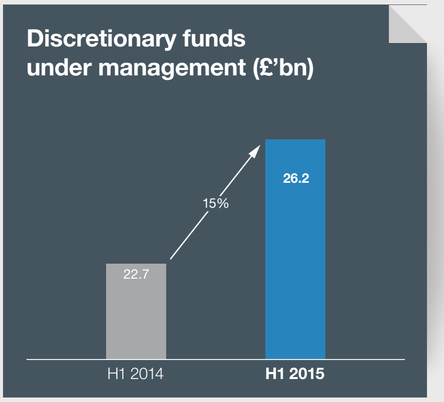
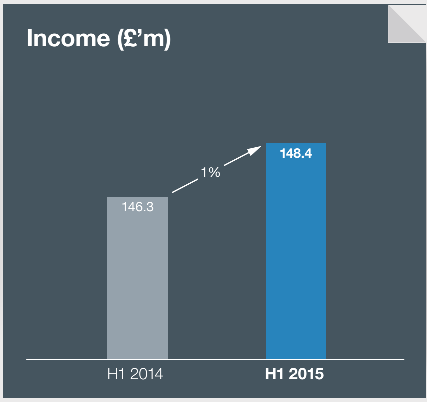
Brewin Dolphin Holdings PLC
Interim Financial Report 2015

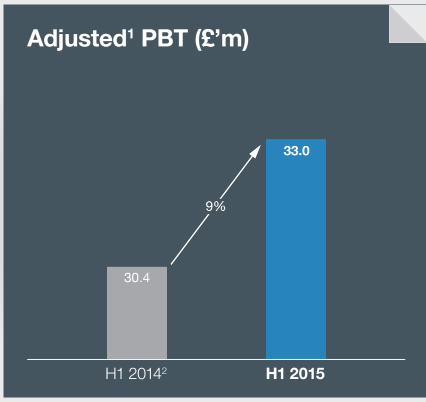
BREWIN DOLPHIN

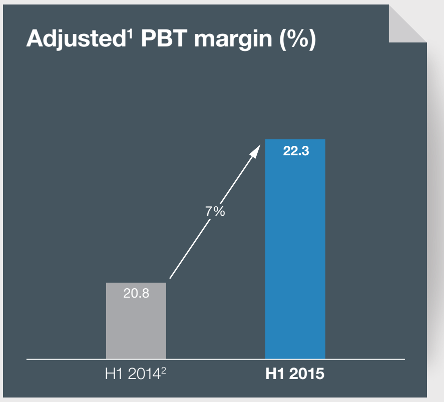
Highlights

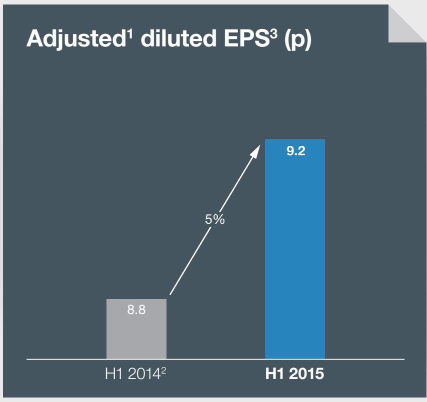
- Total Discretionary Funds under Management £26.2 billion (FY 2014: £24.0 billion, H1 2014: £22.7 billion)
- Total income of £148.4 million (H1 2014: £146.3 million)
- Adjusted[1] profit before tax £33.0 million (H1 2014[2]: £30.4 million)
- Adjusted[1] profit before tax margin 22.3% (H1 2014[2]: 20.8%)
- Profit before tax £37.9 million (H1 2014[2]: £22.0 million)
- Adjusted[1] earnings per share:
  - Basic earnings per share of 9.8p (H1 2014[2]: 9.3p)
  - Diluted earnings per share[3] of 9.2p (H1 2014[2]: 8.8p)
- Statutory earnings per share:
  - Basic earnings per share of 11.2p (H1 2014[2]: 6.9p)
  - Diluted earnings per share of 10.7p (H1 2014[2]: 6.5p)
- Interim dividend of 3.75p per share (H1 2014: 3.65p per share)
- Announced sale of Stocktrade on 14 May 2015

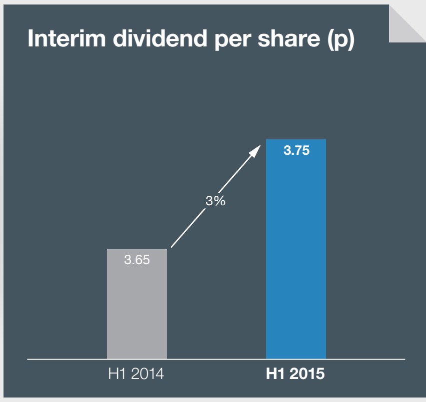












1 These figures have been adjusted to exclude redundancy costs, FSCS levy rebate, onerous contracts provision, disposal of available-for-sale investment and amortisation of client relationships.

2 Restated see notes 2 and 18.

3 See note 7.

"Against the backdrop of the ongoing transformation of the Group, financial performance in the first half was good. The growth in Funds under Management has been strong, helped by the overall upward trend in investment markets over the half year, although periods of volatility did impact transaction volumes and, therefore, impeded income growth. Nonetheless, the benefits of the more focused and efficient business emerging from the business transformation helped maintain profit growth, with the adjusted PBT margin increasing further to 22.3%.

The focus of the transformation programme remains to achieve a stronger business model which can create further value through long term sustainable growth with manageable risks. Increased efficiencies have delivered short term benefits in terms of enhanced shareholder returns. More importantly as we move out of the initial restructuring and simplification phase, these efficiencies enable re-investment in the business which is critical to sustaining organic growth."

David Nicol
Chief Executive

Interim Management Report

To the members of Brewin Dolphin Holdings PLC

Financial highlights

Adjusted profit before tax for the half year ended 31 March 2015 increased by 9% to £33.0 million (H1 2014: £30.4 million), reflecting the growth in Discretionary Funds under Management to £26.2 billion (28 September 2014: £24.0 billion) and the benefits of ongoing control over operating costs. The adjusted profit before tax margin was 22.3% (H1 2014: 20.8%). Adjusted diluted earnings per share grew by 5% to 9.2p (H1 2014: 8.8p).

Profit before tax for the period was £37.9 million (H1 2014: £22.0 million) and includes a gain of £9.7 million from the sale of the Group's holding in Euroclear plc. Statutory diluted earnings per share of 10.7p were 65% higher than the prior year (H1 2014: 6.5p).

The interim dividend has been increased by 0.10p to 3.75p per share (2014 interim: 3.65p per share) and will be paid on 26 June 2015.

First half review

The half year ended 31 March 2015 contained a period of relative stock market volatility, with the FTSE 100 index fluctuating in a range of over 850 points. Over the period as a whole, the FTSE 100 index increased by 1.9%, while the WMA Private Investor Series Balanced Portfolio index grew by 6.4%. The volatility of the market negatively impacted transaction volumes, whilst the overall market provided support to Funds under Management growth.

