

27 November 2008

Brewin Dolphin Holdings PLC

Group Preliminary Results

For the period ended 28 September 2008

Highlights

- Total income £206 million (2007: £209 million).
- Discretionary funds £10.2 billion at 28 September 2008 (2007: £10.7 billion), a fall of 4.7% which compares to falls of 21.3% and 14.6% of the FTSE 100 Share Index and FTSE APCIMS Private Investors Series Balanced Portfolio Index respectively over the same period.
- Profit before tax £36.2 million (2007: £41.7 million).
- Earnings per share:
 - Diluted earnings per share 11.7p (2007: 13.8p).
 - Basic earnings per share 12.2p (2007: 14.5p).
- The total dividend for the period is 7.1p[#] per ordinary share (2007: 6.875p^{##}) a 3.3% increase.
- Proposed final dividend 3.55p per share up 1.4% against 3.5p per share in 2007.

[#] (paid September 2008 and payable April 2009), ^{##} (paid October 2007 and April 2008)

Declaration of Final Dividend

The Board is pleased to announce that we are proposing a final dividend of 3.55p, to be approved at the 2009 AGM and payable on 6 April 2009 to shareholders on the register at close of business on 13 March 2009, with an ex-dividend date of 11 March 2009.

Jamie Matheson, Executive Chairman said:

“In a year characterised by difficult and volatile trading conditions, your Company achieved a relatively resilient performance reflecting the fundamental strengths and scale of the business.

Overall, as the UK’s largest independent private client investment manager focused on long term equity investment, we have a good platform to continue to develop despite the uncertain economic environment.”

For further information, please contact:

Brewin Dolphin Holdings PLC
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Executive Chairman's Statement

In a year characterised by difficult and volatile trading conditions, your Company achieved a relatively resilient performance reflecting the fundamental strengths and scale of the business.

Pre-tax profit for the period to 28 September 2008 was £36 million, some 13% down on last year, against a fall in the FTSE 100 index of 21%. This disguises areas of some material progress, particularly within our mainstream Investment Management business.

As in previous years we have benefited from the arrival of new investment managers and financial planners who have joined the Company. We expect this to continue. During the last year we have opened new offices in Chester and Nottingham and have expanded and relocated our offices in Birmingham, York, Jersey, Dundee, Inverness, Lymington and Newcastle. New teams have joined us in Belfast, Cheltenham, Exeter, Leeds and Taunton and ten new teams have arrived in London during the year.

Overall, as the UK's largest independent private client investment manager focused on long term equity investment, we have a good platform to continue to develop despite the uncertain economic environment.

Investment Management

Investment Management is the largest part of your Group's activities and it has performed well in somewhat adverse market circumstances, increasing both income and profit. Total Funds Under Management have declined from £21.6 billion to £18.7 billion over the year, but most importantly the decline in the discretionary element from £10.7 billion to £10.2 billion is less than 5%, while the decrease in advisory funds has been 22% from £10.9 billion to £8.5 billion more in line with the market. The trend towards our full discretionary management service from advisory continues and has accelerated.

Investment Banking

While last year saw Investment Banking enjoy a record breaking performance, this year has, as highlighted at the half year, been in stark contrast, with income dropping by more than half and operating profit by some 93%. Whilst at first glance this may appear dramatic, the Division still remained profitable and continues to perform favourably in comparison to many of its peer group.

Regulation

As ever, regulation features prominently in the day-to-day workings of your Group and it remains at the forefront of Board Policy to see that the Group meets all the standards and requirements of modern day regulation. Building on the work we did for MiFID last year, this year we have worked hard to ensure that your firm meets the six outcomes of the

FSA's Treating Customers Fairly (TCF) project. It is integral to your Group's ethos that we treat our clients fairly.

Re-Branding

As part of the re-branding exercise which was carried out in the Spring of 2008, there is a different appearance to this year's Annual Report and Accounts. We now operate under the single name of Brewin Dolphin in England, Wales, Northern Ireland and the Channel Islands and it is planned that we will also do so in Scotland from the Spring of 2009. We have adopted a new logo and style which we believe is not only fresh and up-to-date, but as importantly, reflects our culture and heritage.

