4 March 2009

Jarvis Securities plc

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

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2008

Financial Highlights:

- +8% - Daily Average Trade Volumes
- +8% - Turnover £4.9m (2007: £4.5m)
- +4% - Adjusted Profit Before Tax (excluding £0.5m of offer costs and bad debts) £2.4m (2007: £2.3m)
- -15% - Profit After Tax £1.3m (2007: £1.6m)
- -17% - Basic Earnings Per Share 12.3p (2007: 14.9p)

Corporate Highlights:

- Winner - FT/Investors Chronicle Best Stockbroker for Customer Service
- Silver Award - FT/Investors Chronicle Best Execution Only Stockbroker
- 96% of client survey respondents rated Jarvis as good, very good or outstanding
- 94% of client survey respondents would recommend Jarvis

Andrew Grant, Chairman and CEO commented, "Trading volumes in 2009 have remained strong with January and February 14% ahead year on year. We continue to win commercial outsourced service contracts, but the current interest rate environment will impact upon our earnings from cash deposits during the coming year."

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Notes:
Jarvis Securities plc is the holding company for Jarvis Investment Management plc (AIM: JIM.L) a stock broking company and outsourced service provider for bespoke tailored financial administration. Jarvis was established in 1984 and is a member of the London Stock Exchange; a broker dealer member of PLUS Markets, authorised and regulated by the Financial Services Authority and an HM Revenue & Customs approved ISA manager. Jarvis has more than 30,000 retail clients and a growing number of institutional clients. As well as normal retail broking Jarvis provides cost effective and flexible share trading facilities within ISA and SIPP wrappers.

Jarvis provides outsourced and partnered financial administration services to a number of third party organisations. These organisations include advisers, stockbrokers, banks and fund managers. Jarvis can tailor its administration processes to the requirements of each organisation and has a strong reputation for flexibility and cost-effectiveness.

Copies of this announcement are available from the Company's registered office and from the Company's website, www.jarvissecurities.co.uk

CHAIRMAN'S STATEMENT

The second half of 2008 was clearly very challenging for many financial services businesses. We are all aware of the household names that have been hurriedly sold off, been taken into partial or full State control or that simply ceased trading. These are truly exceptional times to be operating in financial services, or many other sectors, of the UK economy and the repercussions of the credit situation and recession will continue for many months, possibly even years, yet.

I would not normally be so delighted to report such modest improvements in turnover and trading profits over the prior year. However, against such a dismal backdrop, I am extremely pleased to be reporting a rise in revenue of 8% and operating profit up 4%. We have long held the belief that our model is more resilient than a traditional broking operation but now we have had the chance to prove that claim. We have suffered a reduction in profit before income tax and earnings per share due to the costs of the offer made for the business in early 2008 and bad debts incurred from failed commercial clients. More importantly though, given the economic climate, we remain profitable and highly cash-generative which is truly an enviable position.

The current interest rate environment will impact upon our earnings from cash deposits during the coming year. However, we continue to have significant interest in our outsourced financial administration services and I expect to be announcing further contract wins during 2009. We are also increasing our advertising and marketing not just in this area but to retail clients too. Strong firms that continue to look forward and invest in the future will be well placed to benefit when conditions improve. There is no reason to believe that this is not a great opportunity for Jarvis to win all types of clients from failing competitors and we fully intend to maximise this potential.

Whilst Jarvis has always aimed to offer cost-effective products to our clients, it is the quality of service that really makes the difference. We were all very pleased to see our efforts recognised with the firm receiving two awards from the Financial Times/Investors Chronicle. Jarvis is not the largest execution-only broker, so to win the Customer Service Award in a public vote is an achievement to be proud of. We also decided to carry out a client survey to obtain honest and impartial feedback. It is important that we are making the right improvements to our services and for us to identify any areas that we may have missed. When the results were collated, it was gratifying to see the ratings and referral rates both well above 90%. We do not see this as an excuse to be complacent and we have a number of other significant initiatives underway for the coming year.

Due to some procedural issues relating to document filing, we need to ratify one dividend at the Annual General Meeting and re-declare the 2007 final dividend. Further details are given in note 21 to this announcement. As a result of this, there will not be a final dividend declared for 2008 but such remaining distributable reserves will form part of an interim dividend for 2009, which it is anticipated will be paid in the first half of 2009. Thereafter the Company will revert to its normal dividend timetable.

Without doubt, we are operating in demanding times that are beyond our control or influence, but I remain confident in our business model, our planned developments, our quality of service and our dedicated team. Whilst the short-term forecast may be unpredictable, I maintain that the medium term outlook for Jarvis remains promising.