The business transformation, initiated in 2012, continues with further progress made implementing enhanced client advice processes together with ongoing development of our investment management processes. These processes are being underpinned by new technology, which together with organisational improvements such as larger investment teams, continues to improve client service, risk management and efficiency.

The quality of the business continues to improve with an increasing proportion of Funds under Management ('FUM') and income from the core Discretionary business. Discretionary FUM continues to grow, increasing by 15% over the last twelve months, from £22.7 billion to £26.2 billion, and growing by 68% over the last three and a half years. 83% of core income is generated from the Discretionary service. Discretionary FUM growth has benefited from positive investment returns. Organic growth has been maintained, increasingly from intermediary sources, including Managed Funds Services.

Sale of Stocktrade

On 14 May 2015, the Group announced the sale of Stocktrade, its Execution Only division, to Alliance Trust Savings ('ATS') for £14 million in cash, payable in full upon completion.

At 31 March 2015, Stocktrade had Assets under Administration of £4.6 billion. For the year ended 28 September 2014, Stocktrade had income of £9.6 million and contributed approximately £1.3 million of pre-tax profit.

After accounting for all related costs, the transaction is expected to result in a net gain of approximately £1.0 million, subject to final separation costs. The net sale proceeds will be used for general corporate purposes. The sale will enable additional operational efficiencies that, over time, are anticipated to largely offset Stocktrade's contribution to the Group.

The sale is consistent with our strategy of streamlining and simplifying the Group's operations and will help further enhance shareholder value by allowing us to continue to focus on growing our core Discretionary wealth management business.

Results and business performance

The underlying results for the half year ended 31 March 2015 reflect the continued progress that the Group has made to date on delivering against its strategic objectives. Adjusted profit before tax grew by 9% to £33.0 million (H1 2014: £30.4 million) and adjusted diluted EPS grew by 5% to 9.2p from 8.8p in the same period last year.

The adjusted profit before tax growth was driven by a 1% rise in income, together with improving efficiency, and control over operating costs, delivering an increased profit margin of 22.3% (H1 2014: 20.8%).

	Unaudited as at 31 March 2015 £'m	Unaudited as at 30 March 2014[1] £'m	% change
Income			
Core[2]	136.0	134.4	1%
Other	12.4	11.9	4%
Total income	**148.4**	**146.3**	**1%**
Fixed staff costs	(53.4)	(51.3)	4%
Other operating costs	(36.6)	(39.8)	-8%
Total fixed operating costs	**(90.0)**	**(91.1)**	**-1%**
Adjusted[3] profit before variable staff costs	58.4	55.2	6%
Variable staff costs	(25.7)	(25.1)	2%
Adjusted[3] operating profit	**32.7**	**30.1**	**9%**
Net finance income and other gains and losses	0.3	0.3	0%
Adjusted[3] profit before tax	**33.0**	**30.4**	**9%**
Exceptional gains/(costs)	10.1	(2.0)	n/a
Amortisation of client relationships	(5.2)	(6.4)	-19%
Profit before tax	**37.9**	**22.0**	**72%**
Taxation	(7.8)	(3.9)	100%
Profit after tax	**30.1**	**18.1**	**66%**
Earnings per share			
Basic earnings per share	11.2p	6.9p	62%
Diluted earnings per share	10.7p	6.5p	65%
Adjusted[3] earnings per share			
Basic earnings per share	9.8p	9.3p	5%
Diluted earnings per share[4]	9.2p	8.8p	5%

[1] Restated see notes 2 and 18.

[2] Core income is defined as income derived from fees and commissions charged for management and/or advice and execution activities relating to client portfolios.

[3] These figures have been adjusted to exclude redundancy costs, FSCS levy rebate, onerous contracts provision, disposal of available-for-sale investment and amortisation of client relationships.

[4] See note 7.

Interim Management Report (continued)

Total income increased by £2.1 million half on half with core income increasing by £1.6 million, driven by a 12% rise in fee income to £95.9 million (H1 2014: £86.0 million), offset by a 17% fall in commission to £40.1 million (H1 2014: £48.4 million). Fee income increased largely as a result of growth in Funds under Management (H1 2015: £39.1 billion, H1 2014: £36.1 billion).

Commissions reduced because of lower trading volumes and clients joining on 'fee only' rate cards. The lower transaction volumes arose partly because of volatile markets in the first three months of the period. The last three months (March to May 2015) have seen a partial rebound in transaction volumes.

Discretionary income of £112.6 million was 5% higher than H1 2014 (£107.7 million), and amounted to 83% of core income. Advisory income and Execution Only income accounted for 10% and 7% of core income respectively.

Other income increased by 4% to £12.4 million, with Financial Planning increasing by 21% to £7.4 million (H1 2014: £6.1 million), trail income up by 8% to £2.7 million, in line with valuation increases as a result of market growth, and interest income down by 30% to £2.3 million (H1 2014: £3.3 million) as a result of continued falling margins on cash deposits.

Total fixed operating costs declined by 1% to £90.0 million, from £91.1 million in the same period last year.

Fixed staff costs increased by 4% to £53.4 million (H1 2014: £51.3 million), as a result of both inflationary pay rises and a temporary increase in contractor numbers to support the enhanced client advice processes.

Other operating costs declined 8% from £39.8 million in the same period last year to £36.6 million. Reduced property costs resulting from a smaller office network, and lower discretionary and variable costs all contributed to the decline.

Exceptional gains were £10.1 million, compared to losses of £2.0 million in the same period last year. The major components are profit of £9.7 million from the sale of the Group's holding in Euroclear plc and a £1.2 million Financial Services Compensation Scheme levy rebate.

Amortisation of intangible client relationships was 19% lower than in the same period last year (H1 2014: £6.4 million).

Funds under Management

£'bn	28 September 2014	Inflows	Outflows	Service Switching	Net Flows	Growth Rate %[1]	Market Movement	**31 March 2015**
Discretionary	24.0	1.1	(0.6)	0.2	0.7	6%	1.5	**26.2**
Advisory Managed	4.1	0.1	(0.2)	(0.4)	(0.5)	-24%	0.2	**3.8**
Advisory Dealing	1.3	–	(0.1)	(0.5)	(0.6)	-92%	–	**0.7**
Total Advisory	5.4	0.1	(0.3)	(0.9)	(1.1)	-41%	0.2	**4.5**
Total Managed/Advised	**29.4**	**1.2**	**(0.9)**	**(0.7)**	**(0.4)**	**-3%**	**1.7**	**30.7**
Stocktrade	4.3	0.2	(0.1)	–	0.1	5%	0.2	**4.6**
Brewin Dolphin	3.1	0.3	(0.4)	0.7	0.6	39%	0.1	**3.8**
Execution Only	7.4	0.5	(0.5)	0.7	0.7	19%	0.3	**8.4**
Total Funds	**36.8**	**1.7**	**(1.4)**	–	**0.3**	**2%**	**2.0**	**39.1**

[1] Annualised

	28 September 2014	**31 March 2015**	% change
Indices			
FTSE WMA Private Investor Series Balanced Portfolio	3,462	3,684	6.4%
FTSE 100	6,649	6,773	1.9%

The Group continues to focus on its core Discretionary service whilst managing the transfer of FUM out of the Advisory service. This is reflected in the ongoing growth in Discretionary (and Execution Only) FUM and net outflows from Advisory FUM.

