15 February 2018

Jarvis Securities plc

("Jarvis" or "the Company" or "the Group")

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017

HIGHLIGHTS

- 22% increase in profit before tax
- 10% increase in year on year interest income
- 34% growth in dividend per share
- 22% increase in EPS

CHAIRMAN'S STATEMENT

- 22% increase in profit before tax
- 10% increase in year on year interest income
- 34% growth in dividend per share
- 22% increase in EPS

I am delighted to report that 2017 has been the most commercially successful year at Jarvis by some margin. Market conditions have remained favourable and we continue to expand both the commercial and retail arms of the business. Cash under administration has also grown. The share price, whilst volatile, is trading in a much higher range than this time last year.

Whilst the financial results are excellent, the dominant theme for Jarvis during 2017 has been regulatory changes which have taken place and are due in the coming year. Considerable time and resources have been, and continue to be, spent preparing and satisfying the requirements of MIFID II and GDPR. Whilst we accept that the legislation and regulations improve transparency, reduce market abuse, tax avoidance and generally strengthen the financial system, it should not be forgotten that these all come at a commercial cost for the firms' required to implement and enforce them. In the latter half of the year, and going forward, we will be incurring higher costs on software, data feeds and higher staff numbers to ensure policies are correctly implemented and monitored as a result of additional monitoring and reporting requirements. The introduction of MIFID II has also restricted the activities of investors in "complex instruments" such as ETFs and this has resulted in a significant number of clients, especially within our commercial relationships requesting to be classified as professional in order to circumvent some of the trading restrictions.

These changes coincide with what I feel is a maturing of Jarvis as a company. Realistically we can no longer consider ourselves to be a small company. We now have considerable client assets in custody and under administration - though we are nowhere near the size of the largest brokers in the industry. Our market capitalisation is now over five times that of ten years ago. The challenge Jarvis has over the coming years is to embrace the change that growth requires without losing sight of the factors that have brought commercial success to the business in the first place. This challenge should not be under estimated, although I am confident we have the right staff and culture to succeed.

With that in mind I am urging investors to be realistic about near term results. As highlighted above our cost base has increased, so revenues will need to increase at a higher rate to maintain the growth of the past. That is not to say it cannot be done, especially if interest rates increase.

As a result of the growth in the business and the complexities of the Financial Services industry in general we will in future be extending the time we give ourselves to prepare and issue our financial annual statements. We will still be comparably prompt, but the current 6 weeks of the year end is now proving to be an unnecessarily short, self-imposed time frame for both Jarvis and its advisers. Future dates will be added to our investor website as usual.

The Company will today dispatch to shareholders its Annual Report and Accounts for the year ended 31 December 2017, together with a notice convening the Annual General Meeting ("AGM"), to be held at the Company's offices on 22 March 2018 at 9am. The Annual Report and Accounts and Notice of AGM will also be available from the Company's website, www.jarvissecurities.co.uk.

Andrew Grant
Chairman

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CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	**Year to 31/12/17**	Year to 31/12/16
		£	£
Continuing operations:			
Revenue	3	**9,423,436**	8,322,844
Administrative expenses		**(5,002,938)**	(4,684,836)
Profit before income tax	5	**4,420,498**	3,638,008
Income tax charge	7	**(867,168)**	(728,162)
Profit for the period		**3,553,330**	2,909,846
Attributable to equity holders of the parent		**3,553,330**	2,909,846
Earnings per share	8	**P**	P
Basic		**32.40**	26.45
Diluted		**32.40**	26.38

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR

	Notes	**Year to 31/12/17**	Year to 31/12/16
		£	£
Profit for the period		**3,553,330**	2,909,846
Total comprehensive income for the period		**3,553,330**	2,909,846
Attributable to equity holders of the parent		**3,553,330**	2,909,846

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2017

	Notes	31/12/17	31/12/16
		£	£
Assets			
Non-current assets			
Property, plant and equipment	*9*	**219,940**	229,620
Intangible assets	*10*	**149,662**	162,549
Goodwill	*10*	**342,872**	342,872
		712,474	735,041
Current assets			
Trade and other receivables	*12*	**2,947,626**	8,233,866
Investments held for trading	*13*	**13,546**	1,712
Cash and cash equivalents	*14*	**13,175,503**	5,103,122
		16,136,675	13,338,700
Total assets		**16,849,149**	14,073,741
Equity and liabilities			
Capital and reserves			
Share capital	*15*	**111,828**	111,518
Share premium		**1,576,669**	1,522,729
Merger reserve		**9,900**	9,900
Capital redemption reserve		**9,845**	9,845
Share option reserve		**-**	136,556
Retained earnings		**4,723,986**	3,610,339
Own shares held in treasury	*15*	**(859,587)**	(616,943)
Total equity attributable to the equity holders of the parent		**5,572,641**	4,783,944
Current liabilities	*16*		
Trade and other payables	*16*	**10,658,206**	8,878,155
Deferred tax	*16*	**32,929**	6,312
Income tax	*16*	**585,373**	405,330
Total current liabilities	*16*	**11,276,508**	9,289,797