Andrew J. Grant
Chairman

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	**Year to 31/12/08**	Year to 31/12/07
		£	£
Continuing operations:			
Revenue	*3*	**4,885,249**	4,519,116
Administrative expenses		**(2,908,718)**	(2,210,693)
Finance costs	*5*	**(39,320)**	(26,946)
Profit before income tax	*6*	**1,937,211**	2,281,477
Income tax charge	*8*	**(627,525)**	(633,710)
Profit for the period	*19*	**1,309,686**	1,647,767
Attributable to equity holders of the parent		**1,309,686**	1,647,767
Earnings per share	*9*	**p**	p
Basic		**12.30**	14.91
Diluted		**11.36**	13.98

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	**31/12/08**	31/12/07
		£	£
Assets			
Non-current assets			
Property, plant and equipment	*10*	**333,286**	87,347
Intangible assets	*11*	**39,396**	38,485
Goodwill	*11*	**342,872**	342,872
Investments held to maturity	*12*	**39,601**	19,800
Available-for-sale investments	*13*	**57,500**	200
Deferred income tax	*8*	**3,143**	79,407
		815,798	568,111
Current assets			
Trade and other receivables	*15*	**5,342,108**	8,293,218
Investments held for trading	*16*	**50,848**	21,599
Cash and cash equivalents	*17*	**4,697,721**	8,962,187
		10,090,677	17,277,004
Total assets		**10,906,475**	17,845,115
Equity and liabilities			
Capital and reserves	*19*		
Share capital	*18*	**105,000**	108,000
Share premium	*19*	**789,834**	789,834
Capital redemption reserve	*19*	**9,845**	6,845
Revaluation reserve	*19*	**56,401**	-
Other reserves	*19*	**54,099**	34,010
Retained earnings	*19*	**1,255,387**	695,329
Own shares held in treasury	*19*	**(83,319)**	(1,930)
Total equity	*19*	**2,187,247**	1,632,088
Current liabilities	*20*		
Trade and other payables	*20*	**8,135,670**	15,609,935
Income tax	*20*	**583,558**	603,092
Total liabilities	*20*	**8,719,228**	16,213,027
Total equity and liabilities		**10,906,475**	17,845,115

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2008

	Notes	**31/12/08**	31/12/07 *as restated*
		£	£
Assets			
Non-current assets			
Property, plant and equipment	*10*	**333,286**	87,347
Intangible assets	*11*	**39,396**	38,485
Goodwill	*11*	**342,872**	342,872
Investments held to maturity	*12*	**39,601**	19,800
Available-for-sale investments	*13*	**57,500**	200
Investment in subsidiaries	*14*	**111,204**	105,722
Deferred income tax	*8*	**3,143**	79,407
		927,002	673,833
Current assets			
Trade and other receivables	*15*	**1,842,509**	428,770
Cash and cash equivalents	*17*	**1**	4,115
		1,842,510	432,885
Total assets		**2,769,512**	1,106,718
Equity and liabilities			
Capital and reserves	*19*		
Share capital	*18*	**105,000**	108,000
Share premium	*19*	**779,934**	779,934
Capital redemption reserve	*19*	**9,845**	6,845
Revaluation reserve	*19*	**56,401**	-
Other reserves	*19*	**54,099**	34,010
Retained earnings	*19*	**26,547**	100,890
Own shares held in treasury	*19*	**(83,319)**	(1,930)
Total equity	*19*	**948,507**	1,027,749
Current liabilities	*20*		
Trade and other payables	*20*	**1,725,056**	75,896
Income tax	*20*	**95,949**	3,073
Total liabilities	*20*	**1,821,005**	78,969
Total equity and liabilities		**2,769,512**	1,106,718

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE YEAR

	Notes	**Year to 31/12/08**	Year to 31/12/07
		£	£
Purchase of own shares	*19*	**(842,962)**	(1,125,013)
Sale of shares from treasury	*19*	**41,250**	252,247
Deferred tax asset on share options	*8*	**(29,305)**	29,305
Net income recognised directly in equity		**(831,017)**	(843,461)
Profit for the period	*19*	**1,309,686**	1,647,767
Total recognised income and expense for the period		**478,669**	804,306
Attributable to equity holders of the parent		**478,669**	804,306

COMPANY STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE YEAR

	Notes	**Year to 31/12/08**	Year to 31/12/07
		£	£
Purchase of own shares	*19*	**(842,962)**	(1,125,013)
Sale of shares from treasury	*19*	**41,250**	252,247
Deferred tax asset on share options	*8*	**(29,305)**	29,305
Net income recognised directly in equity		**(831,017)**	(843,461)
Profit for the period	*19*	**675,285**	1,580,098
Total recognised income and expense for the period		**(155,732)**	736,637
Attributable to equity holders of the company		**(155,732)**	736,637

CASHFLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	CONSOLIDATED		COMPANY	
	Year to 31/12/08	Year to 31/12/07	**Year to 31/12/08**	Year to 31/12/07 *as restated*
	£	£	**£**	£
Cash flow from operating activities				
Profit before income tax	**1,937,211**	2,281,477	**2,025,988**	1,525,361
Loss on disposal of property, plant and equipment	**13,904**	-	**13,904**	-
Depreciation and amortisation	**134,626**	64,376	**134,626**	64,376
Cost of share options	**20,089**	16,314	**14,607**	10,892
Finance costs	**39,320**	26,946	**100**	(983)
	2,145,150	2,389,113	**2,189,225**	1,599,646
(Increase)/decrease in trade and other receivables	**(1,131,217)**	18,201	**(1,413,739)**	22,601
(Increase)/decrease in investments held for trading	**(29,249)**	12,587	**-**	-
Increase in trade payables	**265,559**	107,693	**441,584**	3,986
Cash generated from operations	**1,250,243**	2,527,594	**1,217,070**	1,626,233
Interest paid	**(39,320)**	(26,946)	**(100)**	-
Interest received	**-**	-	**-**	983
Income tax (paid)/received	**(600,100)**	(444,550)	**(5,308)**	21,000
Net cash from operating activities	**610,823**	2,056,098	**1,211,662**	1,648,216
Cash flows from investing activities				
Purchase of property, plant and equipment	**(395,381)**	(24,240)	**(395,381)**	(24,240)
Purchase of other long term assets	**(20,700)**	(20,000)	**(20,700)**	(20,000)
	(416,081)	(44,240)	**(416,081)**	(44,240)
Cash flows from financing activities				
Proceeds from sale of treasury shares	**41,250**	252,247	**41,250**	252,247
Purchase of own shares	**(842,962)**	(1,125,013)	**(842,962)**	(1,125,013)
Dividends paid	**-**	(730,000)	**-**	(730,000)
Net cash used in financing activities	**(801,712)**	(1,602,766)	**(801,712)**	(1,602,766)
Net (decrease)/increase in cash and cash equivalents	**(606,970)**	409,092	**(6,131)**	1,210
Cash and cash equivalents at the start of the year	**880,591**	471,499	**4,115**	2,905
Cash and cash equivalents at the end of the year	**273,621**	880,591	**(2,016)**	4,115
Cash and cash equivalents:				
Cash at bank and in hand	**275,638**	880,591	**1**	4,115
Bank overdraft	**(2,017)**	-	**(2,017)**	-
	273,621	880,591	**(2,016)**	4,115

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 1985 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of available-for-sale financial assets, and financial assets and liabilities 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. These accounting policies comply with applicable IFRS standards and IFRIC interpretations issued and effective at the time of preparing these statements.

The following IFRS standards, amendments and interpretations are effective for the company from 1 January 2009 and hence have not been adopted within these financial statements. The adoptions of these standards, amendments and interpretations is not expected to have a material impact on the company's profit for the year or equity:

IFRIC 13 Customer Loyalty Programmes
IFRIC 16 Hedges of a Net Investment in a Foreign Operation
IAS1 Presentation of Financial Statements (revised September 2007)
IFRS 8 Operating Segments
IAS 32 Financial Instruments - Presentation (Amendments)
IAS1 Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation
Amendment to IFRS 2 Share Based Payment - Vesting Conditions and Cancellations
IAS 23 Borrowing Costs
IAS 27 Consolidated and Separate Financial Statements
IFRS 3 Business Combinations
IFRIC 15 Agreements for the Construction of Real Estate
IAS 39 Financial Instruments: Recognition and Measurement (Amendment) - Eligible Hedged Items
Reclassification of Financial Assets (Amendments to IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures)
IFRIC 17 Distributions of Non-cash Assets to Owners
IFRS 1 First- time Adoption of International Financial Reporting Standards (revised)

The preparation of financial statements in accordance with IFRS requires the use of certain accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. 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 24.

2. Summary of significant accounting policies

(a) Revenue

Revenue represents net sales of services, commissions and interest excluding value added tax. Management fees charged in arrears are accrued pro-rata for the expired period of each charging interval. Interest is accrued on cash deposits pro-rata for the expired period of the deposit. Commission income is recognised as earned.

(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 plc, Sharegain Limited, JIM Nominees Limited, Galleon Nominees Limited and Dudley Road Nominees Limited made up to 31 December 2008.

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, plus costs directly attributable to the acquisition. 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 profit and loss account is presented for Jarvis Securities plc as provided by S230(3) of the Companies Act 1985.

(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
Motor vehicles	-	15% on cost
Office equipment	-	20% on cost

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 capitalised at their fair value on acquisition and carried at cost less accumulated amortisation. 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
Software developments	-	33% 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.

(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) Stockbroking balances
The gross assets and liabilities of the group relating to stockbroking transactions on behalf of clients are included in trade receivables, trade payables and cash and cash equivalents.

