

THE JAMES CAPEL FOUNDATION

England & Wales · Charity number 270031

Details

Status Registered

Legal form Trust

Registered 1975-09-23

Register [View on the Charity Commission register](#)

Contact

Address Tree Tops
Parsons Hill
Colchester
CO3 4DT

Phone 07771 841751

Email jamescapelfoundation@gmail.com

Activities

Objects: THE TRUSTEES SHALL FROM TIME TO TIME PAY OR APPLY THE INCOME (A) TO SUCH LEGALLY CHARITABLE PURPOSES EXCLUSIVELY AS THE TRUSTEES SHALL FROM TIME TO TIME IN THEIR ABSOLUTE DISCRETION DETERMINE, AND (B) FOR THE RELIEF OF POVERTY BY MAKING PAYMENTS TO OR FOR THE BENEFIT OF PERSONS (I) WHO ARE FOR THE TIME BEING OR HAVE BEEN EMPLOYED BY THE COMPANY OR ANY COMPANY ASSOCIATED THEREWITH OR WHO ARE THE WIVES, WIDOWS, HUSBANDS, WIDOWERS, CHILDREN, PARENTS, OR OTHER DEPENDANTS OF ANY SUCH PERSONS AND (II) ARE IN THE OPINION OF THE TRUSTEES NECESSITOUS AND DESERVING

Activities: The relief of poverty for persons:1. Who are, or have been employed by James Capel & Co., or its successor companies in business, or any company associated therewith or who are the wives, widows, husbands, widowers, children, parents or other dependants of any such persons: and2. Are in the opinion of the Trustees necessitous and deserving.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£51,453	£140,017	-	-
2023-12-31	£47,884	£119,158	-	-
2022-12-31	£35,555	£90,212	-	-
2021-12-31	£51,100	£73,400	-	-
2020-12-31	£58,321	£87,012	-	-

Trustees

Name	Role	Appointed
Ian Collier	Chair	2019-06-05
BRIAN JOHN MARSHALL		
Frances McKeith		2023-07-06
Gregor McNie		2024-10-10
MICHAEL WILFRED PENNEY		2014-06-11
MR MARTIN LATHAM		
Patrick Davidson-Houston		2025-10-22
Ray O'Brien		2024-10-10
Richard Haas		2024-10-10
Robert Paul Jarvis		2021-09-20

THE JAMES CAPEL FOUNDATION

England & Wales - Charity number 270031

Accounts



Trustees' Annual Report for the period

From 1 January 2024
To 31 December 2024

Period start date
Period end date

Charity name: The James Capel Foundation

Charity registration number: 270031

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	<p>The James Capel Foundation was established for the purposes of making payments:</p> <p>A. To such legally charitable institutions, bodies or funds, or for such legally charitable purposes exclusively as the Trustees shall from time to time in their absolute discretion determine; and</p> <p>B. To or for the benefit of persons for the relief of poverty:</p> <p>1. Who are for the time being or have been employed by James Capel & Co, or its successor companies in business, or any company associated therewith or who are the wives, widows, husbands, widowers, children, parents or other dependants of any such persons; and</p> <p>2. Are in the opinion of the Trustees necessitous and deserving.</p>
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	Para 1.17 and 1.19	<p>The principal activity of the Charity is to act as a benevolent association to former employees of James Capel & Co and its associated companies and their dependants, who need assistance with the ordinary necessities of life or who are otherwise in financial need. The Trustees become aware of such circumstances mainly through ongoing contact with former James Capel employees.</p>
Statement confirming whether the trustees have	Para 1.18	<p>The Trustees confirm that they have referred to and comply with the guidance</p>

had regard to the guidance issued by the Charity Commission on public benefit		contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.
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Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	It is the policy of the Trustees to seek appeals for grants which they consider qualify for payment and to distribute income within twelve months of it arising.
Policy on social investment including program related investment	Para 1.38	-
Contribution made by volunteers	Para 1.38	-
Other		-

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	<p>During 2024 the charity distributed grants totalling £125,672 to 166 individuals on welfare issues including the cost of personal alarms, contributions to boiler replacement, household repairs and household appliances and a contribution towards the cost of living.</p> <p>During 2024 the charity made a donation of £500 to a registered charity.</p>

Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	-
Performance of fundraising activities against objectives set	Para 1.41	n/a
Investment performance against objectives	Para 1.41	-
Other		-

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	In the year ended 31 December 2024 expenses and grants exceeded income by £88,564. This excess of expenditure over income was expected and in compliance with the reserves policy in the medium term.
Statement explaining the policy for holding reserves stating why they are held	Para 1.22	<p>It is the policy of the Trustees to invest the brought forward reserves to generate a level of income each year consistent with the expected level of expenditure.</p> <p>The Trustees consider that cash held on deposit is a class of investment, particularly in times of stock market volatility.</p> <p>It is currently the view of the Trustees that the overall level of investment required lies between £1m and £2m. The level of reserves at 31 December 2024 was £2,483k which remains above this range.</p>
Amount of reserves held	Para 1.22	£2,483,497
Reasons for holding zero reserves	Para 1.22	n/a
Details of fund materially in deficit	Para 1.24	-
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	-

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	The investment portfolio is the only source of funds.
Investment policy and objectives including any social investment policy adopted	Para 1.46	-
A description of the principal risks facing the charity	Para 1.46	-
Other		-

Structure, Governance and Management

Description of charity's trusts:		
Type of governing document (trust deed, royal charter)	Para 1.25	Trust Deed dated 15 July 1975
How is the charity constituted? (e.g. unincorporated association, CIO)	Para 1.25	Unincorporated Charity
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	The statutory power of appointing new or additional trustees is vested in HSBC Bank plc as the successor company of James Capel & Co, the founding company.

Additional information (optional)

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	-
The charity's organisational structure and any wider network with which the charity works	Para 1.51	-
Relationship with any related parties	Para 1.51	The Trustees consider the ultimate controlling party of the Charity to be HSBC Holdings plc.
Other		-

Reference and Administrative details

Charity name	The James Capel Foundation
Other name the charity uses	none
Registered charity number	270031
Charity's principal address	8 Canada Square, London, E14 5HQ

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	none
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	-
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	-

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
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Investment Manager	HSBC Global Asset Management	8 Canada Square, London, E14 5HQ

Name of chief executive or names of senior staff members (Optional information)

none

Exemptions from disclosure

Reason for non-disclosure of key personnel details

-

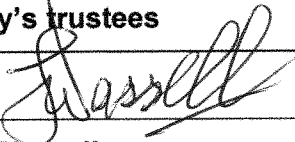
Other optional information

-

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	John Wassell	
Position (eg Secretary, Chair, etc)	Secretary	
Date	21 October 2025	

The James Capel Foundation

Trustees' report and financial statements

Registered charity number 270031

31 December 2024

Trustees' report and financial statements

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Trustees and professional advisers

Trustees	P R Marsh (Chairman) I Collier J M Latham B J Marshall M W Penney R P Jarvis J Summers (Resigned 15 November 2024) F M A McKeith R D W Haas (Appointed 11 July 2024) G McNie (Appointed 11 July 2024) R O'Brien (Appointed 11 July 2024)
Secretary	J Wassell
Foundation date	15 July 1975
Registered charity number	270031
Principal address	8 Canada Square London E14 5HQ United Kingdom
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Chamberlain Square Birmingham B3 3AX United Kingdom
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ United Kingdom
Investment manager	HSBC Global Asset Management (trading name of HSBC Private Bank (UK) Limited) 8 Canada Square London E14 5HQ United Kingdom

Trustees' report for the year ended 31 December 2024

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Reference and administrative information

The Charity is known as The James Capel Foundation and is registered with the Charity Commission as an unincorporated charity with number 270031. The Trustees and principal address of the Charity are listed on page 1.

