

The figures overleaf show a strong balance sheet in terms of both capital and liquidity. Deposits grew comfortably, while the loan book remained stable with repayments coming in as fast as we made new loans. Our audited report and accounts and other disclosures are available on our website. The new financial year has started well.

Steven Cooper joined us as Chief Executive on 10th January. He is increasing the metabolic rate with a view to making more of the talent and opportunities before us. Steven is also helping us think about our continued relevance to future generations. This will see us enhance our digital capabilities and bring sharper focus on the fast-changing needs of the 21st century market.

In June we launched our first adventure outside London, an office in Cambridge. Rooted in tradition, yet leading the way in digital and data technology, the university town seems an ideal fit for the bank, and we are delighted with the positive reaction we have received there. Ellie.Newell@hoaresbank.co.uk will be happy to follow up any business leads in East Anglia.

We have recently said farewell to several long-standing members of staff and we apologise for any disruption this causes. In all cases there are partners and relationship managers' assistants to provide continuity. We are recruiting some relationship managers and are impressed with the high calibre of individuals the bank attracts.

Sadly, regulatory change means it is no longer easy to keep in touch, socially, with customers. We would like to continue inviting you to appropriate events, but without your explicit permission we are unable to do so. The simplest way to resolve this is for you to let your relationship manager know that we may contact you for events.

The yield on 10-year Gilts is now below 1%, and it looks likely that rates will remain low for a long time yet. This will mean looking again at bank charges. It has been 10 years since charges were last reviewed and we are looking at simplifying them, and making them fairer, by spreading them over more members as a subscription fee.

We have had many distinguished customers over the years, including Vice-Admiral Robert FitzRoy, who took Charles Darwin on his momentous voyage on the Beagle. After the wreck of the Royal Charter in a terrible storm in 1859, he wrote to The Times: "Man cannot still the raging of the wind, but he can predict it. He cannot appease the storm, but he can escape its violence." This has wider applications than shipping.

Alexander S. Hoare
July 2019

C. HOARE & CO. AND ITS SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEET
31 MARCH 2019

	2019 £000
ASSETS	
Cash and balances at central banks	1,525,359
Items in course of collection from banks	1,074
Derivative financial instruments	2,105
Financial assets ¹	3,227,198
Property and equipment	83,668
Heritage assets	9,438
Deferred tax asset	856
Other assets	343
Prepayments and accrued income	12,469
Post retirement benefit asset	579
	4,863,089
Total Assets	
LIABILITIES	
Deposits by banks	60
Customer accounts	4,364,933
Derivative financial instruments	80,184
Deferred tax liability	9,425
Other liabilities	2,990
Accruals and deferred income	30,738
Provision for other liabilities	3,370
Called up share capital	120
Reserves	371,269
	4,863,089
Total Liabilities	
MEMORANDUM ITEMS	
- Contingent liabilities (guarantees)	20,276
- Commitments	367,228

Approved at the Annual General Meeting on 20 June 2019.

Note:

The Auditor's Report by PricewaterhouseCoopers LLP on the statutory financial statements was unqualified.

¹ Financial Assets comprise; Loans and advances to banks: £217,116k, Loans and advances to customers: £1,698,366k and Debt and equity securities: £1,311,716k.