Total equity and liabilities	**16,849,149**	14,073,741

COMPANY STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2017

	Notes	31/12/17	31/12/16
		£	£
Assets			
Non-current assets			
Property, plant and equipment	9	**219,940**	229,620
Intangible assets	10	**149,662**	162,549
Goodwill	10	**342,872**	342,872
Investment in subsidiaries	11	**284,239**	284,239
		996,713	1,019,280
Current assets			
Trade and other receivables	12	**70,481**	799,517
Cash and cash equivalents	14	**3,503,452**	1,705,986
		3,573,933	2,505,503
Total assets		**4,570,646**	3,524,783
Equity and liabilities			
Capital and reserves			
Share capital	15	**111,828**	111,518
Share premium		**1,576,669**	1,522,729
Capital redemption reserve		**9,845**	9,845
Share option reserves		**-**	136,556
Retained earnings		**2,116,007**	1,795,050
Own shares held in treasury	15	**(859,587)**	(616,943)
Total equity attributable to the equity holders		**2,954,762**	2,958,755
Current liabilities	16		
Trade and other payables	16	**1,139,278**	183,876
Deferred tax	16	**32,929**	6,312
Income tax	16	**443,677**	375,840
Total current liabilities	16	**1,615,884**	566,028
Total equity and liabilities		**4,570,646**	3,524,783

The parent company's profit for the financial year was £3,438,880 (2016: £3,122,402).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Merger reserve	Capital redemption reserve	Share option reserve	Retained earnings	Own shares held in Treasury	Total equity
	£	£	£	£	£	£	£	£
At 1 January 2016	111,503	1,520,119	9,900	9,845	136,556	2,626,295	(301,514)	4,112,704
Share options exercised during the year	15	2,610	-	-	-	-	-	2,625
Profit for the financial year	-	-	-	-	-	2,909,846	-	2,909,846
Dividends	-	-	-	-	-	(1,925,802)	-	(1,925,802)
Purchase of own shares held in treasury	-	-	-	-	-	-	(315,429)	(315,429)
At 31 December 2016	111,518	1,522,729	9,900	9,845	136,556	3,610,339	(616,943)	4,783,944
Share options exercised during the year	310	53,940	-	-	-	-	-	54,250
Profit for the financial year	-	-	-	-	-	3,553,330	-	3,553,330
Dividends	-	-	-	-	-	(2,576,239)	-	(2,576,239)
Purchase of own shares held in treasury	-	-	-	-	-	-	(242,644)	(242,644)
Transfer to retained earnings	-	-	-	-	(136,556)	136,556	-	-
At 31 December 2017	111,828	1,576,669	9,900	9,845	-	4,723,986	(859,587)	5,572,641

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Capital redemption reserve	Share option reserve	Retained earnings	Own shares held in treasury	Total equity
	£	£	£	£	£	£	£
At 1 January 2016	111,503	1,520,119	9,845	136,556	598,450	(301,514)	2,074,959
Share options exercised during the year	15	2,610	-	-	-	-	2,625
Profit for the financial year	-	-	-	-	3,122,402	-	3,122,402
Dividends	-	-	-	-	(1,925,802)	-	(1,925,802)
Purchase of own shares held in treasury	-	-	-	-	-	(315,429)	(315,429)
At 31 December 2016	111,518	1,522,729	9,845	136,556	1,795,050	(616,943)	2,958,755
Share options exercised during the year	310	53,940	-	-	-	-	54,250
Profit for the financial year	-	-	-	-	2,760,640	-	2,760,640
Dividends	-	-	-	-	(2,576,239)	-	(2,576,239)
Purchase of own shares held in treasury	-	-	-	-	-	(242,644)	(242,644)
Transfer to retained earnings	-	-	-	(136,556)	136,556	-	-
At 31 December 2017	111,828	1,576,669	9,845	-	2,116,007	(859,587)	2,954,762