Strategy

Brewin Dolphin remains committed to pursuing its objectives of achieving long term growth and return for shareholders through the provision of a high quality service to all our clients. Pursuit of these objectives will safeguard the interests of all our stakeholders.

Dividend

The Board is pleased to announce that we are proposing a final dividend of 3.55p, to be approved at the 2009 AGM and payable on 6 April 2009.

The Board

As reported last year, John Hall and Vikram Lall retired at the last Annual General Meeting. Both Simon Miller and Robin Bayford will be standing for re-election at the AGM and I commend them to you.

Conclusion

Once again the results in the year under review have been achieved thanks to the hard work of all the Brewin Dolphin people as well as the continued support of our clients, for which we are extremely grateful.

I believe that your Group has performed well during this period but we cannot consider ourselves immune from stock market conditions and it is likely that this will be reflected in our results for the year ahead. Clearly during these more turbulent times it is as important as ever to keep a grip on cost control and this we are actively doing.

There are many lessons to be learned from the turmoil of recent months. In particular, there is now a wide recognition that debt in whatever sphere must be kept in proportion, which clearly emphasises the importance of equity. We are very fortunate to serve a client base that has a good understanding of stock markets and practices and true long term investments. I believe firmly in the merits and soundness of our business model and that this will help the Company's prospects.

Jamie Matheson
26 November 2008

Business Review

Investment Management Report

By D W McCorkell – Executive Director – Head of Investment Management

It is a great pleasure to report a record year for the Investment Management Division in what has been an unprecedented year for global stock markets.

Investment Management operating profits rose to £29.6 million from £27.7 million, an increase of 7% over the previous period on turnover of £193.7 million, an increase of 8% over the 2007 figure of £179.7 million, a creditable performance considering the market downturn in the second half.

Indices and Value of Funds under Management

	At 28 September 2008	At 30 September 2007	% Change
Indices			
FTSE APCIMS Private Investor Series Balanced Portfolio	2,586	3,029	-14.6%
FTSE 100	5,089	6,467	-21.3%
Funds			
	£billion	£billion	
Discretionary funds under management	10.2	10.7	-4.7%
Advisory funds under management	8.5	10.9	-22.0%
Total managed funds	18.7	21.6	-13.4%

Total funds under Discretionary Management at the year end were £10.2 billion against £10.7 billion, a fall of 4.7% which compares to falls of 21.3% and 14.6% of the FTSE 100 Share Index and FTSE APCIMS Private Investors Series Balanced Portfolio Index respectively. Funds under Advisory Management were £8.5 billion, a fall of 22%, giving us total funds under management of £18.7 billion, a fall of 13.4% overall. These figures include £1.2 billion of new funds brought in by our new teams.

Financial Performance

	Total Income 2008 £m	Operating Profit 2008 £m	Total Income 2007 £m	Operating Profit 2007 £m
Discretionary Portfolio Management	123.0	18.8	110.4	15.2
Advisory Portfolio Management	70.7	10.8	69.3	12.6
	193.7	29.6	179.7	27.8

It is pleasing to report that fee, interest and other recurring income has increased by 23% in the year, with commission income falling by 6%. Recurring income is now 55% (2007: 49%) of the total income. Significantly this improvement in the quality of our income is not restricted to the discretionary side of the business, advisory fees and other recurring income has increased by 25% to £22 million, 31% of advisory revenue.

The business

During the period further teams of good quality fund managers have continued to join the Group, along with their clients. In total, 21 new teams have arrived during the period. The

largest team consisted of six Divisional Directors and 18 staff, who joined us in Nottingham where we opened a new office. The smallest team of one Divisional Director and one assistant arrived in Guernsey in September. We look forward to all these teams making a positive contribution to our results next year.

We now have a total of 660 client executives and investment managers, a net increase of 44 over the period.