Total Discretionary FUM increased by 9% over the period to £26.2 billion (FY 2014: £24.0 billion), and by 15% over the last twelve months (H1 2014: £22.7 billion).

Discretionary net inflows were £0.7 billion, an annualised rate of 6%, above the target of achieving 5% per annum net FUM inflows. Discretionary FUM now represents 85% (28 September 2014: 82%) of total Managed/Advised FUM.

Capital

The Group has a strong balance sheet with cash balances at period end of £115 million. These underpin its regulatory capital resources which continue to be in significant surplus to requirements.

Dividend

The Group's dividend policy is to grow dividends in line with adjusted earnings, with a target payout ratio of 60% to 80% of annual adjusted diluted earnings per share. In accordance with our normal practice, it is intended that the final dividend will be used to reflect full year profitability. Accordingly, an interim dividend of 3.75p per share is payable on 26 June 2015 to shareholders on the register at the close of business on 5 June 2015 with an ex-dividend date of 4 June 2015.

The variable final dividend will be based on the full year target dividend payout ratio of 60% to 80% adjusted earnings per share.

Going concern

As stated in note 2 to the condensed set of financial statements, the Directors believe that the Group is well placed to manage its business risks successfully. The Group's forecasts and projections, taking account of possible adverse changes in trading performance, show that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt a going concern basis for the preparation of the condensed financial statements. In forming their view, the Directors have considered the Group's prospects for a period exceeding 12 months from the date the condensed financial statements are approved.

Principal risks and uncertainties

The Directors consider that the nature of the principal risks and uncertainties which may have a material effect on the Group's performance during the remainder of its financial year remain unchanged from those identified on pages 27 to 32 of the 2014 Annual Report and Accounts available via our website www.brewin.co.uk.

Board changes

Kath Cates was appointed to the Board as a Non-Executive Director with effect from 18 December 2014. Michael Williams and Sir Stephen Lamport retired from the Board at the AGM on 20 February 2015. All of the Non-Executive Directors are considered by the Company to be independent and the Board is fully compliant with the UK Corporate Governance Code with respect to Board composition.

Outlook

The economic backdrop in the UK, Eurozone and the US is continuing to improve. Supportive economic policies and continuing low interest rates provide a favourable backdrop to economic growth. Key growth and employment indicators appear positive for the medium term.

Whilst it is too early to assess the impact of the recent UK general election result on the performance of the economy, it is expected that the outcome will provide a favourable environment for the wealth management industry as a whole.

The UK has an ageing population with growing wealth, and a broad history of under-saving. This creates a positive backdrop for the industry in which the firm operates, coupled with positive recent developments in pension legislation.

The Group is entering the final stages of its transformation programme, and remains focused on continuing to develop both the capability and capacity to grow sustainably in the long term.

David Nicol
Chief Executive

26 May 2015

Condensed Consolidated Income Statement

for the period ended 31 March 2015

	Notes	Unaudited period to 31 March 2015 £'000	Unaudited 26 weeks to 30 March 2014[1] £'000	Audited 52 weeks to 28 September 2014[1] £'000
Revenue		**146,054**	142,972	284,374
Other operating income		**2,336**	3,339	6,108
Total income		**148,390**	146,311	290,482
Staff costs		**(79,098)**	(76,438)	(149,476)
Redundancy costs		**(970)**	(984)	(2,269)
FSCS levy rebate		**1,181**	–	–
Onerous contracts provision		**131**	(981)	(2,005)
Amortisation of intangible assets – client relationships	9	**(5,162)**	(6,426)	(13,592)
Impairment of intangible assets – software		**–**	–	(31,693)
Licence provision		**–**	–	(2,034)
Other operating costs		**(36,561)**	(39,787)	(82,023)
Operating expenses		**(120,479)**	(124,616)	(283,092)
Operating profit		**27,911**	21,695	7,390
Finance income	4	**525**	555	1,549
Other gains and losses	5	**9,712**	–	–
Finance costs	4	**(224)**	(282)	(546)
Profit before tax		**37,924**	21,968	8,393
Tax	6	**(7,778)**	(3,842)	(1,722)
Profit for the period		**30,146**	18,126	6,671
Attributable to:				
Equity shareholders of the parent		**30,146**	18,126	6,671
		30,146	18,126	6,671
Earnings per share				
Basic	7	**11.2p**	6.9p	2.5p
Diluted	7	**10.7p**	6.5p	2.4p

[1] Restated see notes 2 and 18.

Condensed Consolidated Statement of Comprehensive Income

for the period ended 31 March 2015

	Unaudited period to 31 March 2015 £'000	Unaudited 26 weeks to 30 March 2014[1] £'000	Audited 52 weeks to 28 September 2014[1] £'000
Profit for the period	**30,146**	18,126	6,671
Items that will not be reclassified subsequently to profit and loss:			
Actuarial gain/(loss) on defined benefit pension scheme	**1,328**	(826)	(1,223)
Deferred tax charge/(credit) on actuarial gain/(loss) on defined benefit pension scheme	**(266)**	165	245
	1,062	(661)	(978)
Items that may be reclassified subsequently to profit and loss:			
Reversal of revaluation of available-for-sale investments	**(9,565)**	–	–
Deferred tax credit on revaluation of available-for-sale investments	**1,913**	–	–
Exchange differences on translation of foreign operations	**(311)**	(88)	(302)
	(7,963)	(88)	(302)
Other comprehensive expense for the period	**(6,901)**	(749)	(1,280)
Total comprehensive income for the period	**23,245**	17,377	5,391
Attributable to:			
Equity shareholders of the parent	**23,245**	17,377	5,391
	23,245	17,377	5,391

[1] Restated see notes 2 and 18.