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

		CONSOLIDATED		COMPANY	
		Year to	Year to	**Year to**	Year to
		31/12/17	31/12/16	**31/12/17**	31/12/16
	Notes				
		£	£	**£**	£
Cash flow from operating activities					
Profit before income tax		**4,420,498**	3,638,009	**3,438,880**	3,728,647
Depreciation and amortisation	*5*	**90,714**	75,421	**90,714**	75,421
		4,511,212	3,713,430	**3,529,594**	3,804,068
Decrease/(Increase) in trade and other receivables		**3,390,264**	(4,360,107)	**729,036**	(2,886)
(Decrease) /Increase in trade payables		**3,676,029**	(1,150,847)	**955,402**	(341,664)
Cash generated from operations		**11,577,505**	(1,797,524)	**5,214,032**	3,459,518
Income tax (paid)/received		**(660,510)**	(656,832)	**(583,786)**	(546,830)
Net cash from operating activities		**10,916,995**	(2,454,356)	**4,630,246**	2,912,688
Cash flows from investing activities					
Purchase of property, plant and equipment		**(549)**	(4,454)	**(549)**	(4,454)
Receipt from sale of investment		**-**	-	**-**	-
Purchase of investments held for trading		**(1,644,356)**	(3,822,741)	**-**	-
Proceeds from sale of investments held for trading		**1,632,522**	3,898,086	**-**	-
Purchase of intangible assets		**(67,598)**	(52,743)	**(67,598)**	(52,743)
		(79,981)	18,148	**(68,147)**	(57,197)
Cash flows from financing activities					
Issue of share capital		**54,250**	2,625	**24,250**	2,625
Repurchase of ordinary share capital		**(242,644)**	(315,429)	**(242,644)**	(315,429)
Sale of treasury shares		**-**	-	**-**	-
Dividends paid		**(2,576,239)**	(1,925,802)	**(2,576,239)**	(1,925,802)

Net cash used in financing activities	**(2,764,633)**	(2,238,606)	**(2,794,633)**	(2,238,606)
Net increase/(decrease) in cash & cash equivalents	**8,072,381**	(4,674,814)	**1,797,466**	616,885
Cash and cash equivalents at the start of the year	**5,103,122**	9,777,936	**1,705,986**	1,089,101
Cash and cash equivalents at the end of the year	**13,175,503**	5,103,122	**3,503,452**	1,705,986
Cash and cash equivalents:				
Balance at bank and in hand	**5,218,686**	3,404,516	**3,503,452**	1,705,986
Cash held for settlement of market transactions	**7,956,817**	1,698,606	**-**	-
	13,175,503	5,103,122	**3,503,452**	1,705,986

1. Basis of preparation

The company has adopted the requirements of International Financial Reporting Standards (IFRS) and IFRIC interpretations endorsed by the European Union (EU) and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets at fair value through profit or loss.

These financial statements have been prepared in accordance with the accounting policies set out below, which have been consistently applied to all the years presented.

New standards, not yet effective
A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and in some cases have not yet been adopted by the EU.

The Directors have assessed the application of IFRS 16, and note that once effective it will have a material impact on the results of the group. Application of this standard will result in changes in presentation of information within the Group's financial statements due to the capitalisation of the Group's operating leases noted in note 18.

The Directors have considered the impact of IFRS 9 and IFRS 15 on the financial statements. They considers there to be no material impact.

Significant judgements and estimates
The areas involving a high degree of judgement or complexity, or areas where the assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 20.

Going concern
The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 2 to 3 of the Annual Report and Accounts. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described within these financial statements. In addition, note 25 of the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The Group has considerable financial resources, long term contracts with all its significant suppliers and a diversified income stream. The Group does not have any current borrowing or any anticipated borrowing requirements. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2. Summary of significant accounting policies

(a) Revenue
Income is recognised as earned in the following way:

Commission – we charge commission on a transaction basis. Commission rates are fixed according to account type. When a client instructs us to act as an agent on their behalf (for the purchase or sale of securities) our commission is recognised as income when the instruction is executed in the market. Our commission is deducted from the cash given to us by the client in order to settle the transaction on the client's behalf or from the proceeds of the sale in instance where a client sells securities.

Management fees – these are charged quarterly or bi-annually depending on account type. Fees are either fixed or are a percentage of the assets under administration. Fees are accrued up to the time they are charged using a day count and most recent asset level basis as appropriate.

Interest income - this is accrued on a day count basis up until deposits mature and the interest income is received. The deposits pay a fixed rate of interest. In accordance with FCA requirements, deposits are only placed with banks that have been approved by our compliance department.

(b) Basis of consolidation
Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases. The group financial statements consolidate the financial statements of Jarvis Securities plc, Jarvis Investment Management Limited, JIM Nominees Limited, Galleon Nominees Limited and Dudley Road Nominees Limited made up to 31 December 2017.

The Group uses the purchase method of accounting for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The cost of acquisition over the fair value of the Group's share of identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the net assets of the subsidiary acquired, the difference is recognised in the income statement.

Intra-group sales and profits are eliminated on consolidation and all sales and profit figures relate to external transactions only. No income statement is presented for Jarvis Securities plc as provided by S408 of the Companies Act 2006.

(c) Property, plant and equipment
All property, plant and equipment is shown at cost less subsequent depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is provided on cost in equal annual instalments over the lives of the assets at the following rates:

Leasehold improvements	-	33% on cost, or over the lease period if less than three years.
Office equipment	-	20% on cost
Land & Buildings	-	Buildings are depreciated at 2% on cost. Land is not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. Impairment reviews of property, plant and equipment are undertaken if there are indications that the carrying values may not be recoverable or that the recoverable amounts may be less than the asset's carrying value.