(j) Operating leases and finance 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. Where the company has entered into finance leases, the obligations to the lessor are shown as part of borrowings and the rights in the corresponding assets are treated in the same way as owned fixed assets. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than right to legal title.

(k) Finance lease interest

The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(l) Investments
The Group classifies its investments in the following categories: investments held to maturity, investments held for trading and available-for-sale investments. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Investments held to maturity
Investments held to maturity are stated at cost. Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity. Assets in this category are classified as non-current.

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.

Available-for-sale investments
Available-for-sale investments are stated at fair value. They are included in non-current assets unless management intends to dispose of them within 12 months of the balance sheet date.

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. Unrealised gains and losses arising in changes in the fair value of available-for-sale investments are recognised in equity. When investments classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

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 significant or prolonged decline in the fair value below its cost is considered in determining whether the security is impaired.

(m) Cashflow statement
Cash movements relating to stockbroking balances derived from client trading are excluded from the cashflow statement on the basis that these amounts do not form part of the cashflow position of the group. DVP cash is client funds held in trust for delivery versus payment transactions in order to pay market counterparties for the purchase of equities and other instruments settled via CREST, the electronic mechanism for the simultaneous and irrevocable transfer of cash and securities operated by CRESTCo Limited. Hence such cash and cash equivalents are not readily available for use by the company as they relate to client transactions.

(n) Foreign Exchange
The group offers settlement of trades in sterling, US dollars, euros, Canadian dollars, Australian dollars, South African rand and Swiss francs. 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 no foreign exchange risk.

(o) 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.

(p) 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.

(q) 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.

(r) 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 notified to shareholders and final dividends are approved by the company's shareholders.

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 Directors' Report.

	2008	2007
	£	£
Interest received on stockbroking accounts net of interest paid to clients	2,091,042	1,895,453
Fees, commissions, foreign exchange gains and other revenue	2,794,207	2,623,663
	4,885,249	4,519,116

4. Segmental information
All of the reported revenue and operational results for the period derive from the group's continuing financial services operations.

5. Finance costs	2008	2007
	£	£
Interest on bank loans, overdrafts and income tax	39,320	26,946
Interest paid to clients on cash savings products	-	52,664
	39,320	79,610

Interest paid on cash savings products is included within administrative expenses as the holding of client monies and the earning and paying of interest upon these is a core part of the business activities of Jarvis Investment Management plc. Cash savings products ceased to be offered during 2007.

6. Profit before income tax	2008	2007
Profit before income tax is stated after charging:	£	£
Directors' emoluments	403,386	359,793
Depreciation – owned assets	115,681	39,564
Amortisation	18,945	24,812
Operating lease rentals – hire of machinery	10,566	8,657
Operating lease rentals – land and buildings	63,500	35,750
Loss on disposal of fixed assets	13,905	-
Finance costs	39,320	62,185

Directors' emoluments		
Fees	350,215	325,475
Pension contributions	18,314	11,964
Cost of share options	10,832	10,892
Benefits in kind	24,025	11,462
	403,386	359,793

Details of the highest paid director are as follows:		
Aggregate emoluments	195,976	181,001
Company contributions to personal pension scheme	13,464	11,964
Cost of share options	6,585	6,206
Benefits in kind	12,467	11,462
	228,492	210,633

Benefits are accruing for two directors (2007 one director) 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:

	Number	Number
Management and administration	26	23
The aggregate payroll costs of these persons were as follows:	£	£
Wages and salaries	900,189	773,134
Pension contributions	18,314	11,964
Social security	97,921	85,473
Cost of share options	16,314	16,314
	1,032,738	886,885

Key personnel
The executive directors are considered to be the key management personnel of the company.

7. Auditors' remuneration
During the year the company obtained the following services from the company's auditors as detailed below:

	2008	2007
	£	£
Fees payable to the company's auditors for the audit of the company's annual financial statements	9,525	8,700
Fees payable to the company's auditors and its associates for other services:		
The audit of the company's subsidiaries, pursuant to legislation	8,000	7,000
Total audit fees	17,525	15,700
Other services relating to taxation	2,080	3,225
All other services	20,420	12,235
	40,025	31,160

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

8. Income and deferred tax charges	2008	2007
	£	£
Based on the adjusted results for the year:		
UK corporation tax	583,598	697,336
Adjustments in respect of prior years	(3,032)	(395)
Total current income tax	580,566	696,941
Deferred income tax:		
Origination and reversal of timing differences	(7,281)	(8,991)
Deferred tax on share options granted	54,240	(54,240)
Income tax on profit	627,525	633,710

The income tax assessed for the year is lower than the standard rate of corporation tax in the UK (28.5%). The differences are explained below:

Profit before income tax	1,937,211	2,281,477
Profit before income tax multiplied by the standard rate of corporation tax in the UK of 28.5% (2007 – 30%)	552,105	684,443
Effects of:		
Expenses not deductible for tax purposes	24,428	9,593
Income not taxable for tax purposes	4,848	-
Adjustments to tax charge in respect of previous years	(3,032)	(395)
Capital allowances in excess of depreciation	4,300	-
Marginal relief	(2,083)	(1,594)
Cost of share options	-	4,894
Current income tax charge for the year	580,566	696,941

Movement in provision:

Provision at start of year	(79,407)	13,130
Deferred income tax charged in the income statement for the year	(7,281)	(63,232)
Adjustment in respect of prior periods	54,240	-
Deferred income tax charged to equity for the year	29,305	(29,305)
Provision at end of year	(3,143)	(79,407)
Provision for deferred income tax:		
Accelerated capital allowances	(3,143)	4,138
Share options granted	-	(83,545)
	(3,143)	(79,407)

9. Earnings per share

	2008	2007
	£	£
Earnings for the purposes of basic and diluted earnings per share *(profit for the period attributable to the equity holders of the parent)*	1,309,686	1,647,767

Date	Event	Number	Days		
Basic earnings per share:					
1/1/07	Balance at 1/1/07	11,350,000	7		217,671
8/1/07	Cancellation of treasury shares	11,280,000	73		2,256,000
21/3/07	Cancellation of treasury shares	11,200,000	37		1,135,342
27/4/07	Cancellation of treasury shares	11,000,000	124		3,736,986
29/8/07	Cancellation of treasury shares	10,900,000	123		3,673,150
31/12/07	Cancellation of treasury shares	10,800,000	1		29,589
1/1/08	Balance at 1/1/08	10,800,000	182	5,370,492	
30/6/08	Cancellation of treasury shares	10,500,000	184	5,278,688	
				10,649,180	11,048,738
Diluted earnings per share:					
1/1/07	Balance at 1/1/07	12,000,000	7		230,137
8/1/07	Cancellation of treasury shares	11,930,000	73		2,386,000
21/3/07	Cancellation of treasury shares	11,850,000	37		1,201,233
27/4/07	Cancellation of treasury shares	11,650,000	124		3,957,808
18/5/07	Grant of options	11,880,000	21		683,507
29/8/07	Cancellation of treasury shares	11,780,000	102		3,291,945
31/12/07	Cancellation of treasury shares	11,680,000	1		32,000
1/1/08	Balance at 1/1/08	11,680,000	182	5,808,087	
30/6/08	Cancellation of treasury shares	11,380,000	184	5,721,093	
				11,529,180	11,782,630

10. Property, plant and equipment

	Leasehold Improvements	Motor Vehicle	Office Equipment	Total
Cost:	£	£	£	£
At 1 January 2007	49,203	24,160	202,484	275,847
Additions	7,009	2,897	11,830	21,736
At 31 December 2007	56,212	27,057	214,314	297,583
Additions	284,561	36,601	54,363	375,525
Disposals	(52,431)	-	(31,570)	(84,001)
At 31 December 2008	288,342	63,658	237,107	589,107
Depreciation:				
At 1 January 2007	31,050	3,926	135,696	170,672
Charge for the year	10,141	3,986	25,437	39,564
At 31 December 2007	41,191	7,912	161,133	210,236
Charge for the year	77,006	9,092	29,583	115,681
On Disposal	(42,438)	-	(27,658)	(70,096)
At 31 December 2008	75,759	17,004	163,058	255,821
Net Book Value:				
At 31 December 2008	212,583	46,654	74,049	333,286
At 31 December 2007	15,021	19,145	53,181	87,347

11. Intangible assets and goodwill

	Goodwill	Databases	Software Development	Website	Total
	£	£	£	£	£
Cost:					
At 1 January 2007	342,872	25,000	91,017	70,185	529,074
Additions	-	-	2,504	-	2,504
At 31 December 2007	342,872	25,000	93,521	70,185	531,578
Additions	-	-	972	18,884	19,856
Disposals	-	-	-	-	-
At 31 December 2008	342,872	25,000	94,493	89,069	551,434
Amortisation:					
At 1 January 2007	-	3,177	76,577	45,655	125,409
Charge for the year	-	1,250	12,802	10,760	24,812
At 31 December 2007	-	4,427	89,379	56,415	150,221
Charge for the year	-	1,250	2,834	14,861	18,945
On Disposal	-	-	-	-	-
At 31 December 2008	-	5,677	92,213	71,276	169,166
Net Book Value:					
At 31 December 2008	342,872	19,323	2,280	17,793	382,268
At 31 December 2007	342,872	20,573	4,142	13,770	381,357

In reviewing the value of goodwill for impairment, the directors have assumed an attrition rate of 7.0% based upon the actual rate for the previous period and a discount rate of 2.0%. The discounted cashflow is calculated over a period of 5 years. For impairment to the goodwill value to occur, the attrition rate would need to exceed 86.7% or the discount rate would need to exceed 24.5%.