Condensed Consolidated Statement of Changes in Equity
for the period ended 31 March 2015

	Attributable to the equity shareholders of the parent						
	Called up share capital £'000	Share premium account £'000	Own shares £'000	Revaluation reserve £'000	Merger reserve £'000	Profit and loss account £'000	Total £'000
Balance at 29 September 2013	2,712	133,341	(12,734)	7,652	61,380	29,294	221,645
Restatement (see notes 2 and 18)	–	–	–	–	–	(549)	(549)
Balance at 29 September 2013 (restated)	**2,712**	**133,341**	**(12,734)**	**7,652**	**61,380**	**28,745**	**221,096**
Profit for the period	–	–	–	–	–	18,126	18,126
Other comprehensive income for the period							
Deferred and current tax on other comprehensive income	–	–	–	–	–	165	165
Actuarial loss on defined benefit pension scheme	–	–	–	–	–	(826)	(826)
Exchange differences on translation of foreign operations	–	–	–	–	–	(88)	(88)
Total comprehensive income for the period	–	–	–	–	–	17,377	17,377
Dividends	–	–	–	–	–	(13,438)	(13,438)
Issue of shares	25	4,540	–	–	–	–	4,565
Own shares acquired in the period	–	–	(4,135)	–	–	–	(4,135)
Own shares disposed of on exercise of options	–	–	3,819	–	–	(3,819)	–
Share-based payments	–	–	–	–	–	3,187	3,187
Tax on share-based payments	–	–	–	–	–	2,250	2,250
Balance at 30 March 2014	**2,737**	**137,881**	**(13,050)**	**7,652**	**61,380**	**34,302**	**230,902**
Loss for the period	–	–	–	–	–	(11,455)	(11,455)
Other comprehensive income for the period							
Deferred and current tax on other comprehensive income	–	–	–	–	–	80	80
Actuarial loss on defined benefit pension scheme	–	–	–	–	–	(397)	(397)
Exchange differences on translation of foreign operations	–	–	–	–	–	(214)	(214)
Total comprehensive income for the period	–	–	–	–	–	(11,986)	(11,986)
Dividends	–	–	–	–	–	(9,688)	(9,688)
Issue of shares	8	1,539	–	–	–	–	1,547
Own shares acquired in the period	–	–	(3,828)	–	–	–	(3,828)
Own shares disposed of on exercise of options	–	–	833	–	–	(833)	–
Share-based payments	–	–	–	–	–	5,311	5,311
Tax on share-based payments	–	–	–	–	–	(988)	(988)
Balance at 28 September 2014	**2,745**	**139,420**	**(16,045)**	**7,652**	**61,380**	**16,118**	**211,270**
Profit for the period	–	–	–	–	–	30,146	30,146
Other comprehensive income for the period							
Deferred and current tax on other comprehensive income	–	–	–	1,913	–	(266)	1,647
Actuarial gain on defined benefit pension scheme	–	–	–	–	–	1,328	1,328
Revaluation of available-for-sale investments	–	–	–	(9,565)	–	–	(9,565)
Exchange differences on translation of foreign operations	–	–	–	–	–	(311)	(311)
Total comprehensive income for the period	–	–	–	(7,652)	–	30,897	23,245
Dividends	–	–	–	–	–	(16,845)	(16,845)
Issue of shares	45	2,402	–	–	9,173	–	11,620
Own shares acquired in the period	–	–	(13,048)	–	–	–	(13,048)
Own shares disposed of on exercise of options	–	–	7,234	–	–	(7,234)	–
Share-based payments	–	–	–	–	–	4,617	4,617
Tax on share-based payments	–	–	–	–	–	411	411
Balance at 31 March 2015	**2,790**	**141,822**	**(21,859)**	**–**	**70,553**	**27,964**	**221,270**

Condensed Consolidated Balance Sheet

as at 31 March 2015

	Notes	**Unaudited as at 31 March 2015 £'000**	Unaudited as at 30 March 2014[1] £'000	Audited as at 28 September 2014[1] £'000
ASSETS				
Non-current assets				
Intangible assets	9	**90,245**	126,435	94,311
Property, plant and equipment	10	**9,139**	12,886	11,076
Available-for-sale investments	11	**–**	10,000	10,000
Other receivables		**834**	1,182	1,092
Deferred tax asset		**9,684**	2,621	9,136
Total non-current assets		**109,902**	153,124	125,615
Current assets				
Trading investments	11	**977**	897	912
Trade and other receivables		**279,457**	265,929	302,065
Cash and cash equivalents		**114,816**	109,174	136,383
Total current assets		**395,250**	376,000	439,360
Total assets		**505,152**	529,124	564,975
LIABILITIES				
Current liabilities				
Bank overdrafts		**50**	231	1,270
Trade and other payables		**258,829**	263,501	311,146
Current tax liabilities		**4,421**	3,342	3,888
Provisions	12	**2,657**	4,000	4,973
Shares to be issued including premium	13	**9,361**	6,112	10,068
Total current liabilities		**275,318**	277,186	331,345
Net current assets		**119,932**	98,814	108,015
Non-current liabilities				
Retirement benefit obligation	14	**5,042**	8,684	7,735
Deferred purchase consideration		**–**	1,131	1,271
Provisions	12	**3,522**	3,055	4,142
Shares to be issued including premium	13	**–**	8,166	9,212
Total non-current liabilities		**8,564**	21,036	22,360
Total liabilities		**283,882**	298,222	353,705
Net assets		**221,270**	230,902	211,270
EQUITY				
Called up share capital	15	**2,790**	2,737	2,745
Share premium account	15	**141,822**	137,881	139,420
Own shares		**(21,859)**	(13,050)	(16,045)
Revaluation reserve		**–**	7,652	7,652
Merger reserve		**70,553**	61,380	61,380
Profit and loss account		**27,964**	34,302	16,118
Equity attributable to equity holders of the parent		**221,270**	230,902	211,270

[1] Restated see notes 2 and 18.

Condensed Consolidated Cash Flow Statement

for the period ended 31 March 2015

	Notes	Unaudited period to 31 March 2015 £'000	Unaudited 26 weeks to 30 March 2014[1] £'000	Audited 52 weeks to 28 September 2014[1] £'000
Net cash inflow from operating activities	17	**1,471**	16,978	59,968
Cash flows from investing activities				
Purchase of intangible assets – client relationships		**(3)**	(147)	(150)
Purchase of intangible assets – software		**(2,530)**	(4,697)	(7,450)
Purchases of property, plant and equipment		**(737)**	(1,559)	(2,751)
Proceeds on disposal of available-for-sale investments		**10,147**	–	–
Dividend received from available-for-sale investments		**–**	–	307
Net cash from/(used in) investing activities		**6,877**	(6,403)	(10,044)
Cash flows from financing activities				
Dividends paid to equity shareholders	8	**(16,845)**	(13,438)	(23,126)
Purchase of own shares		**(13,048)**	(4,135)	(7,963)
Proceeds on issue of shares		**1,597**	2,447	3,048
Net cash used in financing activities		**(28,296)**	(15,126)	(28,041)
Net (decrease)/increase in cash and cash equivalents		**(19,948)**	(4,551)	21,883
Cash and cash equivalents at the start of period		**135,113**	113,533	113,533
Effect of foreign exchange rates		**(399)**	(39)	(303)
Cash and cash equivalents at the end of period		**114,766**	108,943	135,113
Cash and cash equivalents shown in current assets		**114,816**	109,174	136,383
Bank overdrafts		**(50)**	(231)	(1,270)
Net cash and cash equivalents		**114,766**	108,943	135,113

[1] Restated see notes 2 and 18.

For the purposes of the cash flow statement, cash and cash equivalents include bank overdrafts.

1. General information

Brewin Dolphin Holdings PLC (the 'Company') is a public limited company incorporated in the United Kingdom. The shares of the Company are listed on the London Stock Exchange. The address of its registered office is 12 Smithfield Street, London EC1A 9BD. This Interim Financial Report was approved for issue on 26 May 2015.