Financial Planning has continued to grow with the number of qualified Financial Planners increasing to 63 across the Group. Financial Planning income has increased by 16.5% during the period. It is a strategic objective to provide qualified financial and tax planning advice in or near to all our branches and I am pleased to report that recruitment this period has brought us closer to that goal and to providing a complete wealth management service for all our clients. This strategy has delivered a net increase in pension funds managed around the Group to over £2 billion (£1.9 billion in 2007).

During the period, the roll out of the new Investment Management system, eXimius, was successfully completed. It provides superior investment management tools, individual risk profiling of clients' portfolios and enhanced performance measurements. The next phase of this development will shortly deliver an improved on-line reporting system for our clients.

Stocktrade provides specialist execution-only services to 30 companies in the FTSE 100, a further 130 listed companies, four Building Societies and some 150 Investment Managers and IFAs. Stocktrade has also built up a number of partnerships within the SIPP administration industry. These services, which include both 'Dual Branding' and 'White Labelling' for agents, have grown in popularity as investors have sought alternatives to traditional pension plans and we believe they are set to dominate the personal pension market for some time to come.

We have enhanced our research department during the period. The team is entirely dedicated to servicing the needs of our clients through focused research into UK and International equities, fixed interest securities, collective investments and structured products. The department analyses and monitors the most appropriate investment vehicles or securities, which our investment managers can assess for their clients' individual needs. Our analysts do not manage client monies and are fully focused on research for the benefit of the Group as a whole.

This year has seen the Financial Services Authority (FSA) introduce its Treating Customers Fairly (TCF) initiative. Whilst we believe we always treat our clients fairly, we now have improved processes in place to demonstrate that we do so and to provide more detailed management information which we will use to improve the efficiency of our business.

I must pay tribute to all our investment managers across the Group who have looked after their clients during such testing times. I must also thank our support staff without whom we would not be able to look after our clients' needs. Existing clients have told us in recent surveys that being able to talk to someone they know and trust is their most important criterion and new clients are joining us having lost confidence in managing their own investments. It is for these reasons that we believe our business model is the right one for the times ahead. We are also fortunate that in principle we are a long only, long term investment house, committed to providing a bespoke and personal service for our clients and to championing the interests of all private investors wherever we can.

Investment Banking Report

By G Summers – Director of Brewin Dolphin Limited – Head of Investment Banking

Brewin Dolphin Investment Banking Division provides research, sales and corporate advisory services to over 100 institutional clients and more than 120 quoted companies.

This has been a much more difficult year for our industry than last year as a result of the global financial crisis. Although we are a business with strong risk controls, we have still been impacted by the knock-on effects of this crisis on capital markets. As a result, the Investment Banking Division delivered a significantly reduced contribution to the Group for the period under review.

Weak markets resulted in lower trading commissions than last year. However, the sales and research team still achieved a reasonable performance, as a result of its continuing focus on delivering sound, impartial investment advice to our institutional clients. As an aside, it was pleasing that our research team of 15 analysts was recognised at the 2008 AIM Awards in October, picking up the award for Best AIM Research.

Encouragingly, the number of our corporate clients remained broadly similar to last year, as a result of our focus on building long-term relationships and on adding value by providing a professional service and quality advice. However, the substantial drop in the amount of fund-raising activity by quoted companies across all markets reduced the opportunity for corporate fees.

Overall, we believe the results of the division demonstrate a robust performance comparing particularly favourably with the performances of many in our peer group over the same period. The fact that we have been able to achieve these creditable results in such difficult markets is, without doubt, a reflection of the strength of the whole team.

In the second half of the year, we responded in a measured way to market conditions by reducing costs across the division and this has provided a strong platform for the future.

Whilst in the short term, capital markets may continue to be difficult, our highly respected team of professionals will seek to build on its strong credentials, prudent business model and long-term client relationships.

Looking forward, we believe that there are significant opportunities for the business and we will continue with our focused strategy of investing for the future. Our objective is to deliver a meaningful and growing contribution to the Group as markets recover and into the longer term.