12. Investments held to maturity

	Group 2008	Group 2007	Company 2008	Company 2007
Unlisted Investments:	£	£	£	£
Cost:				
At 1 January 2008	19,800	-	19,800	-
Additions	19,801	19,800	19,801	19,800
As at 31 December 2008	39,601	19,800	39,601	19,800

Unlisted investments held to maturity are stated at cost.

Unlisted investments are interests held in the following company registered in the United Kingdom:

	Shareholding	*Holding*	*Business*
Alexander David Securities Group plc	£39,601 at par	Loan notes	Stockbrokers

13. Available-for-sale investments

	Group 2008	Group 2007	Company 2008	Company 2007
Listed Investments:	£	£	£	£
Cost:				
At 1 January 2008	200	-	200	-
Additions	899	200	899	200
On revaluation	56,401	-	56,401	-
As at 31 December 2008	57,500	200	57,500	200

Listed investments are stated at their market value at 31 December 2008.

Listed investments are interests held in the following company registered in the United Kingdom:

	Shareholding		*Holding*	*Business*
Alexander David Securities Group plc	2.7%	11,500,096	1p Ordinary shares	Stockbrokers

14. Investments in subsidiaries

	Company 2008	2007 *as restated*
Unlisted Investments:	£	£
Cost:		
At 1 January 2008	105,722	100,300
Additions *(capital contributions re share option costs)*	5,482	5,422
As at 31 December 2008	111,204	105,722

	Shareholding		*Holding*	*Business*
Jarvis Investment Management plc	100%	10,030,000	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
Sharegain Limited*	100%	1	£1 Ordinary shares	Dormant company

** indirectly held*

15. Trade and other receivables

Amounts falling due within one year:	Group 2008	Group 2007	Company 2008	Company 2007
	£	£	£	£
Trade receivables	2,937,120	6,988,801	100,384	56,750
Amounts owed by group undertakings	17,319	53,897	156,900	21,000
Other receivables	317,752	172,182	20,875	135,089
Charge against ordinary shares	1,393,345	-	1,393,345	-
Prepayments and accrued income	676,572	1,078,338	171,005	215,931
	5,342,108	8,293,218	1,842,509	428,770

Trade receivables include £2,832,609 (2007 £6,914,936) in respect of delivery versus payment transactions for the settlement of client bargains.

16. Investments held for trading

	Group 2008	Group 2007	Company 2008	Company 2007
Listed Investments:	£	£	£	£
Valuation:				
At 1 January 2008	21,599	34,186	-	-
Additions	655,949	534,880	-	-
Disposals	(626,700)	(547,467)	-	-
As at 31 December 2008	50,848	21,599	-	-

Listed investments are stated at their market value at 31 December 2008.

17. Cash and cash equivalents

	Group 2008	Group 2007	Company 2008	Company 2007
	£	£	£	£
Balance at bank and in hand - group	275,638	880,591	1	4,115
Balance at bank and in hand – client balances	4,422,083	8,081,596	-	-
	4,697,721	8,962,187	1	4,115

Cash at bank includes £4,422,083 (2007 £8,081,596) received in the course of settlement of bargains. This amount is held by the company in trust on behalf of clients and is only available to complete the settlement of outstanding bargains.

18. Share capital

	2008	2007
	£	£
Authorised:		
16,000,000 Ordinary shares of 1p each	160,000	160,000
Allotted, issued and fully paid:		
10,500,000 (2007: 10,800,000) Ordinary shares of 1p each	105,000	108,000

During the year the company repurchased 387,000 of its own Ordinary 1p shares into Treasury. The company held 1,000 shares in Treasury at the start of the year and 50,000 shares from Treasury were used to satisfy the exercise of options by Mr J S Mackay on his resignation during the period. A total of 300,000 shares with a nominal value of £3,000 were cancelled during the year. Hence, 38,000 shares purchased during the year were held in treasury at the year end.

A total of 600,000 options were granted to directors and employees on admission of the company to trading on AIM on 23 December 2004 and a further 50,000 to a director on 20 January 2007. These options were granted with an exercise price of 82.5p and are first exercisable on 23 December 2009 and with a last exercise date of 23 December 2014. In addition, 230,000 options were granted on 18 May 2007 to directors and employees with an exercise price of 175p and are first exercisable on 17 May 2012 and with a last exercise date of 17 May 2017. The total number of options currently unexercised and in issue is 820,000.