A copy of this Interim Financial Report including Condensed Financial Statements for the period ended 31 March 2015 is available at the Company's registered office and on the Company's investor relations website (www.brewin.co.uk).

The information for the 52 week period ended 28 September 2014 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

2. Accounting policies

Basis of preparation

The annual financial statements of Brewin Dolphin Holdings PLC are prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union.

The condensed set of financial statements included in this Interim Financial Report for the period ended 31 March 2015 should be read in conjunction with the annual audited financial statements of Brewin Dolphin Holdings PLC for the 52 week period ended 28 September 2014.

The condensed set of financial statements included in this Interim Financial Report has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting', as adopted by the European Union and the Interim Financial Report has been prepared in accordance with the Disclosure and Transparency Rules ('DTR') of the Financial Conduct Authority.

Going concern

The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly they continue to adopt the going concern basis in preparing the condensed financial statements.

Changes in accounting policy and disclosure

The same accounting policies, presentation and methods of computation are followed in the condensed set of financial statements as applied in the Group's latest annual audited financial statements for the 52 week period ended 28 September 2014, except for the adoption of new standards and interpretations effective as of 29 September 2014 and a change in accounting policy for client settlement cash.

The Group has applied for the first time IFRIC 21 'Levies' that requires restatement of previous financial statements. In addition, the Group has amended its accounting policy for client settlement cash.

The nature and the effect of these changes are disclosed below. Several other new standards and amendments apply for the first time during the period, they do not impact the annual consolidated financial statements of the Group or the interim condensed consolidated financial statements of the Group.

IFRIC 21 Levies

IFRIC 21 is effective for annual periods beginning on or after 1 January 2014 and has been applied retrospectively. It is applicable to all levies imposed by financial services regulators under legislation, other than outflows that are within the scope of other standards and fines or other penalties for breaches of legislation. The interpretation clarifies that an entity recognises a liability for a levy, when the activity that triggers payment as identified by the relevant legislation occurs.

The trigger that gives rise to the liability to pay the FSCS Levy is that Brewin Dolphin Limited is a company authorised by the FCA at the levy date of 1 July. At this point, the full FSCS Levy should be recognised.

The impact of this new interpretation in the current period is to reduce other operating costs by £865,000 and increase profit for the period by £688,000. The impact on prior periods is outlined in note 18.

Client settlement cash

Client settlement account balances were previously shown as client settlement cash included within cash and cash equivalents. The accounting policy has been changed to reclassify these balances to either trade and other payables or trade and other receivables, which better reflects the substance of these balances.

The impact of this change in the current period is to reduce cash and cash equivalents by £18.5 million, decrease trade and other payables by £13.9 million, and increase trade and other receivables by £4.6 million. There is no impact on profit for the period. The impact on prior periods is outlined in note 18, firm's cash was not impacted by the change.

3. Segmental information

For management reporting purposes the Group currently has a single operating segment. This forms the reportable segment of the Group for the period. Please refer to the Consolidated Income Statement and the Consolidated Balance Sheet, for numerical information.

The Group's operations are carried out in the United Kingdom, Channel Islands and the Republic of Ireland. Income generated in the Republic of Ireland is reported as part of the Investment Management division. All segmental income related to external clients.

The accounting policies of the operating segment are the same as those of the Group.

4. Finance income and costs

	Unaudited period to 31 March 2015 £'000	Unaudited 26 weeks to 30 March 2014 £'000	Audited 52 weeks to 28 September 2014 £'000
Finance income			
Dividends from available-for-sale investments	**–**	–	472
Interest on bank deposits	**525**	555	1,077
	525	555	1,549
Finance costs			
Finance cost of deferred consideration	**49**	65	129
Interest expense on defined pension obligation	**135**	184	338
Unwind of discounts on provisions	**20**	16	48
Interest on bank overdrafts	**20**	17	31
	224	282	546

5. Other gains and losses

	Unaudited period to 31 March 2015 £'000	Unaudited 26 weeks to 30 March 2014 £'000	Audited 52 weeks to 28 September 2014 £'000
Profit on disposal of available-for-sale investments	**9,712**	–	–

The Group sold its holding in Euroclear plc for £10.1 million in December 2014.

6. Taxation

	Unaudited period to 31 March 2015 £'000	Unaudited 26 weeks to 30 March 2014[1] £'000	Audited 52 weeks to 28 September 2014[1] £'000
United Kingdom			
Current tax	**5,828**	3,094	8,391
Prior period	**309**	–	(50)
Overseas tax			
Current tax	**129**	147	204
Prior period	**1**	–	(1)
	6,267	3,241	8,544
United Kingdom deferred tax			
Current year	**1,851**	672	(6,246)
Prior period	**(340)**	(71)	(576)
Total	**7,778**	3,842	1,722

[1] Restated see notes 2 and 18.

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

7. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	Unaudited period to 31 March 2015 '000	Unaudited 26 weeks to 30 March 2014[1] '000	Audited 52 weeks to 28 September 2014[1] '000
Number of shares			
Basic			
Weighted average number of shares in issue in the period	**269,126**	264,623	268,399
Diluted			
Effect of weighted average number of options outstanding for the period	**9,989**	11,500	11,726
Effect of estimated weighted average number of shares to be earned under deferred consideration arrangements	**2,655**	2,768	2,635
Diluted weighted average number of options and shares for the period	**281,770**	278,891	282,760
Adjusted[2] diluted			
Effect of full dilution of employee share options which are contingently issuable or have future attributable service costs	**5,148**	2,275	2,196
Adjusted diluted weighted average number of options and shares for the period	**286,918**	281,166	284,956

	£'000	£'000	£'000
Basic earnings attributable to ordinary shareholders			
Profit for the period	**30,146**	18,126	6,671
Disposal of available-for-sale investment	**(9,712)**	–	–
Redundancy costs	**970**	984	2,269
FSCS levy rebate	**(1,181)**	–	–
Onerous contracts provision	**(131)**	981	2,005
Amortisation of intangible assets – client relationships	**5,162**	6,426	13,592
Impairment of intangible assets – software	**–**	–	31,693
Licence provision	**–**	–	2,034
less tax effect of above	**1,003**	(1,846)	(11,350)
Adjusted[3] basic profit for the period and attributable earnings	**26,257**	24,671	46,914
Diluted earnings attributable to ordinary shareholders			
Profit for the period	**30,146**	18,126	6,671
Finance costs of deferred consideration[4]	**49**	58	117
less tax	**(10)**	(13)	(26)
Adjusted fully diluted profit for the period and attributable earnings	**30,185**	18,171	6,762
Disposal of available-for-sale investment	**(9,712)**	–	–
Redundancy costs	**970**	984	2,269
FSCS levy rebate	**(1,181)**	–	–
Onerous contracts provision	**(131)**	981	2,005
Amortisation of intangible assets – client relationships	**5,162**	6,426	13,592
Impairment of intangible assets – software	**–**	–	31,693
Licence provision	**–**	–	2,034
less tax effect of above	**1,003**	(1,846)	(11,350)
Adjusted[3] diluted profit for the period and attributable earnings	**26,296**	24,716	47,005
Earnings per share			
Basic	**11.2p**	6.9p	2.5p
Diluted	**10.7p**	6.5p	2.4p
Adjusted[3] earnings per share			
Basic	**9.8p**	9.3p	17.5p
Adjusted[2] diluted	**9.2p**	8.8p	16.5p

[1] Restated see notes 2 and 18.