(d) Intangible assets
Intangible assets are carried at cost less accumulated amortisation. If acquired as part of a business combination the initial cost of the intangible asset is the fair value at the acquisition date. Amortisation is charged to administrative expenses within the income statement and provided on cost in equal annual instalments over the lives of the assets at the following rates:

Databases	-	4% on cost
Customer relationships	-	7% on cost
Software developments	-	20% on cost
Website	-	33% on cost

Impairment reviews of intangible assets are undertaken if there are indications that the carrying values may not be recoverable or that the recoverable amounts may be less than the asset's carrying value.

(e) Goodwill
Goodwill represents the excess of the fair value of the consideration given over the aggregate fair values of the net identifiable assets of the acquired trade and assets at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Any negative goodwill arising is credited to the income statement in full immediately.

(f) Deferred income tax
Deferred income tax is provided in full, using the liability method, on differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting or taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the timing difference is controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

(g) Segmental reporting
A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. The directors regard the operations of the Group as a single segment.

(h) Pensions
The group operates a defined contribution pension scheme. Contributions payable for the year are charged to the income statement.

(i) Trade receivables and payables
Trading balances incurred in the course of executing client transactions are measured at initial recognition at fair value. In accordance with market practice, certain balances with clients, Stock Exchange member firms and other counterparties are included as trade receivables and payables. The net balance is disclosed where there is a legal right of set off.

(j) Operating leases
Costs in respect of operating leases are charged on a straight line basis over the lease term in arriving at the profit before income tax.

(k) Investments

Investment held for trading
Investments held for trading are stated at fair value. An investment is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current and are considered to be level one assets in accordance with IFRS 13.

Purchases and sales of investments are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value. Investments are derecognised when the rights to receive cash flows from the investments have expired or been transferred and the Group has transferred substantially all the risks and rewards of ownership. Realised and unrealised gains and losses arising from changes in fair value of investments held for trading are included in the income statement in the period in which they arise.

The fair value of quoted investments is based on current bid prices. If the market for an investment is not active, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, or discounted cash flow analysis refined to reflect the issuer's specific circumstances.

The Group assesses at each balance sheet date whether there is objective evidence that an investment is impaired. In the case of investments classified as available-for-sale, a decline in the fair value below its carrying value is considered in determining whether the security is impaired.

Investments in subsidiaries
Investments in subsidiaries are stated at cost less provision for any impairment in value.

(l) Foreign Exchange
The group offers settlement of trades in various currencies, predominately Sterling, US dollars and Euros. The group does not hold any assets or liabilities other than in Sterling and converts client currency on matching terms to settlement of trades realising any currency gain or loss immediately in the income statement. Consequently the group has minimal foreign exchange risk.

(m) Share Capital
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from proceeds, net of income tax. Where the company purchases its equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income tax), is deducted from equity attributable to the company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

(n) Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(o) Current income tax
Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate based on the taxable profit for the year.

(p) Dividend distribution
Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which interim dividends are paid to shareholders and final dividends are approved by the company's shareholders.

(q) Share based payments
The Group applies the requirements of IFRS 2 Share-based Payment.

The Group issues equity-settled share-based payments to certain employees and other personnel. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effects of non market-based vesting conditions.

The share option reserve represents the accumulated share option charge. The balance in the reserve has been transferred to retained earnings as all remaining options have been exercised during the year.

Fair value is measured by use of a Black-Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

3. Group revenue

The revenue of the group during the year was made in the United Kingdom and the revenue of the group for the year derives from the same class of business as noted in the Strategic Report.

	2017	2016
	£	£
Gross interest earned from treasury deposits, cash at bank and overdrawn client accounts	3,808,064	3,458,611
Commissions	4,141,315	3,661,488
Fees	1,474,057	1,202,745
	9,423,436	8,322,844

4. Segmental information

All of the reported revenue and operational results for the period derive from the group's external customers and continuing financial services operations. All non-current assets are held within the United Kingdom.

The group is not reliant on any one customer and no customer accounts for more than 10% of the group's external revenues.

As the Group's sole business activity is the provision of stock broking services and all revenue is derived in the UK, management have not had occasion to define any factors to identify reportable segments.