Structure, governance and management

The James Capel Foundation was established by James Capel & Co under a Trust Deed dated 15 July 1975 and is governed by that Trust Deed.

Since 1986, James Capel & Co and its associated companies have been owned by the HSBC Group and the businesses formerly conducted by the James Capel companies, and their employees, have been integrated into the HSBC Group. The company James Capel & Co changed its name to HSBC Investment Bank plc in 1996. The rights and obligations of HSBC Investment Bank plc under the Trust Deed were transferred to HSBC Bank plc on 30 November 2002.

No part of the Trust Fund, or income thereof, may be paid as a loan or otherwise to HSBC Bank plc.

The Charity's Trustees are appointed by HSBC Bank plc on the basis of nominations received from the existing Trustees, having regard to personal competence, the necessary range of specialist skills and knowledge, and availability. The Trustees meet formally three times a year, and otherwise as required, to consider applications for grants in accordance with the charitable aims set out below, to monitor investment performance and to consider such other matters as deemed appropriate.

An audit committee, comprising P R Marsh (Chairman), R D W Haas, R P Jarvis, J M Latham and J Wassell, meets annually, oversees the internal financial controls within the Charity and reviews the audit.

The Trustees have considered the principal risks facing the Charity and are satisfied that the controls mitigating the risks are adequate.

Objectives and activities

The James Capel Foundation was established for the purposes of making payments:

- (a) to such legally charitable institutions, bodies or funds, or for such legally charitable purposes exclusively as the Trustees shall from time to time in their absolute discretion determine; and
- (b) to or for the benefit of persons for the relief of poverty:
 - (i) who are for the time being or have been employed by James Capel & Co, or its successor companies in business, or any company associated therewith or who are the wives, widows, husbands, widowers, children, parents or other dependants of any such persons; and
 - (ii) are in the opinion of the Trustees necessitous and deserving.

The principal activity of the Charity is to act as a benevolent association to former employees of James Capel & Co and its associated companies and their dependants, who need assistance with the ordinary necessities of life or who are otherwise in financial need. The Trustees become aware of such circumstances mainly through ongoing contacts with former James Capel employees.

Trustees' report for the year ended 31 December 2024 (continued)

Objectives and activities (continued)

The Trustees confirm that they have referred to and comply with the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Achievements and performance

During 2024 the Charity distributed grants totalling £125,672 (2023: £105,204) to 166 individuals (2023: 171 individuals) on welfare issues including the cost of personal alarms, contributions to boiler replacement, household repairs and household appliances and a contribution towards the cost of living. The Trustees intend to continue making grants for similar welfare purposes in the future. During 2024 the Charity made a donation of £500 to a registered charity (2023: nil).

The financial results for the year are set out in the Statement of financial activities on page 6.

Income increased from £47,884 in 2023 to £51,453 in 2024. The cost of raising funds amounted to £6,419 (2023 £6,604). Charitable grants and donations of £126,172 (2023: £105,204) were made. The net expense before movement on investment assets is £88,564 (2023: £71,274). Net gain on investments amounted to £223,131 (2023: net gain of £156,758) resulting in an increase in funds of £134,567 (2023: increase of £85,484) leaving funds at the end of the year of £2,483,497 (2023: £2,348,930).

Financial review

Investments

The investments comprising the Trust Fund are managed at discretion by a professional independent fund manager under a mandate to secure a balance of income and capital growth. There are no investment restrictions placed on the Trustees by the Trust Deed and the Trustees have not placed any investment restrictions on the fund manager.

The Foundation's portfolio is invested in the PIMS Balanced model portfolio with HSBC Global Asset Management, which had a positive return for the year of 11.97% (2023: 9.15% positive return) compared to the respective Asset Risk Consultants ('ARC') index which showed a gain of 7.9% (2023: 7.3% gain).

Reserves policy

It is the policy of the Trustees to seek appeals for grants which they consider qualify for payment and to distribute income within twelve months of it arising.

In the year ended 31 December 2024, expenses and grants exceeded income by £88,564. This excess of expenditure over income was expected and in compliance with the policy in the medium term.

It is also the policy of the Trustees to invest the brought forward reserves to generate a level of income each year consistent with the expected level of expenditure. The Trustees consider that cash held on deposit is a class of investment, particularly in times of stock market volatility. It is currently the view of the Trustees that the overall level of investment required lies between £1,000,000 and £2,000,000. The level of reserves at 31 December 2024 was £2,483,497 (2023: £2,348,930) which remains above this range. The Trustees are continuing to monitor the level of global investment market values in the context of the amount of income generated and are satisfied with the present position in the medium term. The level of investment income in 2024 was considered adequate.

There are no other specific requirements for holding reserves. The Trustees will keep the level of investments held and other components of reserves under review against the projected calls upon the Charity for assistance.

Trustees' report for the year ended 31 December 2024 (continued)

Future developments

During 2024, the UK election delivered a decisive result, which has reduced uncertainty but has also led to a shift in domestic and foreign policy priorities. The UK economy continues to face a number of challenges. Though the interest rates have started to fall, inflation still remains elevated and economic growth remains at a low level. Consumer confidence remains relatively subdued. Forecasts remain uncertain as the new US administration intends to enact a significant change in economic and foreign policies that could have an uncertain impact on global growth, inflation and interest rates. It is expected that central banks across the world will adopt a more cautious approach to lowering policy interest rates during 2025. However, due to the nature of the Charity's transactions, it is not considered that these events will have a significant impact on its principal risks.

Geopolitical risks from the ongoing Russia-Ukraine and Israel-Hamas wars and tensions in the Middle East continue to be monitored closely including the impact of sanctions, trade restrictions and disruption to global supply chains. However, due to the nature of the Charity's transactions, it is not considered that these events will have a significant impact on its principal risks.