[2] The dilutive shares used for this measure differ from that used for statutory dilutive earnings per share; the future value of service costs attributable to employee share options is ignored and contingently issuable shares for Long-term Incentive Plan ('LTIP') options are assumed to fully vest. The Directors have selected this measure as it represents the underlying effective dilution by offsetting the impact to the calculation of basic shares of the purchase of shares by the Employee Share Ownership Trust ('ESOT') to satisfy options.

[3] Excluding disposal of available-for-sale investment, redundancy costs, FSCS levy rebate, onerous contracts provision, amortisation of client relationships, impairment of intangible assets – software and licence provision.

[4] Finance costs of deferred consideration are added back where the issue of shares is more dilutive than the interest cost saved.

8. Dividend

	Unaudited period to 31 March 2015 £'000	Unaudited 26 weeks to 30 March 2014 £'000	Audited 52 weeks to 28 September 2014 £'000
Amounts recognised as distributions to equity shareholders in the period:			
Final dividend paid 23 March 2015, 6.25p per share (2014: 5.05p per share)	**16,845**	13,438	13,438
Interim dividend paid 4 July 2014, 3.65p per share	**–**	–	9,688
	16,845	13,438	23,126

An interim dividend of 3.75p per share was declared by the Board on 26 May 2015 and has not been included as a liability as at 31 March 2015. This interim dividend will be paid on 26 June 2015 to shareholders on the register at the close of business on 5 June 2015 with an ex-dividend date of 4 June 2015.

9. Intangible assets

Cost	Goodwill £'000	Client relationships £'000	Software £'000	Total £'000
At 29 September 2013	48,637	100,578	46,615	195,830
Additions	–	740	4,479	5,219
Disposals	–	–	–	–
Exchange differences	–	(2)	–	(2)
Revaluation of shares to be issued and deferred purchase consideration in respect of acquisitions in prior periods	–	1,453	–	1,453
At 30 March 2014	48,637	102,769	51,094	202,500
Additions	–	(793)	2,563	1,770
Disposals	–	–	(2)	(2)
Exchange differences	–	(9)	–	(9)
Revaluation of shares to be issued and deferred purchase consideration in respect of acquisitions in prior periods	–	6,079	–	6,079
At 28 September 2014	48,637	108,046	53,655	210,338
Additions	–	83	2,482	2,565
Disposals	–	–	–	–
Exchange differences	–	(12)	–	(12)
Revaluation of shares to be issued and deferred purchase consideration in respect of acquisitions in prior periods	–	121	–	121
At 31 March 2015	**48,637**	**108,238**	**56,137**	**213,012**

Accumulated amortisation and impairment				
At 29 September 2013	–	55,997	12,385	68,382
Amortisation charge for the period	–	6,426	1,257	7,683
Impairment losses for the period	–	–	–	–
At 30 March 2014	–	62,423	13,642	76,065
Amortisation charge for the period	–	7,166	1,103	8,269
Impairment losses for the period	–	–	31,693	31,693
At 28 September 2014	–	69,589	46,438	116,027
Amortisation charge for the period	–	5,162	1,578	6,740
Impairment losses for the period	–	–	–	–
At 31 March 2015	**–**	**74,751**	**48,016**	**122,767**

Net book value				
At 29 September 2013	48,637	44,581	34,230	127,448
At 30 March 2014	48,637	40,346	37,452	126,435
At 28 September 2014	48,637	38,457	7,217	94,311
At 31 March 2015	**48,637**	**33,487**	**8,121**	**90,245**

10. Property, plant and equipment

Cost	Leasehold Improvements £'000	Office Equipment £'000	Motor Vehicles £'000	Computer Equipment £'000	Total £'000
At 29 September 2013	12,687	13,681	34	77,771	104,173
Additions	256	157	–	1,149	1,562
Exchange differences	(2)	(7)	–	–	(9)
Disposals	(470)	(62)	–	(86)	(618)
At 30 March 2014	12,471	13,769	34	78,834	105,108
Additions	473	79	–	671	1,223
Exchange differences	(10)	(28)	(2)	–	(40)
Disposals	(1,131)	(565)	–	(313)	(2,009)
At 28 September 2014	11,803	13,255	32	79,192	104,282
Additions	500	162	–	80	742
Exchange differences	(14)	(39)	(2)	–	(55)
Disposals	(81)	(60)	–	(41)	(182)
At 31 March 2015	**12,208**	**13,318**	**30**	**79,231**	**104,787**

Accumulated depreciation					
At 29 September 2013	7,230	10,428	14	72,181	89,853
Charge for the period	620	822	4	1,349	2,795
Exchange differences	(2)	(5)	–	–	(7)
Eliminated on disposal	(283)	(54)	–	(82)	(419)
At 30 March 2014	7,565	11,191	18	73,448	92,222
Charge for the period	614	720	4	1,238	2,576
Exchange differences	(10)	(26)	(1)	–	(37)
Eliminated on disposal	(738)	(513)	–	(304)	(1,555)
At 28 September 2014	7,431	11,372	21	74,382	93,206
Charge for the period	649	627	4	1,375	2,655
Exchange differences	(13)	(33)	(2)	–	(48)
Eliminated on disposal	(71)	(53)	–	(41)	(165)
At 31 March 2015	**7,996**	**11,913**	**23**	**75,716**	**95,648**

Net book value					
At 29 September 2013	5,457	3,253	20	5,590	14,320
At 30 March 2014	4,906	2,578	16	5,386	12,886
At 28 September 2014	4,372	1,883	11	4,810	11,076
At 31 March 2015	**4,212**	**1,405**	**7**	**3,515**	**9,139**

11. Investments

Available-for-sale

	Unlisted investments £'000
Fair value	
At 31 March 2015	**–**
At 30 March 2014	10,000
At 28 September 2014	10,000

The Group sold its unlisted available-for-sale investment in Euroclear plc (refer to note 5) in December 2014.

The holding in Euroclear plc resulted from a £431,000 strategic investment in Crest, the London-based settlement system which was taken over by Euroclear plc.

Trading investments

	Unlisted investments £'000
Fair value	
At 31 March 2015	**977**
At 30 March 2014	897
At 28 September 2014	912

Investments are measured at fair value which is determined directly by reference to published prices in an active market where available.