Consolidated Income Statement

52 week period ended 28 September 2008

	Note	52 weeks to 28 September 2008 £'000s	Year to 30 September 2007 £'000s
Continuing operations			
Revenue		186,969	198,032
Other operating income		19,526	11,247
Total income	1	206,495	209,279
Staff costs		(105,834)	(117,641)
Other operating costs		(70,607)	(56,882)
		(176,441)	(174,523)
Operating profit	1	30,054	34,756
Other gains and losses		-	58
Finance income	2	7,142	7,406
Finance costs	2	(994)	(564)
Profit before tax	1	36,202	41,656
Tax	3	(11,127)	(12,708)
Profit attributable to equity shareholders of the parent from continuing operations		25,075	28,948
Earnings per share			
From continuing operations			
Basic	5	12.2p	14.5p
Diluted	5	11.7p	13.8p

Consolidated Statement of Recognised Income and Expense

52 week period ended 28 September 2008

	52 weeks to 28 September 2008 £'000s	Year to 30 September 2007 £'000s
(Loss)/gain on revaluation of available-for-sale investments	(900)	816
Deferred tax credit/(charge) on revaluation of available-for-sale investments	254	(41)
Actuarial (loss)/gain on defined benefit pension scheme	(4,375)	1,420
Deferred tax credit/(charge) on actuarial (loss)/gain on defined benefit pension scheme	1,225	(620)
Current tax credit on share based payments	568	219
Deferred tax (charge)/credit on share based payments	(1,255)	220
Net (expense)/income recognised directly in equity	(4,483)	2,014
Transfers		
Transfer gain on revaluation on sale of available-for-sale investments	-	(54)
Transfer tax on revaluation on sale of available-for-sale investments	-	18
Transfer to profit or loss on sale of available-for-sale investments	-	(36)
	(4,483)	1,978
Profit for period	25,075	28,948
Total recognised income and expense for the period attributable to equity shareholders of the parent	20,592	30,926

Consolidated Balance Sheet

As at 28 September 2008

	Note	As at 28 September 2008 £'000s	As at 30 September 2007 £'000s
ASSETS			
Non-current assets			
Goodwill		93,023	65,767
Property, plant and equipment		27,975	20,949
Available-for-sale investments		10,626	11,526
Other receivables		2,098	2,059
Deferred tax asset		-	542
		133,722	100,843
Current assets			
Trading investments		724	1,251
Trade and other receivables		283,404	356,385
Cash and cash equivalents		60,546	87,946
		344,674	445,582
Total assets		478,396	546,425
LIABILITIES			
Current liabilities			
Bank overdrafts		3,717	543
Trade and other payables		306,855	404,873
Current tax liabilities		484	4,965
Provisions		2,068	-
Shares to be issued including premium		8,233	4,504
		321,357	414,885
Net current assets		23,317	30,697
Non-current liabilities			
Retirement benefit obligation		7,964	9,735
Deferred tax liabilities		3,993	-
Deferred purchase consideration		2,960	664
Shares to be issued including premium		16,946	5,809
		31,863	16,208
Total liabilities		353,220	431,093
Net assets		125,176	115,332
EQUITY			
Called up share capital	6	2,080	2,035
Share premium account	6	90,145	86,968
Revaluation reserve	6	6,898	7,544
Merger reserve	6	4,562	4,562
Profit and loss account	6	21,491	14,223
Equity attributable to equity holders of the parent	6	125,176	115,332

Company Balance Sheet

As at 28 September 2008

	Note	As at 28 September 2008 £'000s	As at 30 September 2007 £'000s
ASSETS			
Non-current assets			
Investment in subsidiaries		141,052	125,160
Other receivables		430	430
		141,482	125,590
Current assets			
Trade and other receivables		7,708	11,327
Cash and cash equivalents		57	182
		7,765	11,509
Total assets		149,247	137,099
LIABILITIES			
Current liabilities			
Trade and other payables		7,357	14,222
Shares to be issued including premium		8,233	4,504
		15,590	18,726
Net current liabilities		(7,825)	(7,217)
Non-current liabilities			
Shares to be issued including premium		16,946	5,809
		16,946	5,809
Total liabilities		32,536	24,535
Net assets		116,711	112,564
EQUITY			
Called up share capital	6	2,080	2,035
Share premium account	6	90,145	86,968
Revaluation reserve	6	-	-
Merger reserve	6	4,847	4,847
Profit and loss account	6	19,639	18,714
Equity attributable to equity holders	6	116,711	112,564