During the first 8 months of 2025, the Charity's Trustees further increased the payments relating to the cost of living paid to less well-off eligible pensioners in response to the ongoing energy crisis, withdrawing £225,000 from the investment portfolio to cover these and other grants. The Charity's other expenses remained stable. Global markets advanced slightly during the first half of 2025. The market value of the Charity's investment portfolio at 31 August 2025 was £2,300,634 being 2.16% less than the market value at 31 December 2024. As at 22 August 2025, the Charity held a cash balance of £21,159, a decrease of £4,821 from the cash balance held at 31 December 2024.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he or she ought to have taken as a trustee to make himself or herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Approved by the Trustees of the James Capel Foundation on 17th October 2025 and signed on their behalf by:



P R Marsh

Trustee 

Statement of Trustees' Responsibilities in respect of the Trustees' report and the financial statements

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements on pages 6 to 11 were approved by the Trustees on 17th October 2025 and signed on its behalf by:

P R Marsh
Trustee



Statement of financial activities
for the year ended 31 December 2024

	<i>Notes</i>	2024 £	2023 £
		Unrestricted Funds	Unrestricted Funds
Income			
Investment income			
Income from investments - equities		27,180	30,593
- fixed interest securities		23,753	16,641
Interest income		520	650
Total income		51,453	47,884
Expenditure			
Cost of raising funds	2		
Investment management costs		(6,419)	(6,604)
Charitable activities			
Grants paid in furtherance of the Charity's objectives	3	(125,672)	(105,204)
Donations to registered charities	4	(500)	-
Administrative expenses	5	(7,426)	(7,350)
Total expenditure		(140,017)	(119,158)
Net gain on investments	8	223,131	156,758
Net income and net movements in funds		134,567	85,484
Reconciliation of funds			
Total funds brought forward		2,348,930	2,263,446
Total funds carried forward		2,483,497	2,348,930

The results shown above relate to continuing activities.

All incoming and outgoing resources and funds brought forward are unrestricted income funds.

The Charity has no recognised gains or losses other than the net movement in funds for the year. The notes on pages 8 to 11 form an integral part of these financial statements.

Balance sheet
as at 31 December 2024

	<i>Notes</i>	2024		2023	
		£	£	£	£
Fixed assets					
Investments	8		2,435,402		2,307,228
Current assets					
Cash at bank:					
Current account		15,100		3,757	
Cash held by investment manager		36,300		41,309	
Current liabilities					
Creditors: amounts falling due within one year	9	(3,305)		(3,364)	
Net current assets			<u>48,095</u>		<u>41,702</u>
Net assets			<u>2,483,497</u>		<u>2,348,930</u>
The funds of the Charity					
Unrestricted funds	10		<u>2,483,497</u>		<u>2,348,930</u>

These financial statements were approved by the Trustees of The James Capel Foundation on 17th October 2025 and were signed on their behalf by:



P R Marsh
Trustee

The notes on pages 8 to 11 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider the ultimate controlling party of the Charity to be HSBC Holdings plc.

Going concern

The Trustees consider that the valuation of investments, combined with ongoing levels of cash and reserves, support the Charity's ability to continue as a going concern.

Adoption of FRS 102

The financial statements for the current and prior year reflect the adoption of the Charities SORP (FRS 102) and the Update Bulletin 1 to this SORP.

The Trustees have taken the exemptions under Update Bulletin 1 from the requirement to prepare a cash flow statement.

Grants and donations payable

Grants and donations payable by the Charity are recognised when committed to be paid.

Fixed assets – investments

Investments are measured initially at cost and subsequently at fair value (their market value). Realised gains or losses on investments arising during the year are calculated as the difference between the disposal proceeds and the market value as at the beginning of the year (or cost if purchased within the year). Unrealised gains or losses arising during the year are derived from the movement in market values during the year (or since date of acquisition if purchased within the year). Investments are held purely for charitable activities.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Income from investments

Dividend and coupon investment income is recognised on receipt (which is not considered materially different from an accruals basis).

Notes (continued)

1 Accounting policies (continued)

Interest income

Interest income is from bank accounts and cash deposits and is recognised on a receipt basis, which is not considered materially different from an accrual's basis.

Taxation

The James Capel Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 Cost of raising funds

Cost of raising funds comprises those costs directly attributable to managing the investment portfolio.

3 Grants payable in furtherance of the Charity's objectives

Grants totalling £125,672 (2023: £105,204) were made to 166 individuals (2023: 171 individuals) in accordance with the Charity's purpose.

4 Donations to registered Charities

A donation of £500 (2023: nil) was paid to one registered Charity in accordance with the Charity's purpose.

5 Administrative expenses

Administrative expenses represent governance costs and comprise:

	2024	2023
	£	£
Honorarium (Note 7)	6,500	6,500
Reimbursed expenses	789	703
Bank charges	137	147
Total administrative expenses	<u>7,426</u>	<u>7,350</u>

Certain administrative expenses of the Charity are paid by HSBC Bank plc. The value of this is not known but is not considered material. The Charity has no employees.

6 Audit fees

The audit is carried out by PricewaterhouseCoopers LLP as part of their audit of the HSBC Group. The audit fee of £2,000 (2023: £2,000) is not charged to the Charity.

7 Material related party transactions

£6,500 (2023: £6,500) was paid to J Wassell being an honorarium in respect of duties performed as secretary to the Charity during the year. Reimbursed expenses of £789 include £86 (2023: nil) of travel costs reimbursed to a trustee. The James Capel Foundation, the Trustees and its officers are covered under the HSBC Group's Crime, Civil and Cyber liability and Directors and Officers insurance policies.

Notes (continued)

8 Investments

The market value of investments as at 31 December 2024 was £2,435,402 (2023: £2,307,228). The investments as at 31 December comprise:

	2024		2023	
	Cost £	Market value £	Cost £	Market Value £
Fixed interest	766,937	740,947	807,511	780,184
Equities	817,247	1,009,963	823,847	910,359
Alternative	617,294	684,492	587,819	616,685
	-----	-----	-----	-----
Total Investments	2,201,478	2,435,402	2,219,177	2,307,228
	=====	=====	=====	=====

Investments are held primarily to provide an investment return for the Charity.

