

We present overleaf an extract from our latest balance sheet. Despite my ‘small is beautiful’ mantra, the footings keep growing, but I am pleased to say the balance sheet remains strongly capitalised and liquid. The statutory report and accounts (and other interesting reports) are available on our website.

Our swift response to telephone calls has always been a strong point, but recently we updated our processes. Around 85% of banking queries are now resolved by the person answering the call, without the need for further handoff. The system will benefit from further refinement, and we do not want to create a call centre.

In the spring we achieved some very strong scores for customer satisfaction (Net Promoter Score) and for staff engagement and happiness. I like to think the family and board have had a part in setting a culture where staff and customers are relatively happy.

We continue to work at simplifying our processes and enabling our staff to improve customer experience. Banking is comparatively simple, but striking a balance between regulatory compliance, innovation, resilience, profitability, and customer service becomes complicated. Some customers are frustrated at our evolving measures to stop fraud; others would have been more frustrated by the enormous losses these measures have prevented.

Some customers may be disappointed by our decision to exit from tax work. We hope they will come to appreciate the benefits of this work being done by the same staff with the resources of a full-service accountancy firm behind them. One driver for this decision was to free up resources to invest in Messrs. Hoare Trustees and, especially, the Master Charitable Trust (our donor advised fund) which is growing briskly.

We take July as the month Sir Richard Hoare started the business in 1672. Amy Rodwell is the first partner of the 12th generation and our 50th partner in all, I have served for 10% of the bank’s 350 years, and so the family pursues its mission to perpetuate a profitable family business.

Please look out for articles commemorating 350 years of bank and family history on our website. Customers will be invited to a service of celebration on 15th September at St Paul’s Cathedral, which is right beside the site in Cheapside where Sir Richard set up shop at the Sign of the Golden Bottle.

The war in Ukraine is atrocious. We don’t provide services to any oligarchs or other potentates and I close with a line from the Russian Imperial poet Peter Vyazemsky (1792-1878): ‘God of frostbite, God of famine, beggars, cripples by the yard, farms with no crops to examine – that’s him, that’s your Russian God.’

Alexander Hoare  
July 2022

C. Hoare & Co. and Subsidiaries  
Consolidated Balance Sheet

**As at 31 March**  
**2022**  
**£000**

<b>Assets</b>	
Cash and balances at central banks	1,843,378
Items in course of collection from banks	330
Derivative financial instruments	110,851
Financial assets <sup>1</sup>	5,204,233
Intangible assets	17,821
Property and equipment	55,428
Heritage assets	14,987
Deferred tax asset	989
Other assets	3,672
Prepayments and accrued income	13,145
Post retirement benefit asset	9,831
<b>Total assets</b>	<b>7,274,665</b>
<b>Liabilities</b>	
Deposits by banks	119,572
Customer accounts	6,689,431
Derivative financial instruments	4,629
Deferred tax liability	15,548
Other liabilities	2,485
Accruals and deferred income	24,557
Provision for other liabilities	2,750
<b>Total liabilities</b>	<b>6,858,972</b>
Called up share capital	120
Reserves	415,573
<b>Total liabilities and equity</b>	<b>7,274,665</b>
<b>Memorandum items:</b>	
Contingent liabilities	22,862
Commitments	382,781

<sup>1</sup>Financial Assets comprise: £275.8m Loans and advances to banks; £2,044.6m Loans and advances to customers before fair value adjustment; and £2,933.6m Debt and equity securities.