The following options were granted to directors:

	at 82.5p	*at 175p*
A J Grant	273,500	76,500
M J Edmett	175,000	50,000
J S Mackay *(resigned 29 February 2008)*	50,000	-

19. Consolidated statement of changes in equity for the year

	Share capital	Share premium	Capital redemption reserve	Revaluation reserve	Other reserves	Retained earnings	Own shares held in treasury	Total equity
	£	£	£	£	£	£	£	£
At 1 January 2007	113,500	789,834	1,345	-	17,696	688,886	(69,793)	1,541,468
Purchase of own shares	-	-	-	-	-	-	(1,125,013)	(1,125,013)
Sale of shares from treasury	-	-	-	-	-	-	252,247	252,247
Deferred tax charged to equity	-	-	-	-	-	29,305	-	29,305
Net income recognised directly in equity	-	-	-	-	-	*29,305*	*(872,766)*	*(843,461)*
Cancellation of own shares	(5,500)	-	5,500	-	-	(940,629)	940,629	-
Expense of employee options	-	-	-	-	16,314	-	-	16,314
Profit for the financial year	-	-	-	-	-	1,647,767	-	1,647,767
Dividends	-	-	-	-	-	(730,000)	-	(730,000)
At 31 December 2007	108,000	789,834	6,845	-	34,010	695,329	(1,930)	1,632,088
Purchase of own shares	-	-	-	-	-	-	(842,962)	(842,962)
Sale of shares from treasury	-	-	-	-	-	-	41,250	41,250
Deferred tax charged to equity	-	-	-	-	-	(29,305)	-	(29,305)
Net income recognised directly in equity	-	-	-	-	-	*29,305*	*(801,712)*	*(831,017)*
Cancellation of own shares	(3,000)	-	3,000	-	-	(720,323)	720,323	-
Expense of employee options	-	-	-	-	20,089	-	-	20,089
Profit for the financial year	-	-	-	-	-	1,309,686	-	1,309,686
Investment revaluation	-	-	-	56,401	-	-	-	56,401
At 31 December 2008	105,000	789,834	9,845	56,401	54,099	1,255,387	(83,319)	2,187,247

19. Company statement of changes in equity for the year

	Share capital	Share premium	Capital redemption reserve	Revaluation reserve	Other reserves	Retained earnings	Own shares held in treasury	Total equity
	£	£	£	£	£	£	£	£
At 1 January 2007	113,500	779,934	1,345	-	17,696	156,694	(69,793)	999,376
Purchase of own shares	-	-	-	-	-	-	(1,125,013)	(1,125,013)
Sale of shares from treasury	-	-	-	-	-	-	252,247	252,247
Deferred tax charged to equity	-	-	-	-	-	29,305	-	29,305
Net income recognised directly in equity	-	-	-	-	-	*29,305*	*(872,766)*	*(843,461)*
Cancellation of own shares	(5,500)	-	5,500	-	-	(940,629)	940,629	-
Expense of employee options	-	-	-	-	16,314	-	-	16,314
Profit for the financial year	-	-	-	-	-	1,580,098	-	1,580,098
Dividends	-	-	-	-	-	(730,000)	-	(730,000)
At 31 December 2007 *as previously stated*	108,000	779,934	6,845	-	34,010	95,468	(1,930)	1,022,327
Capital contribution re options cost of subsidiary	-	-	-	-	-	*5,422*	-	*5,422*
At 31 December 2007 *as restated*	108,000	779,934	6,845	-	34,010	100,890	(1,930)	1,027,749
Purchase of own shares	-	-	-	-	-	-	(842,962)	(842,962)
Sale of shares from treasury	-	-	-	-	-	-	41,250	41,250
Deferred tax charged to equity	-	-	-	-	-	(29,305)	-	(29,305)
Net income recognised directly in equity	-	-	-	-	-	*(29,305)*	*(801,712)*	*(831,017)*
Cancellation of own shares	(3,000)	-	3,000	-	-	(720,323)	720,323	-
Expense of employee options	-	-	-	-	20,089	-	-	20,089
Profit for the financial year	-	-	-	-	-	675,285	-	675,285
Investment revaluation	-	-	-	56,401	-	-	-	56,401
At 31 December 2008	105,000	779,934	9,845	56,401	54,099	26,547	(83,319)	948,507

Other reserves relates to the provision for the estimated cost of employee share options. Following the introduction of IFRIC 11 the options cost to the parent company relating to employees of the subsidiary has been charged to the income statement of the subsidiary for the current year and the comparative year has also been adjusted.

20. Trade and other payables

Amounts falling due within one year:	Group 2008	Group 2007	Company 2008	Company 2007
	£	£	£	£
Bank loans and overdrafts	2,017	-	2,017	-
Trade payables	7,436,589	15,449,512	4,025	57,196
Amounts owed to group companies	7,199	-	1,212,759	-
Other taxes and social security	65,774	78,512	5,097	-
Other provisions	610,066	28,044	487,133	-
Accruals	14,025	53,867	14,025	18,700
Trade and other payables	8,135,670	15,609,935	1,725,056	75,896
Income tax	583,558	603,092	95,949	3,073
Total liabilities	8,719,228	16,213,027	1,821,005	78,969

Trade payables include £7,254,693 (2007 £14,996,532) in respect of delivery versus payment transactions for the settlement of client bargains.