The investments can be further analysed into:

	2024		2023	
	Cost £	Market value £	Cost £	Market value £
Investment assets in the UK	106,963	106,752	82,421	85,663
Investment assets outside the UK	2,094,515	2,328,650	2,136,756	2,221,565
	-----	-----	-----	-----
Total Investments	2,201,478	2,435,402	2,219,177	2,307,228
	=====	=====	=====	=====

Investments representing more than 5% of the portfolio are detailed below:

Description of holdings - 2024	Holding/ Units	Cost £	Market value £
HSBC Global Funds ICAV Global Govt Bond Index Fund ZQHGBP	13,173	125,640	123,558
HSBC Global Investment Funds Global Corporate Bond ZQHGBP	14,922	147,223	141,205
HSBC American Index Inst Inc	47,300	438,337	607,340
HSBC Global Funds ICAV Multi-Factor Worldwide Equity ZQ	23,327	235,209	303,970

Description of holdings - 2023	Holding/ Units	Cost £	Market value £
HSBC Global Funds ICAV Global Govt Bond Index Fund ZQHGBP	21,753	207,843	206,218
HSBC American Index Inst Inc	48,657	433,335	497,767
HSBC Global Investment Funds Global Corporate Bond ZQHGBP	15,765	155,433	149,231
HSBC Global Funds ICAV Multi-Factor Worldwide Equity ZQ	25,384	254,778	287,329

Notes *(continued)*

8 Investments (continued)

All stocks are registered in the name of or held to the order of James Capel (Nominees) Limited.

The movement during the year in the portfolio of investments was:

	2024 £	2023 £
Carrying value (market value) at 1 January	2,307,228	2,211,005
Add:		
Investments acquired during the year (at cost)	833,190	905,975
Less:		
Investments disposed of during the year (proceeds)	(928,147)	(966,510)
Net gain on investments	223,131	156,758
	<hr/>	<hr/>
Carrying value (market value) at 31 December	2,435,402	2,307,228
	<hr/> <hr/>	<hr/> <hr/>

9 Creditors: amounts falling due within one year

	2024 £	2023 £
J Wassell Honorarium	3,250	3,250
J Wassell expenses	55	114
	<hr/>	<hr/>
Total Creditors (Accruals)	3,305	3,364
	<hr/> <hr/>	<hr/> <hr/>

10 Unrestricted funds

	2024 £	2023 £
Balance at 1 January	2,348,930	2,263,446
Net income and net movement in funds	134,567	85,484
	<hr/>	<hr/>
Balance at 31 December	2,483,497	2,348,930
	<hr/> <hr/>	<hr/> <hr/>

Independent auditors' report to the trustees of The James Capel Foundation

Report on the audit of the financial statements

Opinion

In our opinion, The James Capel Foundation's financial statements (the financial statements):

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Trustees' report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2024; the statement of financial activities for the year then ended and the notes to the financial statements, which include a description of the significant accounting policies

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity/industry, we identified that the principal risks of non-compliance with laws and regulations related to any act that was not in accordance with the Trust Deed, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011 and relevant regulations made or having an effect thereunder, including The Charities (Accounts and Reports) Regulations 2008. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustees and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to the posting of inappropriate journals. Audit procedures performed included:

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
20 October 2025

THE JAMES CAPEL FOUNDATION

England & Wales - Charity number 270031

Accounts



Trustees' Annual Report for the period

From 1 January 2023
To 31 December 2023

Period start date
Period end date

Charity name: The James Capel Foundation

Charity registration number: 270031

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	<p>The James Capel Foundation was established for the purposes of making payments:</p> <p>A. To such legally charitable institutions, bodies or funds, or for such legally charitable purposes exclusively as the Trustees shall from time to time in their absolute discretion determine; and</p> <p>B. To or for the benefit of persons for the relief of poverty:</p> <p>1. Who are for the time being or have been employed by James Capel & Co, or its successor companies in business, or any company associated therewith or who are the wives, widows, husbands, widowers, children, parents or other dependants of any such persons; and</p> <p>2. Are in the opinion of the Trustees necessitous and deserving.</p>
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	Para 1.17 and 1.19	<p>The principal activity of the Charity is to act as a benevolent association to former employees of James Capel & Co and its associated companies and their dependants, who need assistance with the ordinary necessities of life or who are otherwise in financial need. The Trustees become aware of such circumstances mainly through a network of former James Capel employees.</p>

Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	The Trustees confirm that they have referred to and comply with the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.
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Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	It is the policy of the Trustees to seek appeals for grants which they consider qualify for payment and to distribute income within twelve months of it arising.
Policy on social investment including program related investment	Para 1.38	-
Contribution made by volunteers	Para 1.38	-
Other		-

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	<p>During 2023 the charity distributed grants totalling £105,204 to 171 individuals on welfare issues including the cost of personal alarms, boiler replacement, household repairs, a contribution towards the cost of hip replacement and a grant towards living expenses and a contribution towards heating costs during winter months.</p> <p>No donations were made to registered charities during 2023.</p>

Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	-
Performance of fundraising activities against objectives set	Para 1.41	n/a
Investment performance against objectives	Para 1.41	-
Other		-

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	In the year ended 31 December 2023 expenses and grants exceeded income by £71,274. This excess of expenditure over income was expected and in compliance with the reserves policy in the medium term.
Statement explaining the policy for holding reserves stating why they are held	Para 1.22	<p>It is the policy of the Trustees to invest the brought forward reserves to generate a level of income each year consistent with the expected level of expenditure.</p> <p>The Trustees consider that cash held on deposit is a class of investment, particularly in times of stock market volatility.</p> <p>It is currently the view of the Trustees that the overall level of investment required lies between £1m and £2m. The level of reserves at 31 December 2023 was £2,349k which remains above this range.</p>
Amount of reserves held	Para 1.22	£2,349k
Reasons for holding zero reserves	Para 1.22	-
Details of fund materially in deficit	Para 1.24	-
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	-

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	The investment portfolio is the only source of funds.
Investment policy and objectives including any social investment policy adopted	Para 1.46	-
A description of the principal risks facing the charity	Para 1.46	-
Other		-

Structure, Governance and Management

Description of charity's trusts:		
Type of governing document (trust deed, royal charter)	Para 1.25	Trust Deed dated 15 July 1975
How is the charity constituted? (e.g. unincorporated association, CIO)	Para 1.25	Unincorporated Charity
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	The statutory power of appointing new or additional trustees is vested in HSBC Bank plc as the successor company of James Capel & Co, the founding company.