Consolidated Cash Flow Statement

52 week period ended 28 September 2008

	Note	52 weeks to 28 September 2008 £'000s	Year to 30 September 2007 £'000s
Net cash flow from operating activities	7	14,104	54,183
Cash flows from investing activities			
Purchase of goodwill		(10,681)	(6,114)
Purchases of property, plant and equipment		(15,746)	(10,106)
Proceeds from sale of available-for-sale investments		-	159
Purchases of available-for-sale investments		-	(400)
Dividend received from available-for-sale investments		404	322
Net cash used in investing activities		(26,023)	(16,139)
Cash flows from financing activities			
Dividends paid to equity shareholders		(21,500)	(11,279)
Proceeds on issue of shares		2,845	2,259
Net cash used in financing activities		(18,655)	(9,020)
Net (decrease)/increase in cash and cash equivalents		(30,574)	29,024
Cash and cash equivalents at the start of period		87,403	58,379
Cash and cash equivalents at the end of period		56,829	87,403
Firm's cash		38,189	68,960
Firm's overdraft		(3,717)	(543)
Firm's net cash		34,472	68,417
Client settlement cash		22,357	18,986
Net cash and cash equivalents		56,829	87,403
Cash and cash equivalents shown in current assets		60,546	87,946
Bank overdrafts		(3,717)	(543)
Net cash and cash equivalents		56,829	87,403

Notes

1 Segmental information

For management purposes, the Group is divided into two business streams: Investment Management and Investment Banking. These form the basis for the primary segment information reported below. All operations are carried out in the United Kingdom and the Channel Islands.

52 week period ended 28 September 2008

	Discretionary Portfolio Management £'000s	Advisory Portfolio Management £'000s	Total Investment Management £'000s	Investment Banking £'000s	Group £'000s
Total income	122,975	70,721	193,696	12,799	206,495
Operating profit	18,765	10,791	29,556	498	30,054
Other gains and losses and finance income (net)					6,148
Profit before tax					36,202

Other Information

Capital expenditure			15,147	599	15,746
Depreciation			8,459	126	8,585
Share-based payments			621	40	661
Segment assets excluding current tax assets			447,082	31,314	478,396
Segment liabilities excluding current tax liabilities			321,422	31,314	352,736

Year ended 30 September 2007

	Discretionary Portfolio Management £'000s	Advisory Portfolio Management £'000s	Total Investment Management £'000s	Investment Banking £'000s	Group £'000s
Total income	110,413	69,326	179,739	29,540	209,279
Operating profit	15,154	12,555	27,709	7,047	34,756
Other gains and losses and finance income (net)					6,900
Profit before tax					41,656

Other Information

Capital expenditure			10,055	51	10,106
Depreciation			5,981	76	6,057
Share-based payments			522	85	607
Segment assets excluding current tax assets			398,112	148,313	546,425
Segment liabilities excluding current tax liabilities			277,815	148,313	426,128

Investment banking profit was reduced by £500,000 of redundancy costs in the second half of 2008.

2 Finance income and finance costs

	2008 52 Weeks £'000s	2007 Year £'000s
Finance income		
Interest income on pension plan assets	159	60
Dividends from available-for-sale investments	404	322
Interest on bank deposits	6,579	7,024
	<u>7,142</u>	<u>7,406</u>
Finance costs		
Finance cost of deferred consideration	981	515
Interest on bank overdrafts	13	49
	<u>994</u>	<u>564</u>

3 Taxation

	2008 52 Weeks £'000s	2007 Year £'000s
United Kingdom		
Current tax	5,955	10,247
Prior year	192	430
Overseas tax		
Current tax	216	297
Prior year	5	5
	<u>6,368</u>	<u>10,979</u>
United Kingdom deferred tax		
Current year	5,024	2,127
Prior year	(265)	(398)
	<u>11,127</u>	<u>12,708</u>