21. Dividends

	2008	2007
	£	£
Final dividends paid on Ordinary 1p shares	-	282,000
Interim dividends paid on Ordinary 1p shares	-	448,000
	-	730,000
Dividend per Ordinary 1p share	-	6.5p

Amounts totalling £1,393,345 were paid to shareholders during the year as dividend payments. Due to certain procedural issues, part of these distributions require ratification by the Members at the Annual General Meeting in order to be treated as a lawful dividend and the other part of the distributions require the declaration of an interim dividend for 2009 to remedy the issues with their declaration. The total amount is currently shown within trade and other receivables. Subject to approval, the net position of shareholders will not vary and this is not an additional dividend payment.

22. Operating lease commitments
At 31 December 2008 the group was committed to making the following payments in respect of operating leases which expire:

	Equipment		Land & buildings	
	2008	2007	2008	2007
	£			£
Between one and five years:	51,069	-	-	-
After more than five years:	-	61,635	555,625	619,125

On 26 September 2007 the company entered into a lease with Sion Holdings Limited, its parent company, for the rental of 78 Mount Ephraim, a self-contained office building. The lease has an annual rental of £63,500, being the market rate on an arm's length basis, and expires on 26 September 2017.

In addition, on 24 October 2007, Jarvis Investment Management plc entered into a lease agreement with Neopost Finance for the rental of various items of post management equipment. The equipment is required to support the increasing volume of post received and sent by the group as a result of the growth of the business. The lease has a term of 6 years.

23. 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.

The main financial asset of the group is cash and cash equivalents which is denominated in sterling and which is detailed in note 17. The group operates a low risk investment policy and surplus funds are placed on deposit with at least A rated banks at floating interest rates.

The group also holds investments in equities and loan notes.

Short-term receivables and payables are excluded from these disclosures.

24. 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 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 11.

Employee options are expensed equally in each year from issue to the date of first exercise. The total cost is calculated on issue based on the Black Scholes method with a volatility rate of 30% and a risk free interest rate of 3.75%. It is assumed that all current employees with options will still qualify for the options at the exercise date.

25. Immediate and ultimate parent undertaking
The company's immediate and ultimate parent undertaking is Sion Holdings Limited, a company registered in England and Wales. The largest set of accounts that Jarvis Securities plc is consolidated into is that of Sion Holdings Limited. Sion Holdings Limited is controlled by Mr A J Grant by virtue of his majority shareholding.

26. Related party transactions
At the year end Sion Holdings Limited had an outstanding inter-company loan balance due from Jarvis Securities plc of £7,199 (2007 £nil). Sion Holdings Limited owed Jarvis Securities plc £nil (2007 £5,000 for invoiced services).

On 26 September 2007 the company entered into a lease with Sion Holdings Limited, its parent company, for the rental of 78 Mount Ephraim, a self-contained office building. The lease has an annual rental of £63,500, being the market rate on an arm's length basis, and expires on 26 September 2017. During the year the company made a management charge of £10,000 to Sion Holdings Ltd for office and administrative services and paid Sion Holdings Limited rent of £63,500 under the terms of the lease of 78 Mount Ephraim.

Other receivables for the group include £822 (2007 £nil) due from Mr A J Grant, and for the company and group include £5,000 (2007 £nil) due from Mr M J Edmett, both directors of the company.

Jarvis Investment Management plc paid a performance related management charge to Jarvis Securities plc of £475,000 (2007 nil) on 31 December 2008 and owed the company £1,205,560 at the year end.

In addition, Sion Holdings Limited owed Jarvis Investment Management plc £17,319 (2007 £53,897) at the year end relating to group VAT.

27. Event after the balance sheet date
Amounts totalling £1,393,345 were paid to shareholders during the year as dividend payments. Due to certain procedural issues, part of these distributions require ratification by the Members at the Annual General Meeting in order to be treated as a lawful dividend and the other part of the distributions require the declaration of an interim dividend for 2009 to remedy the issues with their declaration. Consequently the Board proposes the payment of an interim dividend as detailed in the Notice of Meeting.

28. Capital commitments
The company had no capital commitments at 31 December 2008 (2007 £36,700).

29. 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.

30. 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 already in place to enable all risks to be better controlled. These include detailed profit forecasts by business segment, 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 margin at 50% 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 Services Authority and the London Stock Exchange and are overseen by the compliance officer together with the management team.

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 directors do not consider that the Group is materially exposed to foreign exchange risk or interest rate risk.