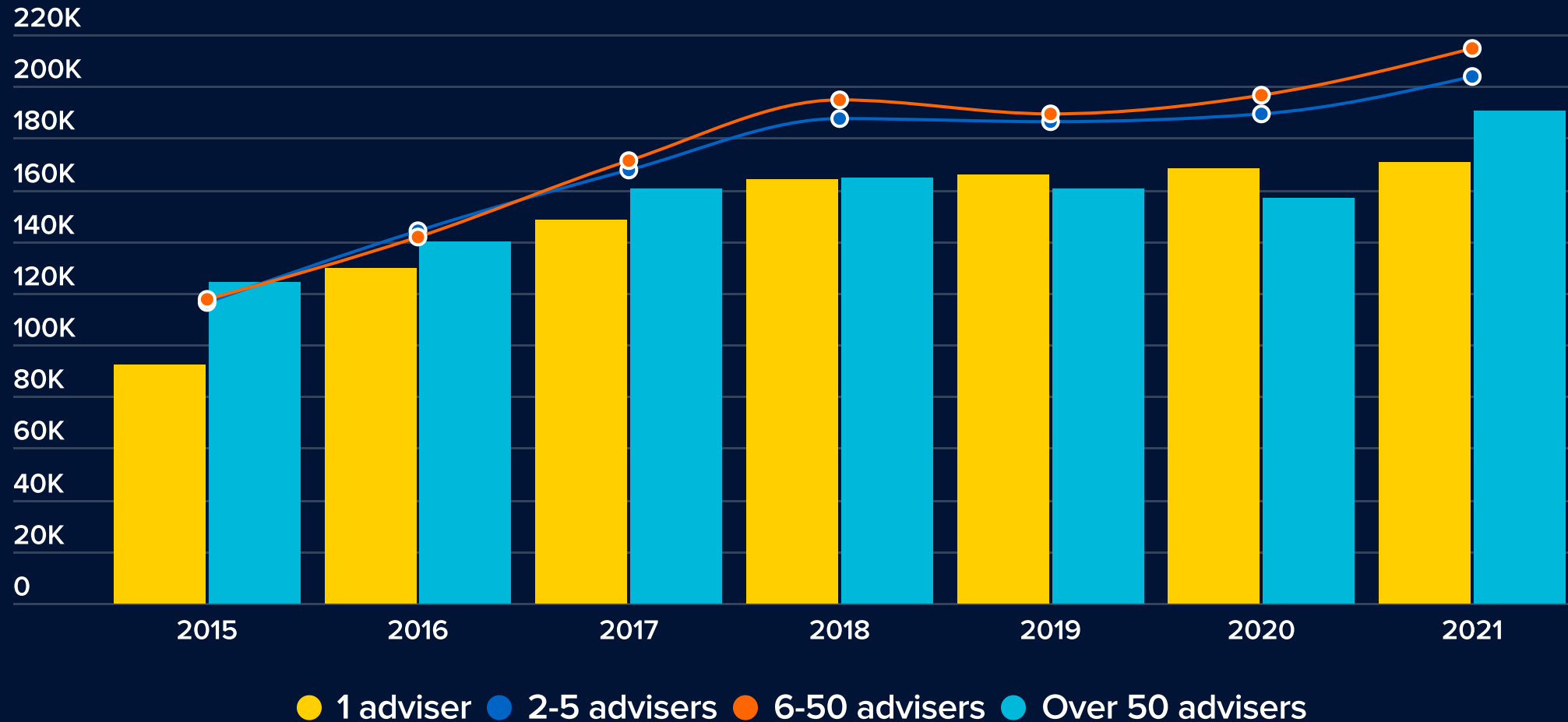
- ✗ Failure to integrate acquired firms
- ✗ Margin compression on MPS, Funds & Platform
- ✗ Breakaway advisers



Sources: NextWealth (2022) MPS Proposition Comparison Report, lang cat (2020) Better. Stronger. Faster.  
How do we rebuild centralised investment propositions from here?