Additional information (optional)

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	-
The charity's organisational structure and any wider network with which the charity works	Para 1.51	-
Relationship with any related parties	Para 1.51	The Trustees consider the ultimate controlling party of the Charity to be HSBC Holdings plc.
Other		-

Reference and Administrative details

Charity name	The James Capel Foundation
Other name the charity uses	none
Registered charity number	270031
Charity's principal address	8 Canada Square, London, E14 5HQ

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Peter Richard Marsh	Chairman		
2	Ian Collier			
3	John Martin Latham			
4	Brian John Marshall			
5	Michael Wilfred Penney			
6	Robert Paul Jarvis			
7	John Summers			
8	Frances McKeith			
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20				

Corporate trustees – names of the directors at the date the report was approved

Director name		
None		

Name of trustees holding title to property belonging to the charity

Trustee name	Dates acted if not for whole year	
None		

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	-
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	-
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	-

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
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Investment Manager	HSBC Global Asset Management	8 Canada Square, London, E14 5HQ

Name of chief executive or names of senior staff members (Optional information)

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Exemptions from disclosure

Reason for non-disclosure of key personnel details

-


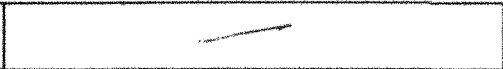

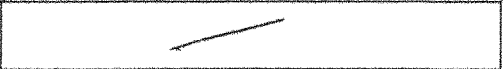
Other optional information

-

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	Peter Richard Marsh	
Position (eg Secretary, Chair, etc)	Chairman	
Date	10 OCTOBER 2024	



The James Capel Foundation

Trustees' report and financial statements

Registered charity number 270031

31 December 2023

Trustees' report and financial statements

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Trustees and professional advisers

Trustees	P R Marsh (Chairman) I Collier V Lammin (resigned on 18 October 2023) J M Latham B J Marshall M W Penney R P Jarvis J Summers F McKeith (appointed 6 July 2023)
Secretary	J Wassell
Foundation date	15 July 1975
Registered charity number	270031
Principal address	8 Canada Square London E14 5HQ United Kingdom
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Chamberlain Square Birmingham B3 3AX United Kingdom
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ United Kingdom
Investment manager	HSBC Global Asset Management (trading name of HSBC Private Bank (UK) Limited) 8 Canada Square London E14 5HQ United Kingdom

Trustees' report for the year ended 31 December 2023

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Reference and administrative information

The Charity is known as The James Capel Foundation and is registered with the Charity Commission as an unincorporated charity with number 270031. The Trustees and principal address of the Charity are listed on page 1.

Structure, governance and management

The James Capel Foundation was established by James Capel & Co under a Trust Deed dated 15 July 1975 and is governed by that Trust Deed.

Since 1986, James Capel & Co and its associated companies have been owned by the HSBC Group and the businesses formerly conducted by the James Capel companies, and their employees, have been integrated into the HSBC Group. The company James Capel & Co changed its name to HSBC Investment Bank plc in 1996. The rights and obligations of HSBC Investment Bank plc under the Trust Deed were transferred to HSBC Bank plc on 30 November 2002.

No part of the Trust Fund, or income thereof, may be paid as a loan or otherwise to HSBC Bank plc.

The Charity's Trustees are appointed by HSBC Bank plc on the basis of nominations received from the existing Trustees, having regard to personal competence, the necessary range of specialist skills and knowledge, and availability. The Trustees meet formally three times a year, and otherwise as required, to consider applications for grants in accordance with the charitable aims set out below, to monitor investment performance and to consider such other matters as deemed appropriate.

An audit committee, comprising P R Marsh (Chairman), R P Jarvis, J M Latham and J Wassell, meets annually, oversees the internal financial controls within the Charity and reviews the audit.

The Trustees have considered the principal risks facing the Charity and are satisfied that the controls mitigating the risks are adequate.

Objectives and activities

The James Capel Foundation was established for the purposes of making payments:

- (a) to such legally charitable institutions, bodies or funds, or for such legally charitable purposes exclusively as the Trustees shall from time to time in their absolute discretion determine; and
- (b) to or for the benefit of persons for the relief of poverty:
 - (i) who are for the time being or have been employed by James Capel & Co, or its successor companies in business, or any company associated therewith or who are the wives, widows, husbands, widowers, children, parents or other dependants of any such persons; and
 - (ii) are in the opinion of the Trustees necessitous and deserving.

The principal activity of the Charity is to act as a benevolent association to former employees of James Capel & Co and its associated companies and their dependants, who need assistance with the ordinary necessities of life or who are otherwise in financial need. The Trustees become aware of such circumstances mainly through a network of former James Capel employees.

Trustees' report for the year ended 31 December 2023 (continued)

Objectives and activities (continued)

The Trustees confirm that they have referred to and comply with the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Achievements and performance

During 2023 the Charity distributed grants totalling £105,204 (2022:£75,753) to 171 individuals (2022:165 individuals) on welfare issues including the cost of personal alarms, boiler replacement, household repairs, a contribution towards the cost of hip replacement and a contribution to heating costs during winter months. The Trustees intend to continue making grants for similar welfare purposes in the future. During 2023 the Charity made no donations to registered charities (2022: nil)

The financial results for the year are set out in the Statement of financial activities on page 9.

Income increased from £35,555 in 2022 to £47,884. The cost of raising funds amounted to £6,604 (2022 £8,136). Charitable grants of £105,204 (2022: £75,753) were made. The net expense before movement on investment assets is £71,274 (2022: £54,657). Net gain on investments amounted to £156,758 (2022: net loss of £235,215) resulting in an increase in funds of £85,484 (2022: decrease of £289,872) leaving funds at the end of the year of £2,348,930 (2022: £2,263,446).

Financial review

Investments

The investments comprising the Trust Fund are managed at discretion by a professional independent fund manager under a mandate to secure a balance of income and capital growth. There are no investment restrictions placed on the Trustees by the Trust Deed and the Trustees have not placed any investment restrictions on the fund manager.

The Foundation's portfolio is invested in the PIMS Balanced model portfolio with HSBC Global Asset Management, which had a positive return for the year of 9.15% (2022: 8.3% negative return) compared to the respective Asset Risk Consultants ('ARC') index which showed a gain of 7.3% (2022: 10.2% loss).

Reserves policy

It is the policy of the Trustees to seek appeals for grants which they consider qualify for payment and to distribute income within twelve months of it arising.

In the year ended 31 December 2023, expenses and grants exceeded income by £71,274. This excess of expenditure over income was expected and in compliance with the policy in the medium term.

It is also the policy of the Trustees to invest the brought forward reserves to generate a level of income each year consistent with the expected level of expenditure. The Trustees consider that cash held on deposit is a class of investment, particularly in times of stock market volatility. It is currently the view of the Trustees that the overall level of investment required lies between £1,000,000 and £2,000,000. The level of reserves at 31 December 2023 was £2,348,930 (2022: £2,263,446) which remains above this range. The Trustees are continuing to monitor the level of global investment market values in the context of the amount of income generated and are satisfied with the present position in the medium term. The level of investment income in 2023 was considered adequate.

There are no other specific requirements for holding reserves. The Trustees will keep the level of investments held and other components of reserves under review against the projected calls upon the Charity for assistance.

Trustees' report for the year ended 31 December 2023 (continued)

Future developments

During 2023, the UK economy has continued to face challenges from higher inflation and interest rates alongside lower levels of expected growth. Although energy prices have reduced, significant cost of living challenges have remained impacting both consumer confidence and business costs. Forecasts remain uncertain but interest rates and inflation are expected to gradually decline during 2024 with a moderate recovery in growth for 2025. However, due to the nature of the Charity's transactions, it is not considered that these events will have a significant impact on its principal risks.

