Jarvis Securities plc

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

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

CHAIRMAN'S STATEMENT

- 15% decrease in profit before tax
- 27% decrease in interim dividend per share
- 20% decrease in EPS

This year has again been very challenging for Jarvis with the continuing skilled person review and voluntary requirement ("VREQ") restrictions on the firm's subsidiary Jarvis Investment Management Limited being the main focus for the firm. This has had a material impact on costs and continues to do so but conversely, the interest rate increases seen towards the end of 2022, as a tool to fight inflation, continued through to Q3 of 2023, which has been of benefit to the Group. Overall, we have traded in line with current expectations for the year.

We continue to progress through the skilled person review. We were expecting the skilled person to have provided their draft report for Phase 1c by 28 February 2024. This has been delayed, with the draft report now expected by the end of April 2024. During Q2, we expect the skilled person to start its phase 2 review and assurance report on the remediation work we have undertaken to date.

The reduction in share transaction volumes first seen in the second half of 2022 has continued throughout 2023. The negative geo-political situations have weighed heavily on the markets due to uncertain outcomes, however the effect of interest rate and cost of living increases on household spending is now much clearer.

As already announced in September 2022, the VREQ relates to our Model B Corporate Clients, and over the last 18 months we have continually reviewed those relationships. As a result of our risk assessments and categorisation, a number of Corporate Clients have been off-boarded due to falling outside of our risk appetite, whilst some have simply chosen to transfer elsewhere due to the restrictions of the VREQ. Our Corporate Client universe has remained steady since our assessments were completed in Q3 of the financial year under review and we are pleased to continue to be approached regarding potential new corporate introductions.

There have been significant enhancements to the onboarding processes and ongoing monitoring of all our client relationships and our enhanced Compliance Monitoring Plan is underway which will continuously give assurance as to the adequacy and effectiveness of our operations, systems and controls for monitoring compliance risk.

An area of change for Jarvis in 2024 is the decision to exit the SIPP market. Jarvis Investment Management Limited will of course work with all clients and SIPP Trustees to assist with a smooth transition to their preferred new custodian or platform provider and enable full closures of these accounts.

One of the Group's income streams is interest earned on client funds. This again has seen a significant upturn throughout the year, and has offset the reduction in commission income due to lower trade volumes and the significant one-off costs associated with the skilled person process. However, we are working closely with the skilled person with regard to uninvested client cash, interest retention and term deposits. Any potential impact on those income streams from reductions in funds held should become clearer in the coming months.

Despite these ongoing challenges the Board and staff at Jarvis remain committed and are working tirelessly so that the business can continue and to build for a stable, resilient future.

As always, I would like to thank all off our staff for their hard work and support over what has been another challenging and stressful period.

Andrew Grant

Chairman

Annual General Meeting

The Company will today dispatch to shareholders its Annual Report and Accounts for the year ended 31 December 2023, together with a notice convening the Annual General Meeting ("AGM"), to be held at the Company's offices on Thursday 18th April 2024 at 9am. The Annual Report and Accounts and Notice of AGM will also be available from today from the Company's website, www.jarvissecurities.co.uk .

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CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	**Year to 31/12/23**	Year to 31/12/22
		£	£
Continuing operations:			
Revenue	*3*	**13,088,907**	12,606,516

Administrative expenses		**(6,523,706)**	(6,212,770)
Exceptional administrative expenses	*5*	**(1,337,522)**	(249,936)
Lease finance costs	*13*	**(17,090)**	(5,785)
Profit before income tax	*5*	**5,210,589**	6,138,026
Income tax charge	*7*	**(1,229,356)**	(1,163,303)
Profit for the period		**3,981,233**	4,974,723
Attributable to equity holders of the parent		**3,981,233**	4,974,723
Earnings per share	*8*	**P**	P
Basic and diluted		**8.90**	11.12

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR

	Notes	**Year to 31/12/23**	Year to 31/12/22
		£	£
Profit for the period		**3,981,233**	4,974,723
Total comprehensive income for the period		**3,981,233**	4,974,723
Attributable to equity holders of the parent		**3,981,233**	4,974,723

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023

	Notes	**31/12/23**	31/12/22
		£	£
Assets			
Non-current assets			
Property, plant and equipment	*9*	**505,184**	598,044
Intangible assets	*10*	**45,331**	70,142
Goodwill	*10*	**342,872**	342,872
		893,387	1,011,058
Current assets			
Trade and other receivables	*12*	**2,011,608**	3,388,927
Investments held for trading	*14*	**11,966**	8,769
Cash and cash equivalents	*15*	**5,514,075**	4,278,737
		7,537,649	7,676,433
Total assets		**8,431,036**	8,687,491