# Right Size of Life?

Average Retail Investment Revenue per Adviser



**£214k**

6-50 advisers



**£204k**

2-6 advisers



**£191k**

Over 50 advisers

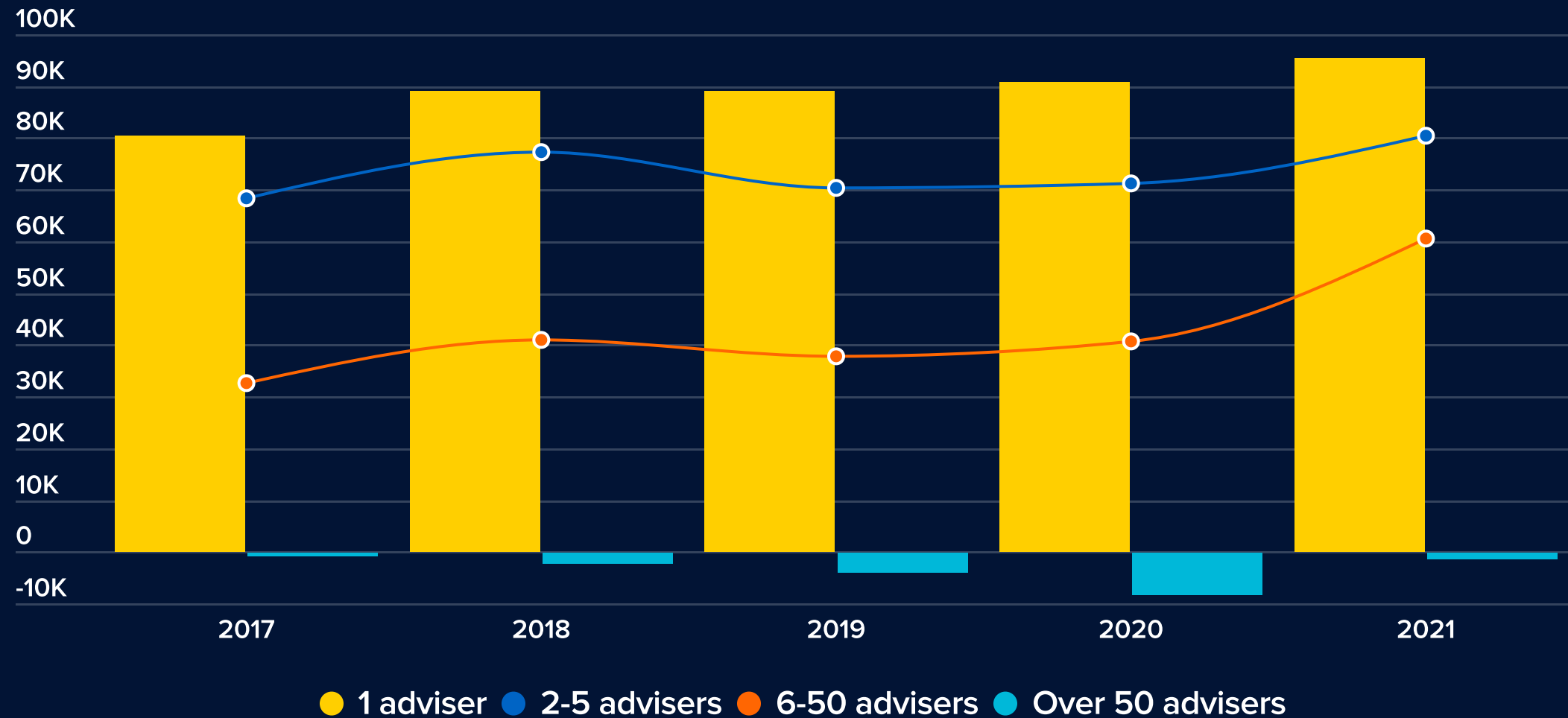


**£171k**

Solo adviser

# Taking Care of Business...

Average Pre-tax Profit per Adviser



**£95k**

Solo adviser



**£81k**

2-6 advisers



**£61k**

6-50 advisers

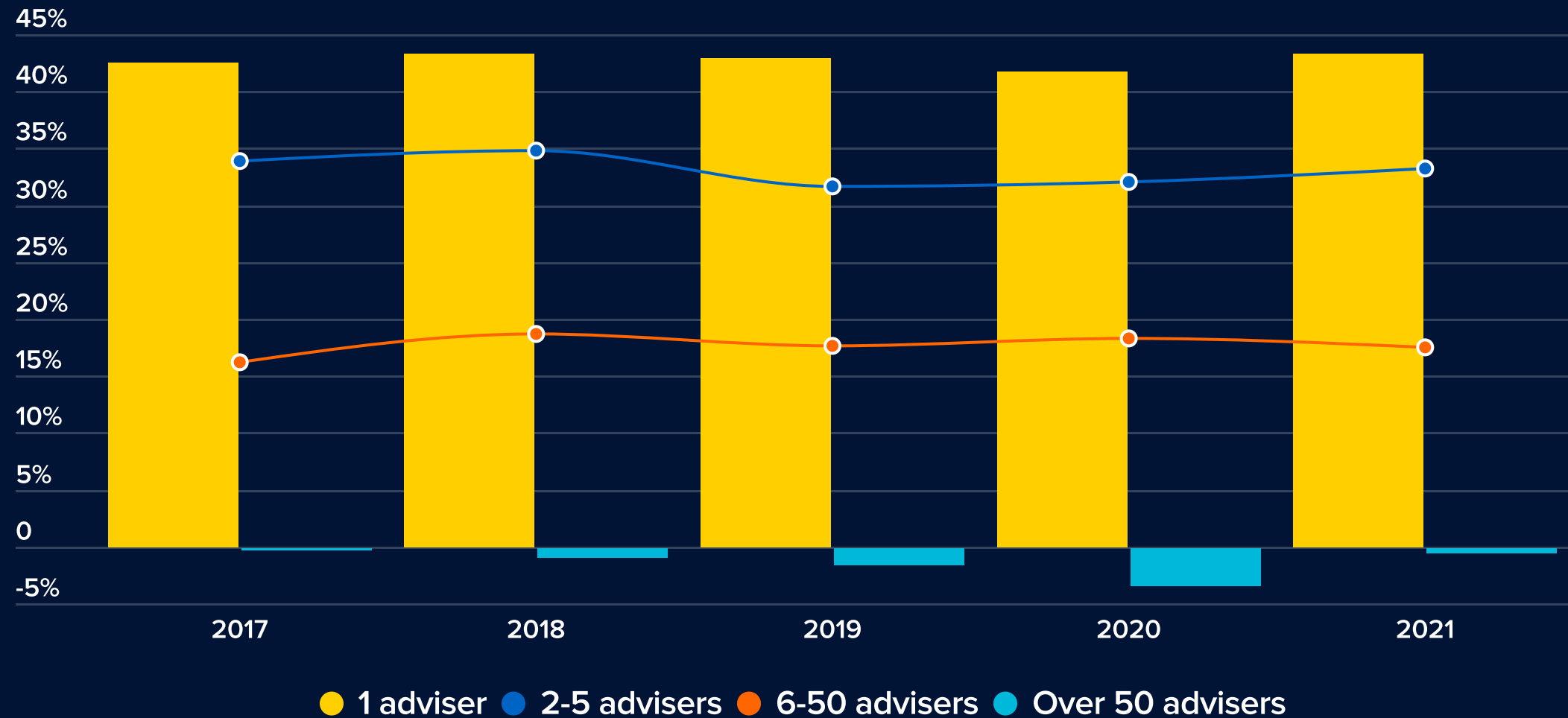


**-£1k**

Over 50 advisers

# Works Hard for the Money...

Average Pre-tax Profit Margin per firm



**43.2%**

Solo adviser



**33.2%**

2-6 advisers



**17.5%**

6-50 advisers



**-0.4%**

Over 50 advisers

# Golden Age of The Million Pound Solo Adviser

**"the death of the solo financial advisor" has been forecasted for nearly two decades now, and in the meantime solo financial advisors have actually become more profitable than ever!**

**... The best solo advisors are taking home as much hard dollar cash compensation as the typical partner in an advisory firm managing more than \$1 billion of AUM."**



# Beautiful Boutiques

Ensemble firms with 3 - 10 advisers with shared stewardship of client relationships

- ✕ £3 - £10m turnover
- ✕ Building enterprise value
- ✕ G2 Leadership & Ownership



Just Do It

Your Way