Geopolitical risks from the ongoing Russia-Ukraine and Israel-Hamas wars continue to be monitored closely including the impact of sanctions, trade restrictions and disruption to global supply chains. However, due to the nature of the Charity's transactions, it is not considered that these events will have a significant impact on its principal risks.

During the first 8 months of 2024, the Charity's Trustees further increased the heating subsidies paid to less well-off eligible pensioners in response to the ongoing energy crisis, withdrawing £123,000 from the investment portfolio to cover these and other grants. The Charity's other expenses remained stable. Global markets advanced slightly during the first half of 2024. The market value of the Charity's investment portfolio at 31 August 2024 was £2,351,520, being 1.92% more than the market value at 31 December 2023. As at 22 August 2024, the Charity held a cash balance of £25,980, an increase of £22,223 from the cash balance held at 31 December 2023.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he or she ought to have taken as a trustee to make himself or herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Approved by the Trustees of the James Capel Foundation on 17 September 2024 and signed on their behalf by:



P R Marsh

Trustee

Statement of Trustees' Responsibilities in respect of the Trustees' report and the financial statements



The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements on pages 9 to 14 were approved by the Trustees on 17 September 2024 and signed on its behalf by.


P R Marsh
Trustee 

Independent auditors' report to the Trustees of The James Capel Foundation

Report on the audit of the financial statements

Opinion

In our opinion, The James Capel Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the Charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Trustees' report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2023; the statement of financial activities for the year then ended and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Independent Auditors' report to the Trustees of The James Capel Foundation (continued)

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity/industry we identified that the principal risks of non-compliance with laws and regulations related to any act that was not in accordance with the Trust Deed, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011 and relevant regulations made or having an effect thereunder, including The Charities (Accounts and Reports) Regulations 2008. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the Trustees and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to the posting of inappropriate journals. Audit procedures performed included:

- Testing journals using a risk-based approach and evaluating whether there was evidence of bias; and
- Testing the investment management costs.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Independent Auditors' report to the Trustees of The James Capel Foundation (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the Charity's Trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

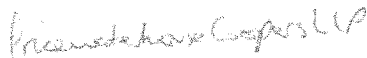
Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

18 September 2024

Statement of financial activities
for the year ended 31 December 2023

	<i>Notes</i>	2023 £	2022 £
		Unrestricted Funds	Unrestricted Funds
Income			
Investment income			
Income from investments - equities		30,593	24,676
- fixed interest securities		16,641	10,793
Interest income		650	86
Total income		<u>47,884</u>	<u>35,555</u>
Expenditure			
Cost of raising funds	2		
Investment management costs		(6,604)	(8,136)
Charitable activities			
Grants payable in furtherance of the Charity's objectives	3	(105,204)	(75,753)
Donations to registered charities	4	-	-
Administrative expenses	5	(7,350)	(6,323)
Total expenditure		<u>(119,158)</u>	<u>(90,212)</u>
Net gain/(loss) on investments	8	156,758	(235,215)
Net income/(expense) and net movements in funds		85,484	(289,872)
Reconciliation of funds			
Total funds brought forward		<u>2,263,446</u>	<u>2,553,318</u>
Total funds carried forward		<u><u>2,348,930</u></u>	<u><u>2,263,446</u></u>

The results shown above relate to continuing activities.


All incoming and outgoing resources and funds brought forward are unrestricted income funds.

The Charity has no recognised gains or losses other than the net movement in funds for the year. The notes on pages 11 to 14 form an integral part of these financial statements.

Balance sheet
as at 31 December 2023

	Notes	2023	2022
		£	£
Fixed assets			
Investments	8	2,307,228	2,211,005
Current assets			
Cash at bank:			6,060
Current account		3,757	49,494
Cash held by investment manager		41,309	
Current liabilities			
Creditors: amounts falling due within one year	9	(3,364)	(3,113)
Net current assets		41,702	52,441
Net assets		2,348,930	2,263,446
The funds of the Charity			
Unrestricted funds	10	2,348,930	2,263,446

These financial statements were approved by the Trustees of The James Capel Foundation on 17 September 2024 and were signed on their behalf by:


P R Marsh
Trustee

The notes on pages 11 to 14 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider the ultimate controlling party of the Charity to be HSBC Holdings plc.

Going concern

The Trustees consider that the valuation of investments, combined with ongoing levels of cash and reserves, support the Charity's ability to continue as a going concern.

Adoption of FRS 102

The financial statements for the current and prior year reflect the adoption of the Charities SORP (FRS 102) and the Update Bulletin 1 to this SORP.

The Trustees have taken the exemptions under Update Bulletin 1 from the requirement to prepare a cash flow statement.

Grants and donations payable

Grants and donations payable by the Charity are recognised when committed to be paid.

Fixed assets – investments

Investments are measured initially at cost and subsequently at fair value (their market value). Realised gains or losses on investments arising during the year are calculated as the difference between the disposal proceeds and the market value as at the beginning of the year (or cost if purchased within the year). Unrealised gains or losses arising during the year are derived from the movement in market values during the year (or since date of acquisition if purchased within the year). Investments are held purely for charitable activities.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Income from investments

Dividend and coupon investment income is recognised on receipt (which is not considered materially different from an accruals basis).

Notes (continued)

1 Accounting policies (continued)

Interest income

Interest income is from bank accounts and cash deposits and is recognised on a receipt basis, which is not considered materially different from an accruals basis.

Taxation

The James Capel Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 Cost of raising funds

Cost of raising funds comprises those costs directly attributable to managing the investment portfolio.

3 Grants payable in furtherance of the Charity's objectives

Grants totalling £105,204 (2022: £75,753) were made to 171 individuals (2022: 165 individuals) in accordance with the Charity's purpose.

4 Donations to registered charities

During 2023 no donations to registered charities were made (2022: nil).

5 Administrative expenses

Administrative expenses represent governance costs and comprise:

	2023	2022
	£	£
Honorarium (Note 7)	6,500	5,500
Reimbursed expenses	703	685
Bank charges	147	138
Total administrative expenses	<u>7,350</u>	<u>6,323</u>

Certain administrative expenses of the Charity are paid by HSBC Bank plc. The value of this is not known but is not considered material. The Charity has no employees.

6 Audit fees

The audit is carried out by PricewaterhouseCoopers LLP as part of their audit of the HSBC Group. The audit fee of £2,000 (2022: £2,000) is not charged to the Charity.

7 Material related party transactions

£6,500 (2022: £5,500) was paid to J Wassell being an honorarium in respect of duties performed as secretary to the Charity during the year.

The James Capel Foundation, the Trustees and its officers are covered under the HSBC Group's Crime, Civil and Cyber liability and Directors and Officers insurance policies.