Equity and liabilities			
Capital and reserves			
Share capital	*16*	**111,828**	111,828
Merger reserve		**9,900**	9,900
Capital redemption reserve		**9,845**	9,845
Retained earnings		**4,912,384**	4,845,114
Total equity attributable to the equity holders of the parent		**5,043,957**	4,976,687
Non-current liabilities			
Deferred tax	*7*	**54,266**	60,044
Lease liabilities	*13*	**223,515**	297,512
		277,781	357,556
Current liabilities			
Trade and other payables	*17*	**2,541,690**	2,739,330
Lease liabilities	*13*	**73,997**	70,410
Income tax	*17*	**493,611**	543,508
		3,109,298	3,353,248
Total liabilities		**3,387,079**	3,710,804
Total equity and liabilities		**8,431,036**	8,687,491

COMPANY STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023

	Notes	**31/12/23**	31/12/22
		£	£
Assets			
Non-current assets			
Property, plant and equipment	*9*	**505,184**	598,044
Intangible assets	*10*	**45,331**	70,142
Goodwill	*10*	**342,872**	342,872
Investment in subsidiaries	*11*	**884,239**	284,239
		1,777,626	1,295,297
Current assets			
Trade and other receivables	*12*	**166,298**	87,924
Cash and cash equivalents	*15*	**1,406,811**	1,925,466
		1,573,109	2,013,390
Total assets		**3,350,735**	3,308,687
Equity and liabilities			
Capital and reserves			
Share capital	*16*	**111,828**	111,828
Capital redemption reserve		**9,845**	9,845
Retained earnings		**1,840,421**	625,967
Total equity attributable to the equity holders		**1,962,094**	747,640
Non-current Liabilities			
Deferred Tax	*7*	**55,523**	61,006
Lease Liabilities	*13*	**223,514**	297,512
		279,037	358,518

Current liabilities			
Trade and other payables	*17*	**541,996**	1,615,986
Lease liabilities	*13*	**73,997**	70,410
Income tax	*17*	**493,611**	516,133
		1,109,604	2,202,529
Total liabilities		**1,388,641**	2,561,047
Total equity and liabilities		**3,350,735**	3,308,687

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Merger reserve	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2022	111,828	9,900	9,845	5,014,456	5,146,029
Profit for the financial year	-	-	-	4,974,723	4,974,723
Dividends	-	-	-	(5,144,065)	(5,144,065)
At 31 December 2022	111,828	9,900	9,845	4,845,114	4,976,687
Profit for the financial year	-	-	-	3,981,233	3,981,233
Dividends	-	-	-	(3,913,962)	(3,913,962)
At 31 December 2023	111,828	9,900	9,845	4,912,385	5,043,958

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2022	111,828	9,845	400,083	521,756
Profit for the financial year	-	-	5,369,949	5,369,949
Dividends	-	-	(5,144,065)	(5,144,065)
At 31 December 2022	111,828	9,845	625,967	747,640
Profit for the financial year	-	-	5,128,416	5,128,416
Dividends	-	-	(3,913,962)	(3,913,962)
At 31 December 2023	111,828	9,845	1,840,421	1,962,094