12. Provisions

	Licence provision £'000	Sundry claims and associated costs £'000	Onerous contracts £'000	Unaudited period to 31 March 2015 Total £'000	Unaudited 26 weeks to 30 March 2014 Total £'000	Audited 52 weeks to 28 September 2014 Total £'000
At start of period	**1,429**	**1,907**	**5,779**	**9,115**	7,665	7,665
Additions	**–**	**768**	**802**	**1,570**	1,716	6,750
Utilisation of provision	**(1,429)**	**(313)**	**(1,439)**	**(3,181)**	(1,086)	(3,500)
Unwinding of discount	**–**	**–**	**20**	**20**	16	48
Unused amounts reversed during the period	**–**	**(413)**	**(932)**	**(1,345)**	(1,256)	(1,848)
At end of period	**–**	**1,949**	**4,230**	**6,179**	7,055	9,115
Provisions						
Included in current liabilities	**–**	**1,949**	**708**	**2,657**	4,000	4,973
Included in non-current liabilities	**–**	**–**	**3,522**	**3,522**	3,055	4,142
	–	**1,949**	**4,230**	**6,179**	7,055	9,115

The Group recognises a provision for settlements of sundry claims and associated costs; settlement of £101,000 (30 March 2014: £nil, 28 September 2014: £nil) has been made since the balance sheet date.

The onerous contracts provision is in respect of surplus office space, which the Group may not be able to sublet in the short term. The maximum exposure is the current estimated amount that the Group would have to pay to meet the future obligations under these lease contracts which is approximately £12.9 million as at 31 March 2015, if the assumption regarding sublets is removed and the time value of money is ignored.

13. Shares to be issued including premium and other deferred purchase liabilities

In prior periods, the Group acquired investment businesses and teams of investment managers, bringing with them funds under management (the latter classified as the intangible asset client relationships) on deferred purchase terms based on the value of income introduced over, normally, a three year period. The payment is normally made in ordinary shares and these shares typically have to be held for a further three years. At the discretion of the Board these shares can be purchased in the market rather than issued. The estimated likely cost of these shares has been updated at the half year in light of actual results of previously acquired business teams.

14. Retirement benefit obligation

The main financial assumptions used in calculating the Group's retirement benefit obligation are as follows:

	As at 31 March 2015	As at 30 March 2014	As at 28 September 2014
Discount rate	**3.30%**	4.30%	3.90%
RPI Inflation assumption	**2.90%**	3.20%	3.10%
CPI Inflation assumption	**1.90%**	2.20%	2.10%
Rate of increase in salaries	**2.90%**	3.20%	3.10%
LPI Pension Increases	**2.85%**	3.10%	3.00%
Average assumed life expectancies for members on retirement at age 65			
Retiring today			
Males	**89.0 years**	88.9 years	88.9 years
Females	**90.2 years**	90.1 years	90.1 years
Retiring in 20 years' time			
Males	**90.3 years**	90.2 years	90.2 years
Females	**91.7 years**	91.6 years	91.6 years

A full actuarial valuation was carried out as at 1 January 2012 and the results of this valuation have been updated to 31 March 2015 by a qualified independent actuary.

15. Called up share capital

The following movements in share capital occurred during the period:

	Date	No. of Fully Paid Shares	No. of Nil Paid Shares	Exercise/ Issue Price (pence)	Called up share capital £'000	Share premium account £'000	Total £'000
At 28 September 2014		274,452,745	615,864		2,745	139,420	142,165
Settlement of deferred consideration	4 December 2014	282,933	–	289.2p	3	815	818
Settlement of deferred consideration: Tilman Brewin Dolphin Limited	9 December 2014	3,191,058	–	288.45p	32	–	32
Issue of options	Various	606,196	–	98p – 175.25p	6	940	946
Nil paid shares now paid up	Various	482,882	(482,882)	104p – 162.5p	4	655	659
Cost of issue of shares		–	–		–	(8)	(8)
At 31 March 2015		**279,015,814**	**132,982**		**2,790**	**141,822**	**144,612**

The share premium arising on the shares issued on the settlement of the deferred consideration for Tilman Brewin Dolphin Limited has been credited to the Merger Reserve.

16. Share-based payments

In December 2014, 1,667,624 share options were granted to senior executives and the Directors under the Long-term Incentive Plan ('LTIP'). The options vest on the third anniversary of the date of grant provided certain performance conditions and targets, set prior to the grant, have been met. If the performance conditions are not met, the options lapse. The fair value at grant date is estimated using a Black-Scholes model, taking into account the terms and conditions upon which the options were granted. There is no cash settlement of the options. The fair value of options granted during the period ended 31 March 2015 was estimated on the date of grant using the following assumptions:

Weighted average share price	289.2p
Weighted average exercise price	–
Expected volatility	27%
Expected life (yrs)	3
Risk free rate	1.2%
Expected dividend yield	5.4%

The weighted average fair value of the options granted during the period was 246.25p (52 week period ended 28 September 2014: 290.31p).

The Group recognised total expenses in the period of £4,617,000 (30 March 2014: £3,187,000, 28 September 2014: £8,498,000) related to equity-settled share-based payment transactions.

17. Note to the cash flow statement

	Unaudited period to 31 March 2015 £'000	Unaudited 26 weeks to 30 March 2014[1] £'000	Audited 52 weeks to 28 September 2014[1] £'000
Operating profit	**27,911**	21,695	7,390
Adjustments for:			
Depreciation of property, plant and equipment	**2,655**	2,795	5,371
Amortisation of intangible assets – client relationships	**5,162**	6,426	13,592
Amortisation of intangible assets – software	**1,578**	1,257	2,360
Impairment of intangible assets	**–**	–	31,693
Loss on disposal of property, plant and equipment	**16**	198	653
Loss on disposal of intangible asset – purchased software	**–**	–	2
Retirement benefit obligation	**(1,500)**	(1,500)	(3,003)
Share-based payment cost	**4,617**	3,187	8,498
Translation adjustments	**88**	(51)	(3)
Interest income	**525**	555	1,077
Interest expense	**(20)**	(17)	(31)
Operating cash flows before movements in working capital	**41,032**	34,545	67,599
(Decrease)/increase in payables and provisions	**(56,793)**	(10,982)	39,585
Decrease/(increase) in receivables and trading investments	**22,961**	(3,717)	(39,778)
Cash generated by operating activities	**7,200**	19,846	67,406
Tax paid	**(5,729)**	(2,868)	(7,438)
Net cash inflow from operating activities	**1,471**	16,978	59,968

[1] Restated see notes 2 and 18.

Cash and cash equivalents comprise cash at bank and bank overdrafts.

18. Restatement of prior period information

As disclosed in note 2, the Group adopted IFRIC 21 Levies on 29 September 2014 and amended its accounting policy for client settlement cash.

These amendments have resulted in the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, the Consolidated Balance Sheet and the Consolidated Cash Flow Statement being restated.

