

Our customers are enterprising and resilient. In spite of gathering headwinds our funds under management, lending and deposits are all up over 10% year-on-year. The risk asset ratio is stable and remains strong at nearly 17%. We have more than a quarter of the assets on our balance sheet tucked away in the Bank of England and negligible exposure to the Eurozone.

The business continues to develop in encouraging ways. This autumn we collected 'Investment Team of the Year' in the STEP awards and 'Private Bank of the Year' in the Spear's Wealth Management awards.

My last letter said we welcome referrals to prospective customers who would value a private banking relationship with us but omitted to explain the attributes we look for. A prospective customer must share our values and ethos and must have the capacity and intention to do business with us – it could be at least £1m of borrowing or £2m of deposits/investments, FX, Financial Planning, or any mixture, on our standard terms. We do not necessarily expect all prospective customers to bring us all of their business immediately as we acknowledge the need to earn their trust and build relationships over time.

We formally launched the Master Charitable Trust at the end of September. This is an account that allows customers the benefits of their own charitable trust but leaves the administrative burden with us. It brings flexibility to the introduction and management of capital and in the distribution of donations. The minimum size is £250k and the prototype accounts have been running successfully for nearly a year. The overall cost is broadly similar to that of a Charities Aid Foundation account.

The Partners' charity, the Golden Bottle Trust has started a programme of social investments with an allocation to Social Finance's scheme to reduce reoffending from Peterborough Prison, and an allocation to the Big Issue Invest. Both organisations have slots in our schedule of evening talks. More investments are in the pipeline. The trustees' intention is to put their capital to work as well as donating income.

In the summer David Hall retired from the Board by rotation after 10 years and will be replaced by Charles Pink, and Nick Hammond left as manager of the Lowndes Street branch and was replaced by Hazel Newman. We are grateful for their contributions which spanned a period of considerable change.

For the past three years our archivist, Pamela Hunter, has been producing a 'Manuscript of the Month' for circulation amongst staff and on our website. Each article delves into the story behind a single item from our historical collections. We are now bringing them together as an illustrated booklet. Please let your Relationship Manager know if you would like a copy.

This autumn I had the disagreeable task of writing to some long-standing friends in New York saying we can no longer manage investment portfolios for 'US persons'. This was one of many regrettable and dispiriting outcomes of global regulation lately.

Fleet Street has long been a home for the written word. Tyndale worked on translating the bible in St. Dunstan's church (directly across the road), and this summer we celebrated the quatercentenary of the King James's bible. Sometimes the old ones are the best.

Alexander Hoare
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