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	CONSOLIDATED Year to 31/12/23	CONSOLIDATED Year to 31/12/22	COMPANY Year to 31/12/23	COMPANY Year to 31/12/22
		£	£	**£**	£
Cash flow from operating activities					
Profit before income tax		**5,210,589**	6,138,026	**6,710,558**	6,250,665
Depreciation and amortisation	*5*	**118,421**	131,203	**118,421**	131,203
Lease finance cost		**17,090**	5,785	**17,090**	5,785
		5,346,100	6,275,014	**6,846,069**	6,387,653
(Increase) /Decrease in trade and other receivables		**1,377,319**	2,971,537	**(78,374)**	51,034
(Decrease) /Increase in trade payables		**(197,640)**	(2,161,711)	**(1,399,106)**	(813,317)
Cash generated from operations		**6,525,779**	7,084,840	**5,368,589**	5,625,370
Income tax (paid)/received		**(1,285,032)**	(1,323,288)	**(1,285,032)**	(772,817)
Net cash from operating activities		**5,240,747**	5,761,552	**4,083,557**	4,852,553
Cash flows from investing activities					
Purchase of property, plant and equipment		**-**	(12,583)	**-**	(12,448)
Purchase of investments held for trading		**(57,933)**	(2,797,364)	**-**	-
Proceeds from sale of investments held for trading		**54,736**	2,790,552	**-**	-
Investments in subsidiaries		**-**	-	**(600,000)**	-
Purchase of intangible assets		**(750)**	(12,448)	**(750)**	(12,583)
Cash flows from investing activities		**(3,946)**	(31,843)	**(600,750)**	(25,031)
Dividends paid		**(3,913,962)**	(5,144,065)	**(3,913,962)**	(5,144,065)
Lease finance costs		**(17,090)**	(5,875)	**(17,090)**	(5,875)
Repayment of lease liability		**(70,410)**	(81,626)	**(70,410)**	(81,626)
Net cash used in financing activities		**(4,001,462)**	(5,231,566)	**(4,001,462)**	(5,231,566)
Net (decrease)/ increase in cash & cash equivalents		**1,235,338**	(498,143)	**(518,655)**	(404,044)
Cash and cash equivalents at the start of the year		**4,278,737**	3,780,594	**1,925,466**	2,329,510
Cash and cash equivalents at the end of the year		**5,514,075**	4,278,737	**1,406,811**	1,925,466
Cash and cash equivalents:					
Balance at bank and in hand		**5,169,380**	5,499,464	**1,406,811**	1,925,466
Cash held for settlement of market transactions		**344,695**	(1,220,727)	**-**	-
		5,514,075	4,278,737	**1,406,811**	1,925,466

1. Basis of preparation

The company has adopted the requirements of international accounting standards as adopted by the United Kingdom 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
There are no standards that are issued but not yet effective that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Significant judgements and estimates
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.

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 5. 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.

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. Accounting policies

(a) IFRS 15 'Revenue from Contracts with Customers'

Commission - the group charges 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 on a point in time basis 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. Management fees income is recognised over time as 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. Interest income is recognised over time as the deposits accrue interest on a daily basis.

2. Accounting policies (continued)

(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 2023.

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 non-controlling 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 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 3 years
Office equipment	-	20% on cost
Land & Buildings	-	Buildings are depreciated at 2% on cost. Land is not depreciated.
Right of use asset	-	Straight line basis over the lease period

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each year end 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.

2. Accounting policies (continued)

(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 temporary 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) Investments
Investments held for trading
Under IFRS investments held for trading are recognised as financial assets measured at fair value through profit and loss.

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

(j) 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.

(k) Cash and cash equivalents
Cash and cash equivalents comprise:
Balance at bank and in hand - cash in 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.
Cash held for settlement of market transactions - this balance is cash generated through settlement activity, and can either be a surplus or a deficit. A surplus arises when settlement liabilities exceed settlement receivables. This surplus is temporary and is accounted for separately from the balance at bank and in hand as it is short term and will be required to meet settlement liabilities as they fall due. A deficit arises when settlement receivables exceed settlement liabilities. In this instance Jarvis will place its own funds in the client account to ensure CASS obligations are met. This deficit is also temporary and will reverse once settlement receivables are settled.

(l) 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 year end 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.

(m) 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.

2. Accounting policies (continued)

(n) IFRS 9 'Financial Instruments'
The group currently calculates a "bad debt" provision on customer balances based on 25% of overdrawn client accounts which are one month past due date and are not specifically provided for. Under IFRS 9 this assessment is required to be calculated based on a forward - looking expected credit loss ('ECL') model, for which a simplified approach will be applied. The method uses historic customer data, alongside future economic conditions to calculate expected loss on receivables

(o) IFRS 16 'Leases'
The lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implied in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.
The Group has applied judgement to determine the lease term for contracts with options to renew or exit early.
The carrying amount of right-of-use assets recognised was £384,985 at the lease start date of 27 September 2022.
A finance charge of 5% APR is used to calculate the finance cost of the lease.

3. Group revenue

The revenue of the group during the year was wholly 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.

	2023	2022
	£	£
Gross interest earned from treasury deposits, cash at bank and overdrawn client accounts	7,614,815	5,472,439
Commissions	2,660,896	3,812,087
Fees	2,813,196	3,321,990
	13,088,907	12,606,516

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 noted in 2 (g) the directors regard the operations of the group as a single reporting segment on the basis there is only a single organisational unit that is reported to key management personnel for the purpose of performance assessment and future resource allocation.