The amount of the restatement for each financial statement line item affected by retrospective application of IFRIC 21 and change of accounting policy for client settlement cash is set out below:

	As reported 26 weeks to 30 March 2014 £'000	Adjustment IFRIC 21 £'000	Adjustment client settlement cash £'000	Restated 26 weeks to 30 March 2014 £'000	As reported 52 weeks to 28 September 2014 £'000	Adjustment IFRIC 21 £'000	Adjustment client settlement cash £'000	Restated 52 weeks to 28 September 2014 £'000
Consolidated Income Statement								
Other operating costs	(40,399)	612	–	(39,787)	(81,770)	(253)	–	(82,023)
Operating expenses	(125,228)	612	–	(124,616)	(282,839)	(253)	–	(283,092)
Operating profit	21,083	612	–	21,695	7,643	(253)	–	7,390
Profit before tax	21,356	612	–	21,968	8,646	(253)	–	8,393
Tax	(3,707)	(135)	–	(3,842)	(1,820)	98	–	(1,722)
Profit for the period	17,649	477	–	18,126	6,826	(155)	–	6,671
Earnings per share								
Basic	6.7p	0.2p	–	6.9p	2.5p	–	–	2.5p
Diluted	6.3p	0.2p	–	6.5p	2.4p	–	–	2.4p
Adjusted[1] earnings per share								
Basic	9.1p	0.2p	–	9.3p	17.5p	–	–	17.5p
Diluted[2]	8.6p	0.2p	–	8.8p	16.5p	–	–	16.5p
Consolidated Statement of Comprehensive Income								
Profit for the period	17,649	477	–	18,126	6,826	(155)	–	6,671
Total comprehensive income for the period	16,900	477	–	17,377	5,546	(155)	–	5,391

[1] These figures have been adjusted to exclude redundancy costs, FSCS levy rebate, onerous contracts provision, impairment of intangible assets – software and amortisation of client relationships.

[2] See note 7.

18. Restatement of prior period information (continued)

	As reported as at 30 March 2014 £'000	Adjustment IFRIC 21 £'000	Adjustment client settlement cash £'000	Restated as at 30 March 2014 £'000	As reported as at 28 September 2014 £'000	Adjustment IFRIC 21 £'000	Adjustment client settlement cash £'000	Restated as at 28 September 2014 £'000
Consolidated Balance Sheet								
Deferred tax asset	2,621	–	–	2,621	8,959	177	–	9,136
Total non-current assets	153,124	–	–	153,124	125,438	177	–	125,615
Trade and other receivables	262,672	–	3,257	265,929	297,322	(865)	5,608	302,065
Cash and cash equivalents								
– Firm's cash	109,174	–	–	109,174	136,383	–	–	136,383
– Client settlement cash	27,204	–	(27,204)	–	21,687	–	(21,687)	–
Total cash and cash equivalents	136,378	–	(27,204)	109,174	158,070	–	(21,687)	136,383
Total current assets	399,947	–	(23,947)	376,000	456,304	(865)	(16,079)	439,360
Total assets	553,071	–	(23,947)	529,124	581,742	(688)	(16,079)	564,975
Trade and other payables	287,448	–	(23,947)	263,501	327,225	–	(16,079)	311,146
Current tax liabilities	3,270	72	–	3,342	3,872	16	–	3,888
Total current liabilities	301,061	72	(23,947)	277,186	347,408	16	(16,079)	331,345
Net current assets	98,886	(72)	–	98,814	108,896	(881)	–	108,015
Total liabilities	322,097	72	(23,947)	298,222	369,768	16	(16,079)	353,705
Net assets	230,974	(72)	–	230,902	211,974	(704)	–	211,270
Profit and loss account	34,374	(72)	–	34,302	16,822	(704)	–	16,118
Equity attributable to equity holders of the parent	230,974	(72)	–	230,902	211,974	(704)	–	211,270
Consolidated Cash Flow Statement								
Net cash inflow from operating activities	23,881	–	(6,903)	16,978	61,354	–	(1,386)	59,968
Net (decrease)/increase in cash and cash equivalents	2,352	–	(6,903)	(4,551)	23,269	–	(1,386)	21,883
Cash and cash equivalents at the start of period	133,834	–	(20,301)	113,533	133,834	–	(20,301)	113,533
Cash and cash equivalents at the end of period	136,147	–	(27,204)	108,943	156,800	–	(21,687)	135,113
Cash and cash equivalents shown in current assets	136,378	–	(27,204)	109,174	158,070	–	(21,687)	136,383
Net cash and cash equivalents	136,147	–	(27,204)	108,943	156,800	–	(21,687)	135,113

The impact of retrospective application on each component of equity is shown in the Consolidated Statement of Changes in Equity. As at 29 September 2013, the profit and loss account was restated by £549,000, which was the result of IFRIC 21. There was no impact on equity as a result of the change in accounting policy for client settlement cash.

Consequential amendments have also been made to the notes to the interim financial statements.

19. Post balance sheet event

On 14 May 2015, the Group announced the decision to dispose of its Stocktrade business, to Alliance Trust Savings for £14 million in cash, payable in full upon completion. The agreement was signed on 13 May 2015 and the disposal is expected to be completed in 2015 and is conditional upon regulatory conditions customary for this type of transaction.

Based in Edinburgh, Stocktrade is the execution-only division of Brewin Dolphin and as at 31 March 2015, the business had Assets under Administration of £4.6 billion. For the year ended 28 September 2014 Stocktrade had revenues of £9.6 million and contributed an estimated £1.3 million of pre-tax profit subject to final cost allocation as permitted by IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'.

After accounting for all related costs, the transaction is expected to result in a net gain of approximately £1 million, subject to final separation costs. The net sale proceeds will be used for general corporate purposes.

20. Related party transactions

There have been no related party transactions that have taken place in the period that have materially affected the financial position or the performance of the Group during the period and no changes to related party transactions from those disclosed in the 2014 Annual Report and Accounts available via our website www.brewin.co.uk that could have a material effect on the financial position or the performance of the Group. Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed. There were no other transactions with related parties which were not part of the Group during the period, with the exception of remuneration paid to key management personnel.

Cautionary statement

The Interim Management Report (the 'IMR') for the period ended 31 March 2015 has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The IMR should not be relied on by any other party or for any other purpose.

The IMR contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report but such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

Responsibility statement

The Directors confirm that to the best of their knowledge:

a) the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';

b) the interim management report includes a fair view of the information required by Disclosure and Transparency Rules ('DTR') 4.2.7 R (indication of important events during the period ended 31 March 2015 and description of principal risks and uncertainties for the remaining six months of the year); and

c) the interim management report includes a fair view of the information required by DTR 4.2.8 R (disclosures of related parties' transactions and changes therein).

By order of the Board

David Nicol
Chief Executive

Andrew Westenberger
Finance Director

26 May 2015

Independent Review Report to Brewin Dolphin Holdings PLC

We have been engaged by Brewin Dolphin Holdings PLC ('the Company') to review the condensed set of financial statements in the half-yearly financial report for the period ended 31 March 2015 which comprises the Condensed Consolidated Income Statement, the Statement of Comprehensive Income, the Condensed Consolidated Balance Sheet, the Condensed Consolidated Statement of Changes in Equity and the Condensed Consolidated Cash Flow Statement and related notes 1 to 20. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting,' as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the period ended 31 March 2015 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

26 May 2015

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