Notes (continued)

8 Investments

The market value of investments as at 31 December 2023 was £2,307,228 (2022: £2,211,005). The investments as at 31 December comprise:

	2023		2022	
	Cost £	Market value £	Cost £	Market Value £
Fixed interest	807,511	780,184	859,911	779,699
Equities	823,847	910,359	763,509	759,787
Alternative	587,819	616,685	686,611	671,519
Total Investments	2,219,177	2,307,228	2,310,031	2,211,005

Investments are held primarily to provide an investment return for the Charity.

The investments can be further analysed into:

	2023		2022	
	Cost £	Market value £	Cost £	Market value £
Investment assets in the UK	82,421	85,663	53,820	54,083
Investment assets outside the UK	2,136,756	2,221,565	2,256,211	2,156,922
Total Investments	2,219,177	2,307,228	2,310,031	2,211,005

Investments representing more than 5% of the portfolio are detailed below:

Description of holdings - 2023	Holding/ Units	Cost £	Market value £
HSBC Global Funds ICAV Global Govt Bond Index Fund ZQHGBP	21,753	207,843	206,218
HSBC American Index Inst Inc	48,657	433,335	497,767
HSBC Global Investment Funds Global Corporate Bond ZQHGBP	15,765	155,433	149,231
HSBC Global Funds ICAV Multi-Factor Worldwide Equity ZQ	25,384	254,778	287,329
Description of holdings - 2022	Holding/ Units	Cost £	Market value £
HSBC Global Funds ICAV Global Govt Bond Index Fund ZQHGBP	24,412	252,269	223,617
HSBC American Index Inst Inc	49,388	434,950	429,725
HSBC Global Investment Funds Global Corporate Bond ZQHGBP	17,005	173,234	153,234
HSBC Global Funds ICAV Multi-Factor Worldwide Equity ZQ	27,916	278,490	279,418

Notes *(continued)*

8 Investments (continued)

All stocks are registered in the name of or held to the order of James Capel (Nominees) Limited.

The movement during the year in the portfolio of investments was:

	2023 £	2022 £
Carrying value (market value) at 1 January	2,211,005	2,515,695
Add:		
Investments acquired during the year (at cost)	905,975	1,134,130
Less:		
Investments disposed of during the year (proceeds)	(966,510)	(1,203,605)
Net gain/(loss) on investments	156,758	(235,215)
	<hr/>	<hr/>
Carrying value (market value) at 31 December	2,307,228	2,211,005
	<hr/> <hr/>	<hr/> <hr/>

9 Creditors: amounts falling due within one year

	2023 £	2022 £
J Wassell Honorarium	3,250	2,750
J Wassell expenses	114	363
	<hr/>	<hr/>
Total Creditors (Accruals)	3,364	3,113
	<hr/> <hr/>	<hr/> <hr/>

10 Unrestricted funds

	2023 £	2022 £
Balance at 1 January	2,263,446	2,553,318
Net income/(expense) and net movement in funds	85,484	(289,872)
	<hr/>	<hr/>
Balance at 31 December	2,348,930	2,263,446
	<hr/> <hr/>	<hr/> <hr/>

THE JAMES CAPEL FOUNDATION

England & Wales - Charity number 270031

Accounts



Trustees' Annual Report for the period

From 1 January 2022 Period start date
To 31 December 2022 Period end date

Charity name: The James Capel Foundation

Charity registration number: 270031

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	<p>The James Capel Foundation was established for the purposes of making payments:</p> <p>A. To such legally charitable institutions, bodies or funds, or for such legally charitable purposes exclusively as the Trustees shall from time to time in their absolute discretion determine; and</p> <p>B. To or for the benefit of persons for the relief of poverty:</p> <p>1. Who are for the time being or have been employed by James Capel & Co, or its successor companies in business, or any company associated therewith or who are the wives, widows, husbands, widowers, children, parents or other dependants of any such persons; and</p> <p>2. Are in the opinion of the Trustees necessitous and deserving.</p>
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	Para 1.17 and 1.19	<p>The principal activity of the Charity is to act as a benevolent association to former employees of James Capel & Co and its associated companies and their dependants, who need assistance with the ordinary necessities of life or who are otherwise in financial need. The Trustees become aware of such circumstances mainly through a network of former James Capel employees.</p>
Statement confirming whether the trustees have	Para 1.18	<p>The Trustees confirm that they have referred to and comply with the guidance</p>

had regard to the guidance issued by the Charity Commission on public benefit		contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.
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1

Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	It is the policy of of the Trustees to seek appeals for grants which they consider qualify for payment and to distribute income within twelve months of it arising.
Policy on social investment including program related investment	Para 1.38	-
Contribution made by volunteers	Para 1.38	-
Other		-

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	<p>During 2022 the charity distributed grants totalling £75,753 to 165 individuals on welfare issues including the cost of personal alarms, boiler replacement, household repairs, a grant towards living expenses and a contribution towards heating costs during winter months.</p> <p>No grants were made to registered charities during 2022.</p>

Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	-
Performance of fundraising activities against objectives set	Para 1.41	N/a
Investment performance against objectives	Para 1.41	-
Other		-

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	In the year ended 31 December 2022 expenses and grants exceeded income by £54,657. This excess of expenditure over income was expected and in compliance with the reserves policy in the medium term.
Statement explaining the policy for holding reserves stating why they are held	Para 1.22	<p>It is the policy of the Trustees to invest the brought forward reserves to generate a level of income each year consistent with the expected level of expenditure.</p> <p>The Trustees consider that cash held on deposit is a class of investment, particularly in times of stock market volatility.</p> <p>It is currently the view of the Trustees that the overall level of investment required lies between £1m and £2m. The level of reserves at 31 December 2022 was £2,263k which remains above this range.</p>
Amount of reserves held	Para 1.22	£2,263K
Reasons for holding zero reserves	Para 1.22	-
Details of fund materially in deficit	Para 1.24	-
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	-

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	The only source of funds is the investment portfolio.
Investment policy and objectives including any social investment policy adopted	Para 1.46	-
A description of the principal risks facing the charity	Para 1.46	-
Other		-

Structure, Governance and Management

Description of charity's trusts:		
Type of governing document (trust deed, royal charter)	Para 1.25	Trust Deed dated 15 July 1975
How is the charity constituted? (e.g. unincorporated association, CIO)	Para 1.25	Unincorporated Charity
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	The statutory power of appointing new or additional trustees is vested in HSBC Bank plc as the successor company of James Capel & Co, the founding company.