5. Profit before income tax	2023	2022

Profit before income tax is stated after charging/(crediting):	£	£
Directors' emoluments	586,881	598,733
Depreciation - right of use asset	76,997	79,979
Depreciation - owned assets	15,863	14,393
Amortisation (included within administrative expenses in the consolidated income statement)	25,561	25,668
Low value leases	8,852	8,852
Impairment of receivable charge / (credit)	(65,466)	(77,450)
Bank transaction fees	51,362	65,914

Details of directors' annual remuneration as at 31 December 2023 are set out below:

	2023	2022
	£	£
Short-term employee benefits	510,823	550,551
Post-employment benefits	62,893	40,000
Benefits in kind	13,165	8,182
	586,881	598,733
Details of the highest paid director are as follows:		
Aggregate emoluments	357,500	415,700
Benefits in kind	11,133	8,182
	368,633	423,882

	Emoluments & Benefits in kind	Pension	Total
Directors	£	£	£
Andrew J Grant	368,633	-	368,633
Kieran M Price	31,199	2,167	33,366
Jolyon C Head	98,156	60,726	158,882
S M Middleton	26,000	-	26,000
TOTAL	523,988	62,893	586,881

During the year benefits accrued for two directors (2022: 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:

	2023	2022
Management and administration	54	59
The aggregate payroll costs of these persons were as follows:	£	£
Wages & salaries	2,306,091	2,274,813
Social security	243,955	244,034
Pension contributions including salary sacrifice	107,971	78,610
	2,658,017	2,597,457

Key personnel

The directors disclosed above are considered to be the key management personnel of the group. The total amount of employers NIC paid on behalf of key personal was £80,549 (2022: £75,840).

Exceptional administrative costs

Exceptional administrative costs represent external third party professional advice and consultancy relating to the ongoing remediation and skilled persons work within the firm's subsidiary Jarvis Investment Management Limited.

6. Auditors' remuneration

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

	2023	2022
	£	£
Fees payable to the company's auditors for the audit of the company's annual financial statements	33,000	28,000
Fees payable to the company's auditors and its associates for other services:		
The audit of the company's subsidiaries, pursuant to legislation	17,000	15,000
Total audit fees	50,000	43,000
Taxation Compliance	5,650	5,560
	55,650	48,560

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

7. Income and deferred tax charges - group

	2023	2022
	£	£
Based on the adjusted results for the year:		
UK corporation tax	1,231,304	1,165,733
Adjustments in respect of prior years	3,830	(546)
Total current income tax	1,235,134	1,165,187
Deferred income tax:		
Origination and reversal of temporary differences	(5,779)	(1,883)
Adjustment in respect of prior years	2	(1)
Adjustment in respect of change in deferred tax rates	-	-
Total deferred tax charge	(5,777)	(1,884)
	1,229,357	1,163,303

The income tax assessed for the year is more than the standard rate of corporation tax in the UK (23.5%). The differences are explained below:

Profit before income tax	5,210,589	6,138,026
Profit before income tax multiplied by the standard rate of corporation tax in the UK of 23.5% (2022 - 19%)	1,225,559	1,166,225
Effects of:		
Expenses not deductible for tax purposes	-	-
Adjustments to tax charge in respect of previous years	3,832	(547)
Ineligible depreciation	397	320
Adjustment in respect of change in deferred tax rate	(431)	(2,695)
Current income tax charge for the years	1,229,356	1,163,303

Movement in (assets) / provision - group:

Provision at start of year	60,044	61,928

Deferred income tax charged in the year	(5,778)	(1,884)
Provision at end of year	54,266	60,044

Movement in (assets) / provision - company:

Provision at start of year	61,006	62,847
Deferred income tax charged in the year	(5,483)	(1,841)
Provision at end of year	55,523	61,006

8. Earnings per share	2023	2022
	£	£
Earnings:		
Earnings for the purposes of basic and diluted earnings per share *(profit for the period attributable to the equity holders of the parent)*	3,981,233	4,974,723
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic earnings per share	44,731,000	44,731,000
	44,731,000	44,731,000

9. Property, plant & equipment - group & company	Right of use assets - Leasehold	Leasehold & Property	Office Equipment	Total
Cost:	£	£	£	£
At 1 January 2022	303,648	222,450	319,416	845,514
Additions	384,985	-	12,583	397,568
Disposals	(303,648)	-	(258,887)	(562,535)
At 31 December 2022	384,985	222,450	73,112	680,547
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2023	384,985	222,450	73,112	680,547
Depreciation:				
At 1 January 2022	242,919	19,003	287,825	549,747
Charge for the year	79,979	1,949	12,444	94,372
On Disposal	(303,648)	-	(257,968)	(561,616)
At 31 December 2022	19,250	20,952	42,301	82,503
Charge for the year	76,997	1,949	13,914	92,860
On Disposal	-	-	-	-
At 31 December 2023	96,247	22,901	56,215	175,363
Net Book Value:				
At 31 December 2023	288,738	199,549	16,897	505,184
At 31 December 2022	365,735	201,498	30,811	598,044

The net book value of non-depreciable land is £125,000 (2022: £125,000).