5. Profit before income tax	2017	2016
Profit before income tax is stated after charging/(crediting):	£	£
Directors' emoluments	621,648	586,391
Depreciation – owned assets	10,229	10,370
Amortisation (included within administrative expenses in the consolidated income statement)	80,485	65,051
Operating lease rentals – hire of machinery	8,842	9,052
Operating lease rentals – land and buildings	70,850	65,300
Impairment of receivable charge	72,604	116,300
Bank transaction fees	70,071	71,918

Details of Directors' annual remuneration as at 31 December 2017 are set out below:

	2017	2016
	£	£
Short-term employee benefits	544,853	480,435
Post-employment benefits	67,463	97,023
Benefits in kind	9,332	8,933

		621,648	586,391

Details of the highest paid director are as follows:

Aggregate emoluments	330,943	275,080
Company contributions to personal pension scheme	2,167	37,950
Benefits in kind	8,396	7,906
	341,506	320,936

	Emoluments & Benefits in kind	Pension	Total
Directors	£	£	£
Andrew J Grant	339,339	2,167	341,506
Nick J Crabb	100,269	40,865	141,134
Jolyon C Head	99,577	24,431	124,008
Graeme McAusland	15,000	-	15,000
TOTAL	554,185	67,463	621,648

During the year benefits accrued for three directors (2016: three directors) under a money purchase pension scheme.

Staff Costs

The average number of persons employed by the group, including directors, during the year was as follows:

	2017	2016
Management and administration	50	47
The aggregate payroll costs of these persons were as follows:	£	£
Wages, salaries & social security	1,983,639	1,715,577
Pension contributions including salary sacrifice	82,818	105,165
Share based payment expense	-	-
	2,066,457	1,820,742

Key personnel
The directors disclosed above are considered to be the key management personnel of the group.

6. Auditors' remuneration

During the year the company obtained the following services from the company's auditors as detailed below:

	2017	2016
	£	£
Fees payable to the company's auditors for the audit of the company's annual financial statements	22,000	21,500
Fees payable to the company's auditors and its associates for other services:		
The audit of the company's subsidiaries, pursuant to legislation	9,500	12,300
Total audit fees	31,500	33,800

Taxation Compliance	4,500	4,375
Other taxation advisory services not relating to compliance	5,220	-
	41,220	38,175

The audit costs of the subsidiaries were invoiced to and met by Jarvis Securities plc.

7. Income and deferred tax charges - group	2017	2016
	£	£
Based on the adjusted results for the year:		
UK corporation tax	845,095	730,695
Adjustments in respect of prior years	(4,544)	393
Total current income tax	840,551	731,088
Deferred income tax:		
Origination and reversal of timing differences	6,561	(2,063)
Adjustment in respect of prior years	20,056	(863)
Total deferred tax (credit) / charge	26,617	(2,926)
	867,168	728,162

The income tax assessed for the year is more than the standard rate of corporation tax in the UK (19.25%). The differences are explained below:

Profit before income tax	4,420,498	3,638,008
Profit before income tax multiplied by the standard rate of corporation tax in the UK of 19.25% (2016 – 20%)	850,794	727,602
Effects of:		
Expenses not deductible for tax purposes	572	-
Adjustments to tax charge in respect of previous years	15,512	(471)
Exercise of options	-	641
Ineligible depreciation	375	390
Adjust deferred tax rate to average rate of 19.25%	(85)	-
Current income tax charge for the years	867,168	728,162

Movement in (assets) / provision – group and company:		
Provision at start of year	6,312	9,238
Deferred income tax (creditor) / charged in the income statement in the year	26,617	(2,926)
(Asset) / Provision at end of year	32,929	6,312

	Share Based Payments
The deferred tax balances arise from taxable temporary differences in respect of the following:	
Deferred tax (asset) / liability brought forward	(12,398)
Prior year	12,398

(Asset) at end of year	-

	Tangible Assets
Deferred tax liability brought forward	18,710
Current year	6,561
Prior year	7,658
Liability at end of year	32,929

8. Earnings per share	2017	2016
	£	£
Earnings:		
Earnings for the purposes of basic and diluted earnings per share		
(profit for the period attributable to the equity holders of the parent)	3,553,330	2,909,846
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic earnings per share	10,966,610	10,999,237
Effect of dilutive potential ordinary shares:		
Share option scheme	-	31,000
	10,966,610	11,030,237

Shares held in treasury are deducted for the purpose of calculating earnings per share. Options exercised or those lapsed as relating to former employees have been deducted for the purpose of calculating the diluted weighted average number of shares in issue for the period.

9. Property, plant & equipment - group & company

	Leasehold & Property	Leasehold Improvements	Office Equipment	Total
Cost:	£	£	£	£
At 1 January 2016	222,450	4,014	253,614	480,078
Additions	-	-	4,454	4,454
Disposals	-	-	-	-
At 31 December 2016	222,450	4,014	258,068	484,532
Additions	-	-	549	549
Disposals	-	-	-	-
At 31 December 2017	222,450	4,014	258,617	485,081
Depreciation:				
At 1 January 2016	7,309	1,826	235,407	244,542
Charge for the year	1,949	478	7,943	10,370
On Disposal	-	-	-	-
At 31 December 2016	9,258	2,304	243,350	254,912
Charge for the year	1,949	357	7,923	10,229
On Disposal	-	-	-	-

At 31 December 2017	11,207	2,661	251,273	265,141
Net Book Value:				
At 31 December 2017	211,243	1,353	7,344	219,940
At 31 December 2016	213,192	1,710	14,718	229,620

The net book value of non-depreciable land is £125,000 (2016: £125,000).