United Kingdom corporation tax is calculated at 29% (2007: 30%) of the estimated assessable taxable profit for the period.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The charge for the year can be reconciled to the profit per the income statement as follows:

Profit before tax	36,202	41,656
Tax at the UK corporation tax rate of 29% (2007: 30%)	<u>10,499</u>	<u>12,497</u>
Tax effect of expenses that are not deductible in determining taxable profit	551	395
Tax effect of prior year tax	197	435
Tax effect of prior year deferred tax	(265)	(398)
Tax effect of share-based payments	162	(259)
Tax effect of deferred tax timing differences	(191)	(84)
Tax effect of leasehold property depreciation	174	122
Tax expense	<u>11,127</u>	<u>12,708</u>
Effective tax rate for the year	31%	31%

In addition to the amount charged to the income statement, deferred tax relating to the revaluation of the Group's available for sale investments amounting to £(254,000) (2007: £41,000) has been (credited)/charged directly to equity and deferred tax relating to the actuarial gain/(loss) in the defined benefit pension scheme amounting to £1,225,000 (2007: £(620,000)) has been debited / (credited) directly to equity.

4 Dividends

	2008 52 Weeks £'000	2007 Year £'000
Amounts recognised as distributions to equity holders in the period:		
First interim dividend paid 10 April 2007, 2.875p per share	-	5,791
Second interim dividend paid 25 October 2007, 3.375p per share	-	6,869
Final dividend paid 6 April 2008, 3.5p per share	7,248	-
Interim dividend paid 24 September 2008, 3.55p per share	7,383	-
	<u>14,631</u>	<u>12,660</u>
Proposed final dividend for the 52 weeks ended 28 September 2008 of 3.55p (2007: 3.5p) per share based on shares in issue at 7 November 2008 (8 November 2007)	7,388	7,124
	<u>7,388</u>	<u>7,124</u>

The proposed final dividend for the 52 week period ended 28 September 2008 of 3.55p per share, is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

5 Earnings per share

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

	2008	2007
Number of shares		
	'000	'000
Basic		
Weighted average number of shares in issue in the period	206,157	201,438
Diluted		
Weighted average number of options outstanding for the period	2,415	5,135
Estimated weighted average number of shares earned under deferred consideration arrangements	8,527	4,712
Diluted weighted average number of options and shares for the period	217,099	211,285
Earnings attributable to ordinary shareholders		
	£'000s	£'000s
Profit attributable to equity shareholders of the parent from continuing operations	25,075	28,948
Finance costs of deferred consideration (Note a)	549	311
less tax	(159)	(93)
Adjusted basic profit for the period and attributable earnings	25,465	29,166
From continuing operations		
Basic	<u>12.2p</u>	<u>14.5p</u>
Diluted	<u>11.7p</u>	<u>13.8p</u>

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

6 Reserves and reconciliation of changes in equity

	Called up share capital	Share premium account	Revaluation reserve	Merger reserve	Profit and loss account	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Group						
30 September 2006	1,995	82,755	6,805	4,562	(3,911)	92,206
Profit for the period	-	-	-	-	28,948	28,948
Dividends	-	-	-	-	(12,660)	(12,660)
Issue of shares	40	4,213	-	-	-	4,253
Revaluation	-	-	816	-	-	816
Deferred and current tax on items taken directly to equity	-	-	(41)	-	(181)	(222)
Released on sale of available-for- sale investments	-	-	(36)	-	-	(36)
Share based payments	-	-	-	-	607	607
Actuarial gain on defined benefit pension scheme	-	-	-	-	1,420	1,420
30 September 2007	2,035	86,968	7,544	4,562	14,223	115,332
Profit for the period	-	-	-	-	25,075	25,075
Dividends	-	-	-	-	(14,631)	(14,631)
Issue of shares	45	3,177	-	-	-	3,222
Revaluation	-	-	(900)	-	-	(900)
Deferred and current tax on items taken directly to equity	-	-	254	-	538	792
Share based payments	-	-	-	-	661	661
Actuarial loss on defined benefit pension scheme	-	-	-	-	(4,375)	(4,375)
28 September 2008	2,080	90,145	6,898	4,562	21,491	125,176
	Called up share capital	Share premium account	Revaluation reserve	Merger reserve	Profit and loss account	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Company						
30 September 2006	1,995	82,755	700	4,847	17,154	107,451
Profit for the period	-	-	-	-	13,613	13,613
Dividends	-	-	-	-	(12,660)	(12,660)
Share based payments	-	-	-	-	607	607
Issue of shares	40	4,213	-	-	-	4,253
Released on sale of available-for- sale investments	-	-	(700)	-	-	(700)
30 September 2007	2,035	86,968	-	4,847	18,714	112,564
Profit for the period	-	-	-	-	14,895	14,895
Dividends	-	-	-	-	(14,631)	(14,631)
Share based payments	-	-	-	-	661	661
Issue of shares	45	3,177	-	-	-	3,222
28 September 2008	2,080	90,145	-	4,847	19,639	116,711