10. Intangible assets & goodwill - group & company

	Goodwill	Intangible assets: Databases	Intangible assets: Software Development	Intangible assets: Website	Intangible assets: Total
	£	£	£	£	£
Cost:					
At 1 January 2022	342,872	25,000	368,968	261,713	655,681
Additions	-	-	12,448	-	12,448
Disposals	-	-	(234,628)	(257,836)	(492,464)
At 31 December 2022	342,872	25,000	146,788	3,877	175,665
Additions	-	-	750	-	750
Disposals	-	-	-	-	-
At 31 December 2023	342,872	25,000	147,538	3,877	176,415
Amortisation:					
At 1 January 2022	-	18,719	286,640	256,716	562,075
Charge for the year	-	917	23,459	1,292	25,668
On Disposal	-	-	(226,365)	(255,855)	(482,220)
At 31 December 2022	-	19,636	83,734	2,153	105,523
Charge for the year	-	1,000	23,269	1,292	25,561
On Disposal	-	-	-	-	-
At 31 December 2023	-	20,636	107,003	3,445	131,084
Net Book Value:					
At 31 December 2023	342,872	4,364	40,536	432	45,331
At 31 December 2022	342,872	5,364	63,054	1,724	70,142

The goodwill balance represents an acquired customer base, that continues to trade with the 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

Unlisted Investments:	2023 £	2022 £
Cost:		
At 1 January	284,239	284,239
Investments during the year	600,000	-
As at 31 December	884,239	284,239

	Shareholding		*Holding*	*Business*
Jarvis Investment Management Limited	100%	85,000,000	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 and their registered office is 78 Mount Ephraim, Tunbridge Wells, Kent, TN4 8BS.
** indirectly held*

12. Trade and other receivables

Amounts falling due within one year:	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade receivables	781,000	381,367	106,899	-
Settlement receivables	821,072	2,498,019	-	-
Other receivables	21,875	83,910	21,875	83,911
Prepayments and accrued income	350,037	425,631	21,875	1,750
Other taxes and social security	37,624	-	15,648	2,263
	2,011,608	3,388,927	166,298	87,924

Settlement receivables are short term receivable amounts arising as a result of the settlement of trades in an agency capacity. The balances due are covered by stock collateral and bonds. An analysis of trade and settlement receivables past due is given in note 25. There are no amounts past due included within other receivables or prepayments and accrued income.

13. Leases

Lease liabilities are secured by the related underlying assets.

The undiscounted maturity analysis of lease liabilities as at 31 December 2023 is as follows:

	< 1 year (£)	1-2 years (£)	2-3 years (£)	3-4 years (£)	4-5 years (£)

Lease payment	87,500	87,500	87,500	65,625	-
Finance charge	13,503	9,733	5,711	1,607	-
Net present value	73,997	77,767	81,729	64,018	-

The undiscounted maturity analysis of lease liabilities as at 31 December 2022 is as follows:

	< 1 year (£)	1-2 years (£)	2-3 years (£)	3-4 years (£)	4-5 years (£)
Lease payment	87,500	87,500	87,500	87,500	65,625
Finance charge	17,090	13,503	9,733	5,711	1,607
Net present value	70,410	73,997	77,767	81,729	64,018

	2023
Lease liabilities included in the current statement of financial position	£
Current	73,997
Non-current	223,515
	297,512

	2022
	£
Amounts recognised in income statement	17,090
	17,090

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. The total cash outflow for leases in 2023 was £87,500.

14. Investments held for trading	Group		Company	
	2023	2022	2023	2022
Listed Investments: *Valuation:*	£	£	£	£
At 1 January	8,769	1,958	-	-
Additions	57,933	2,797,363	-	-
Disposals	(54,736)	(2,790,552)	-	-
As at 31 December	11,966	8,769	-	-

Listed investments held for trading are stated at their market value at 31 December 2023 and are c assets
in accordance with IFRS 13. The group does not undertake any principal trading activity.