10. Intangible assets & goodwill - group & company

		Intangible assets				
	Goodwill	Customer Relationships	Databases	Software Development	Website	Total
	£	£	£	£	£	£
Cost:						
At 1 January 2016	342,872	177,981	25,000	217,961	103,519	524,461
Additions	-	-	-	-	52,743	52,743
At 31 December 2016	342,872	177,981	25,000	217,961	156,262	577,204
Additions	-	-	-	-	67,598	67,598
At 31 December 2017	342,872	177,981	25,000	217,961	223,860	644,802
Amortisation:						
At 1 January 2016	-	120,307	12,719	113,059	103,519	349,604
Charge for the year	-	18,291	1,000	36,575	9,185	65,051
At 31 December 2016	-	138,598	13,719	149,634	112,704	414,655
Charge for the year	-	18,292	1,000	36,574	24,619	80,485
At 31 December 2017	-	156,890	14,719	186,208	137,323	495,140
Net Book Value:						
At 31 December 2017	342,872	21,091	10,281	31,753	86,537	149,662
At 31 December 2016	342,872	39,383	11,281	68,327	43,558	162,549

Goodwill represents the difference between the consideration paid and the fair value of assets acquired on the acquisition of a business in 2003. In accordance with the transitional provisions in IFRS 1 the group elected not to apply IFRS 3 retrospectively to past business combinations. Therefore the goodwill balance represents an acquired customer base, that continues to trade with group to this day and, more fundamentally, systems, processes and a registration that dramatically reduced the group's dealing costs. These systems and the registration contributed significantly to turning the group into the low cost effective provider of execution only stockbroking solutions that it is today. The key assumptions used by the directors in their annual impairment review are that the company can benefit indefinitely from the reduced dealing costs and the company's current operational capacity remains unchanged. The recoverable amount of the goodwill has been assessed using the value in use method and there is significant headroom based on this calculation. There are no reasonable changes in assumptions that would cause the cash generating unit value to fall below its carrying amount.

11. Investments in subsidiaries

	Company	
	2017	2016
Unlisted Investments:	£	£
Cost:		

At 1 January	284,239	284,239
Capital contributions re share option costs	-	-
As at 31 December	284,239	284,239

		Shareholding	*Holding*	*Business*
Jarvis Investment Management Limited	100%	25,000,000	1p Ordinary shares	Financial administration
Dudley Road Nominees Limited*	100%	2	£1 Ordinary shares	Dormant nominee company
JIM Nominees Limited*	100%	1	£1 Ordinary shares	Dormant nominee company
Galleon Nominees Limited*	100%	2	£1 Ordinary shares	Dormant nominee company

All subsidiaries are located in the United Kingdom.
** indirectly held*

12. Trade and other receivables

	Group		Company	
Amounts falling due within one year:	2017	2016	2017	2016
	£	£	£	£
Trade receivables	521,794	438,661	5,559	2,850
Settlement receivables	2,083,049	6,732,763	-	-
Other receivables	61,035	427,793	61,035	418,393
Prepayments and accrued income	281,748	634,649	3,372	378,274
Other taxes and social security	-	-	515	-
	2,947,626	8,233,866	70,481	799,517

An analysis of trade and settlement receivables past due is given in note 20. There are no amounts past due included within other receivables or prepayments and accrued income.

13. Investments held for trading

	Group		Company	
	2017	2016	2017	2016
Listed Investments:	£	£	£	£
Valuation:				
At 1 January	1,712	77,057	-	-
Additions	1,644,356	3,822,741	-	-
Disposals	(1,632,522)	(3,898,086)	-	-
As at 31 December	13,546	1,712	-	-

Listed investments held for trading are stated at their market value at 31 December 2017 and are considered to be level one assets in accordance with IFRS 13.

The directors consider the fair value movement on the investments held for trading are immaterial and as such have not been presented separately in the above movement analysis and the statement of cash flows.

14. Cash and cash equivalents

	Group		Company	
	2017	2016	2017	2016

	£	£	£	£
Balance at bank and in hand – group/company	5,218,686	3,404,516	3,503,452	1,705,986
Cash held for settlement of market transactions	7,956,817	1,698,606	-	-
	13,175,503	5,103,122	3,503.452	1,705,986

In addition to the balances shown above the group has segregated deposit and current accounts held in accordance with the client money rules of the Financial Conduct Authority. The group also has segregated deposits and current accounts on behalf of Counterparties and elected Professional clients of £14,555,830 not governed by client money rules therefore they are also not included in the statement of financial position of the group. This treatment is appropriate as the business is a going concern however, were an administrator appointed, these balances would be considered assets of the business.