7 Notes to the cash flow statement

	2008 52 weeks £'000s	2007 Year £'000s
Group		
Operating profit	30,054	34,756
Adjustments for:		
Depreciation of property, plant and equipment	8,585	6,057
Loss on disposal of property, plant and equipment	135	-
Goodwill impairment	430	-
Retirement benefit obligation	(6,146)	(4,267)
Share-based payment cost	661	607
Discounting of shares to be issued	981	515
Interest income	6,785	6,779
Interest expense	(994)	(564)
Operating cash flows before movements in working capital	40,491	43,883
Decrease/(Increase) in receivables and trading investments	73,280	(104,674)
(Decrease)/Increase in payables	(89,528)	124,132
Cash generated by operating activities	24,243	63,341
Tax paid	(10,139)	(9,158)
Net cash inflow from operating activities	14,104	54,183

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

8 Funds

	At 28 September 2008 £ Billion	At 30 September 2007 £ Billion
In Group's nominee or sponsored member	10.0	10.4
Stock not held in Group's nominee	0.2	0.3
Discretionary funds under management	10.2	10.7
In Group's nominee or sponsored member	6.8	8.2
Other funds where valuations are carried out but where the stock is not under the Group's control	1.7	2.7
Advisory funds under management	8.5	10.9
Managed funds	18.7	21.6
In Group's nominee or sponsored member	3.7	3.2
Stock not held in Group's nominee	0.2	0.3
Execution only stock	3.9	3.5
Total funds	22.6	25.1
Stock		
In Group's nominee or sponsored member	20.5	21.8
Stock not held in Group's nominee	2.1	3.3
	22.6	25.1

9 Additional Information

The accounting policies used in arriving at the preliminary figures are consistent with those which will be published in the full financial statements and which were set out in the Group's Annual Report and Accounts for 2007.

This preliminary announcement was approved by the Board on 26 November 2008.

The financial information in this press release does not constitute statutory accounts for the period ended 28 September 2008 within the meaning of section 240 of the Companies Act 1985 but is derived from these accounts. Statutory accounts for 2007 have been delivered to the Registrar of Companies and those for 2008 will be delivered following the Company's Annual General Meeting. The Auditors have reported on the 2007 and 2008 accounts; their reports were unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain statements under section 237(2) or (3) of the Companies Act 1985. Whilst the financial information included in this preliminary announcement has been computed in accordance with International Financial Reporting Standards (IFRSs), this announcement does not itself contain sufficient information to comply with IFRSs. The Company's 2008 statutory accounts do comply with IFRSs; it is expected that they will be published in full in January 2009.

The Annual General meeting will be held at 12 noon on 27 February 2009 at Merchant Taylors' Hall, 30 Threadneedle Street, London EC2R 8JB.

10 Availability of Annual Report

The Annual Report will be posted to shareholders during January 2009; copies will be available from the registered office of the Company, 12 Smithfield Street, London, EC1A 9BD. It will be available as a download from the Company's website www.brewin.co.uk.

A further notification will be made to advise of posting and publishing on the website.