15. Cash and cash equivalents

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Balance at bank and in hand - group/company	5,169,380	5,499,464	1,406,811	1,925,466
Cash held for settlement of market transactions	344,695	(1,220,727)	-	-
	5,514,075	4,278,737	1,406,811	1,925,466

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 model B customers of £376,394 (2022 : £1,088,375) 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.

16. Share capital

	2023	2022
Authorised:	160,000	160,000
64,000,000 Ordinary shares of 0.25p each	160,000	160,000
	2023	2022
	£	£
At 1 January 2023 and 2022	111,828	111,828
Allotted, issued and fully paid:		
44,731,000 (2022: 44,731,000) Ordinary shares of 0.25p each	111,828	111,828

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

17. Trade and other payables

	Group		Company	
Amounts falling due within one year:	2023	2022	2023	2022
	£	£	£	£
Trade payables	461,328	231,920	8,829	13,586
Settlement payables	1,126,083	1,219,465	-	-
Amount owed to group undertaking	-	-	482,067	1,549,300
Other taxes and social security	-	125,646	-	-
Other payables	627,239	808,027	-	-
Accruals	327,040	354,272	51,100	53,100
Trade and other payables	2,541,690	2,739,330	541,996	1,615,986
Lease liabilities	73,997	70,410	73,997	70,410
Income tax	493,611	543,508	493,611	516,133
Total liabilities	3,109,298	3,353,248	1,109,604	2,202,529

Settlement payables are short term payable amounts arising as a result of settlement of trades in an agency capacity. 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.

18. Dividends

	2023	2022
	£	£
Interim dividends paid on Ordinary 1p shares	3,913,962	5,144,065
Dividend per Ordinary 1p share	8.75	11.5

Please refer to the directors' report for dividends declared post year end.

19. Financial Instruments

The group's principal financial instruments comprise cash 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 held at amortised cost, and trade and other payables are classified as held at amortised cost. 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 15. 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, treasury shares and property.

20. Immediate and ultimate parent undertaking

There is no immediate or ultimate controlling party.

21. 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. Full details of this lease are disclosed in Note 13.

During the year Jarvis Investment Management Limited paid Jarvis Securities Plc £18,000 (2022: £12,500) for rental of a disaster recovery site.

Jarvis Securities plc owed Jarvis Investment Management Limited £482,067 (2022: £1,549,300) 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 2023, these same related parties had cash balances of £44,738 (2022: £810,742). No interest was earned during the year (2022: £0). In addition to cash balances other equity assets of £4,151,917 (2022: £30,479,543) were held by JIM Nominees Ltd as custodian.

During the year Jarvis Securities Plc charged £7,365,165 (2022: £4,871,178) to Jarvis Investment Management Limited for use of intellectual properties.

At the period end Directors directly held 11,125,620 shares in the company (2022: 11,203,924). A further 12,546,130 shares (2022: 12,547,330) shares were held by concert parties of the directors as defined by the City Code on Takeovers and Mergers.

22. Capital commitments

As of 31 December 2023, the company had no capital commitments (2022: nil).

23. Fair value estimation

The fair value of financial instruments traded in active markets 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.

24. 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 any 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. Though the group has remained profitable during the past decade when the Bank of England base rate was at its lowest level since its foundation in 1694, this risk is monitored as a potential 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 and Risk Assessment process ("ICARA"), as required by the Financial Conduct Authority ("FCA") for establishing the amount of regulatory capital to be held by that company. The ICARA gives consideration to both current and projected financial and capital positions. The ICARA is updated throughout the year to take account of any significant changes to business plans and any unexpected issues that may occur. The ICARA is discussed and approved at a board meeting of the subsidiary at least annually. Capital adequacy is monitored regularly 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. Further information regarding regulatory capital is disclosed in the strategic report.

The group offers settlement of trades in sterling as well as various foreign currencies. 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.

As of 31 December 2023, trade receivables of £275,691 (2022: £128,948) were past due and were impaired and partially provided for. The amount of the provision was £35,506 as at 31 December 2023 (2022: £57,828). 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:	2023	2022	2023	2022
	£	£	£	£
At 1 January	57,828	143,524	-	-
Charge / (credit) for the year	(13,724)	(77,450)	-	-
Uncollectable amounts written off	(8,598)	(8,246)	-	-
At 31 December	35,506	57,828	-	-