15. Share capital

	2017	2016
Authorised:	160,000	160,000
16,000,000 Ordinary shares of 1p each	160,000	160,000

	2017	2016
	£	£
At 1 January 2017	111,518	111,503
Allotted, issued and fully paid during the year	310	15
Allotted, issued and fully paid:		
11,182,750 (2016: 11,151,750) Ordinary shares of 1p each	111,828	111,518

The company has one class of ordinary shares which carry no right to fixed income.

The Company had a share option scheme for certain employees of the Group. All options have now been exercised.

During the period 61,000 shares were purchased to be held in treasury. As at the period end 231,300 shares are held in treasury.

Details of the share options outstanding during the year are as follows:

	2017		2016	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
		Pence		*Pence*
Outstanding at the beginning of the year	31,000	175.00	32,500	175.00
Exercised during the year	(31,000)	175.00	(1,500)	175.00
Outstanding at year end	-	175.00	31,000	175.00
Exercisable at year end	-	175.00	31,000	175.00

16. Trade and other payables	Group		Company	
Amounts falling due within one year:	2017	2016	2017	2016

	£	£	£	£
Trade payables	198,049	110,644	11,368	1,212
Settlement payables	9,954,871	8,131,466	-	-
Amount owed to group undertaking	-	-	1,100,410	152,679
Other taxes and social security	52,117	81,499	-	110
Other payables	85,193	300,102	-	-
Accruals	367,976	254,444	27,500	29,875
Trade and other payables	10,658,206	8,878,155	1,139,278	183,876
Income tax	585,373	405,330	443,677	375,840
Deferred tax	32,929	6,312	32,929	6,312
Total liabilities	11,276,508	9,289,797	1,615,884	566,028

Settlement payables will be settled on their contracted date, which has a maximum allowed time of 20 days from trade date. Trade payables and other taxes and social security are all paid at the beginning of the month after the invoice was received or the liability created.

17. Dividends	2017	2016
	£	£
Interim dividends paid on Ordinary 1p shares	2,576,239	1,925,802
Dividend per Ordinary 1p share	23.5p	17.5p

18. Operating lease commitments - group

At 31 December 2017 the group was committed to making the following payments in respect of operating leases which expire:

	Equipment		Land & buildings	
	2017	2016	2017	2016
	£	£	£	£
Not later than one year:	8,641	9,052	87,500	47,625
Later than one year and not later than five years:	34,564	13,579	350,000	-
After more than five years:	7,921	-	415,625	-

The equipment lease is for the use of postage processing and franking machines. The lease was terminated during the year and a new agreement lease entered by mutual agreement of both parties.

Operating lease commitments - company

At 31 December 2017 the company was committed to making the following payments in respect of operating leases which expire:

	Land & buildings	
	2017	2016
	£	£
Not later than one year:	87,500	47,625
Later than one year and not later than five years:	350,000	-
After more than five years:	415,625	-

The company has a lease with Sion Properties Limited, a company controlled by A J Grant, for the rental of 78 Mount Ephraim, a self-contained office building. The lease has an annual rental of £87,500, being the market rate on an arm's length basis, and expires on 26 September 2027.

19. Financial Instruments

The Group's principal financial instruments comprise cash, short terms borrowings and various items such as trade receivables, trade payables etc. that arise directly from operations. The main purpose of these financial instruments is the funding of the group's trading activities. Cash and cash equivalents and trade and other receivables are categorised as loans and receivables, and trade and other payables are classified as financial liabilities. Other than investments held for trading all financial assets and liabilities are held at amortised cost and their carrying value approximates to their fair value.

The main financial asset of the Group is cash and cash equivalents which is denominated in Sterling and which is detailed in note 14. The Group operates a low risk investment policy and surplus funds are placed on deposit with at least A rated banks or equivalent at floating interest rates.

The group also holds investments in equities.

20. Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. These estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year relate to goodwill, intangible assets, bad debts and the expense of employee options.

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2 (e). These calculations require the use of estimates. The assumptions and sensitivity relating to the impairment tests are detailed in note 10.

The Group considers at least annually whether there are indications that the carrying values of intangible assets may not be recoverable, or that the recoverable amounts may be less than the asset's carrying value, in which case an impairment review is performed. These calculations require the use of estimates. The Group also calculates the implied levels of variables used in the calculations at which impairment would occur.

21. Immediate and ultimate parent undertaking

The company's immediate and ultimate parent undertaking is Sion Securities Limited, a company registered in England and Wales. Sion Securities Limited is controlled by Mr A J Grant by virtue of his controlling interest.

22. Related party transactions

The company has a lease with Sion Properties Limited, a company controlled by a director of the company, for the rental of 78 Mount Ephraim, a self-contained office building. The lease has an annual rental of £87,500, being the market rate on an arm's length basis, and expires on 26 September 2027.

During the year Jarvis Investment Management Limited paid Jarvis Securities Plc £7,000 (2016: £7,000) for rental of a disaster recovery site.

Jarvis Securities plc owed Jarvis Investment Management Limited £1,098,660 (2016: £150,929) at year end.

During the year, Directors, key staff and other related parties by virtue of control carried out share dealing transactions in the normal course of business. Commissions for such transactions are charged at various discounted rates. The impact of these transactions does not materially or significantly affect the financial position or performance of the Company. At 31 December 2017, these same related parties had cash balances of £1,332,833 (2016: £1,413,834) and interest was earned during the year amounting to £8,395 (2016: £925). In addition to cash balances other equity assets of £40,589,819 (2016: £45,026,624) were held by JIM Nominees Ltd as custodian.

During the year Jarvis Securities Plc charged £3,564,550 to Jarvis Investment Management Limited for use of intellectual properties.

23. Capital commitments

As of 31 December 2017, the company had no capital commitments (2016: nil).

24. Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available for sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the company is the current bid price. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

25. Financial risk management objectives and policies

The directors consider that their main risk management objective is to monitor and mitigate the key risks to the Group, which are considered to be principally credit risk, compliance risk, liquidity risk and operational risk. Several high-level procedures are in place to enable all risks to be better controlled. These include detailed profit forecasts, cash flow forecasts, monthly management accounts and comparisons against forecast, regular meetings of the full Board of Directors, and more regular senior management meetings.

The group's main credit risk is exposure to the trading accounts of clients. This credit risk is controlled via the use of credit algorithms within the computer systems of the subsidiary. These credit limits prevent the processing of trades in excess of the available maximum permitted margin at 100% of the current portfolio value of a client.

A further credit risk exists in respect of trade receivables. The group's policy is to monitor trade and other receivables and avoid significant concentrations of credit risk. Aged receivables reports are reviewed regularly and significant items brought to the attention of senior management.

The compliance risk of the group is controlled through the use of robust policies, procedures, the segregation of tasks, internal reviews and systems controls. These processes are based upon the Rules and guidance notes of the Financial Conduct Authority and the London Stock Exchange and are overseen by the compliance officer together with the management team. In addition, regular compliance performance information is prepared, reviewed and distributed to management.

The group aims to fund its expansion plans mainly from existing cash balances without making use of bank loans or overdraft facilities. Financial risk is therefore mitigated by the maintenance of positive cash balances and by the regular review of the banks used by the Group. Other risks, including operational, reputational and legal risks are under constant review at senior management level by the executive directors and senior managers at their regular meetings, and by the full board at their regular meetings.

The Group derives a significant proportion of its revenue from interest earned on client cash deposits and does not have any borrowings. Hence, the directors do not consider the Group to be materially exposed to interest rate risk in terms of the usual consideration of financing costs, but do note that there is a risk to earnings. Given the current Bank of England base rate is at its lowest level since its foundation in 1694, and the business has remained profitable, this risk is not considered material in terms of a threat to the long term prospects of the Group.

The capital structure of the Group consists of issued share capital, reserves and retained earnings. Jarvis Investment Management Limited has an Internal Capital Adequacy Assessment Process ("ICAAP"), as required by the Financial Conduct Authority ("FCA") for establishing the amount of regulatory capital to be held by that company. The ICAAP gives consideration to both current and projected financial and capital positions. The ICAAP is updated throughout the year to take account of any significant changes to business plans and any unexpected issues that may occur. The ICAAP is discussed and approved at a board meeting of the subsidiary at least annually. Capital adequacy is monitored daily by management. Jarvis Investment Management Limited uses the simplified approach to Credit Risk and the standardised approach for Operational Risk to calculate Pillar 1 requirements. Jarvis Investment Management Limited observed the FCA's regulatory requirements throughout the period. Information disclosure under Pillar 3 of the Capital Requirements Directive is available from the Group's websites.

The directors do not consider that the Group is materially exposed to foreign exchange risk as the Group does not run open currency positions beyond the end of each working day.

As of 31 December 2017, trade receivables of £115,184 (2016: £398,765) were past due and were impaired and partially provided for. The amount of the provision was £84,995 as at 31 December 2017 (2016: £299,903). The individually impaired receivables relate to clients who are in a loan position and who do not have adequate stock to cover these positions. The amount of the impairment is determined by clients' perceived willingness and ability to pay the debt, legal judgements obtained in respect of, charges secured on properties and payment plans in place and being adhered to. Where debts are determined to be irrecoverable they are written off through the income and expenditure account. The group does not anticipate future write offs of uncollectable amounts will be significant as the group now imposes much more restrictive rules on clients who utilise extended settlement facilities.

	Group		Company	
Provision of impairment of receivables:	2017	2016	2017	2016
	£	£	£	£

At 1 January	299,711	207,711	-	-
Charge / (credit) for the year	72,604	116,300	-	-
Uncollectable amounts written off	(287,320)	(24,108)	-	-
At 31 December	84,995	299,903	-	-