Additional information (optional)

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	-
The charity's organisational structure and any wider network with which the charity works	Para 1.51	-
Relationship with any related parties	Para 1.51	The Trustees consider the ultimate controlling party of the Charity to be HSBC Holdings plc.
Other		-

Reference and Administrative details

Charity name	The James Capel Foundation
Other name the charity uses	none
Registered charity number	270031
Charity's principal address	8 Canada Square, London, E14 5HQ

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Peter Richard Marsh	chairman		HSBC Bank plc
2	Ian Collier			
3	Robert Paul Jarvis			
4	John Martin Latham			
5	Brian John Marshall			
6	Valerie Lammin			
7	Michael Wilfred Penney			
8	John Summers			
9				
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19				
20				

Corporate trustees – names of the directors at the date the report was approved

Director name		
none		

Name of trustees holding title to property belonging to the charity

Trustee name	Dates acted if not for whole year
none	

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	-
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	-
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	-

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
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Type of adviser	Name	Address
Investment manager	HSBC Global Asset Management	1 Canada Square, London, E14 5HQ

Name of chief executive or names of senior staff members (Optional information)

-

Exemptions from disclosure

Reason for non-disclosure of key personnel details

-

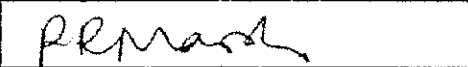
Other optional information

-

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	Peter Richard Marsh	
Position (eg Secretary, Chair, etc)	Chairman	
Date	18th October 2023	

The James Capel Foundation

Trustees' report and financial statements

Registered charity number 270031

31 December 2022

Trustees' report and financial statements

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Trustees and professional advisers

Trustees	P R Marsh (Chairman) I Collier V Lammin J M Latham B J Marshall M W Penney R P Jarvis J Summers F McKeith (appointed 6 July 2023)
Secretary	J Wassell
Foundation date	15 July 1975
Registered charity number	270031
Principal address	8 Canada Square London E14 5HQ United Kingdom
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Chamberlain Square Birmingham B3 3AX United Kingdom
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ United Kingdom
Investment manager	HSBC Global Asset Management (trading name of HSBC Private Bank (UK) Limited) 8 Canada Square London E14 5HQ United Kingdom

Trustees' report for the year ended 31 December 2022

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Reference and administrative information

The Charity is known as The James Capel Foundation and is registered with the Charity Commission as an unincorporated charity with number 270031. The Trustees and principal address of the Charity are listed on page 1.

Structure, governance and management

The James Capel Foundation was established by James Capel & Co under a Trust Deed dated 15 July 1975 and is governed by that Trust Deed.

Since 1986, James Capel & Co and its associated companies have been owned by the HSBC Group and the businesses formerly conducted by the James Capel companies, and their employees, have been integrated into the HSBC Group. The company James Capel & Co changed its name to HSBC Investment Bank plc in 1996. The rights and obligations of HSBC Investment Bank plc under the Trust Deed were transferred to HSBC Bank plc on 30 November 2002.

No part of the Trust Fund, or income thereof, may be paid as a loan or otherwise to HSBC Bank plc.

The Charity's Trustees are appointed by HSBC Bank plc on the basis of nominations received from the existing Trustees, having regard to personal competence, the necessary range of specialist skills and knowledge, and availability. The Trustees meet formally three times a year, and otherwise as required, to consider applications for grants in accordance with the charitable aims set out below, to monitor investment performance and to consider such other matters as deemed appropriate.

An audit committee, comprising P R Marsh (Chairman), R P Jarvis, J M Latham and J Wassell, meets annually, oversees the internal financial controls within the Charity and reviews the audit.

The Trustees have considered the principal risks facing the Charity and are satisfied that the controls mitigating the risks are adequate.

Objectives and activities

The James Capel Foundation was established for the purposes of making payments:

- (a) to such legally charitable institutions, bodies or funds, or for such legally charitable purposes exclusively as the Trustees shall from time to time in their absolute discretion determine; and
- (b) to or for the benefit of persons for the relief of poverty:
 - (i) who are for the time being or have been employed by James Capel & Co, or its successor companies in business, or any company associated therewith or who are the wives, widows, husbands, widowers, children, parents or other dependants of any such persons; and
 - (ii) are in the opinion of the Trustees necessitous and deserving.

The principal activity of the Charity is to act as a benevolent association to former employees of James Capel & Co and its associated companies and their dependants, who need assistance with the ordinary necessities of life or who are otherwise in financial need. The Trustees become aware of such circumstances mainly through a network of former James Capel employees.

Trustees' report for the year ended 31 December 2022 (continued)

Objectives and activities (continued)

The Trustees confirm that they have referred to and comply with the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Achievements and performance

During 2022 the Charity distributed grants totalling £75,753 (2021: £55,602) to 165 individuals (2021: 167 individuals) on welfare issues including the cost of personal alarms, boiler replacement, household repairs, a grant towards living expenses and a contribution to heating costs during winter months. The Trustees intend to continue making grants for similar welfare purposes in the future. During 2022 the Charity made no donations to registered charities (2021: nil).

The financial results for the year are set out in the Statement of financial activities on page 9.

Income decreased from £51,100 in 2021 to £35,555. The cost of raising funds amounted to £8,136 (2021: £11,919). Charitable grants of £75,753 (2021: £55,602) were made. The net expense before movement on investment assets is £54,657 (2021: £22,300). Net loss on investments amounted to £235,215 (2021: net gain of £246,090) resulting in a decrease in funds of £289,872 (2021: increase of £223,790) leaving funds at the end of the year of £2,263,446 (2021: £2,553,318).

Financial review

Investments

The investments comprising the Trust Fund are managed at discretion by a professional independent fund manager under a mandate to secure a balance of income and capital growth. There are no investment restrictions placed on the Trustees by the Trust Deed and the Trustees have not placed any investment restrictions on the fund manager.

The Foundation's portfolio is invested in the PIMS Balanced model portfolio with HSBC Global Asset Management, which had a negative return for the year of 8.3% (2021: 12.57% positive return) compared to the respective Asset Risk Consultants ('ARC') index which showed a loss of 10.2% (2021: 10.2% gain).

Reserves policy

It is the policy of the Trustees to seek appeals for grants which they consider qualify for payment and to distribute income within twelve months of it arising.

In the year ended 31 December 2022, expenses and grants exceeded income by £54,657. This excess of expenditure over income was expected and in compliance with the policy in the medium term.

It is also the policy of the Trustees to invest the brought forward reserves to generate a level of income each year consistent with the expected level of expenditure. The Trustees consider that cash held on deposit is a class of investment, particularly in times of stock market volatility. It is currently the view of the Trustees that the overall level of investment required lies between £1,000,000 and £2,000,000. The level of reserves at 31 December 2022 was £2,263,446 (2021: £2,553,318) which remains above this range. The Trustees are continuing to monitor the level of global investment market values in the context of the amount of income generated and are satisfied with the present position in the medium term. The level of investment income in 2022 was considered adequate.

There are no other specific requirements for holding reserves. The Trustees will keep the level of investments held and other components of reserves under review against the projected calls upon the Charity for assistance.

Trustees' report for the year ended 31 December 2022 (continued)

Future developments

The Russian invasion of Ukraine in February 2022 resulted in the outbreak of war between the two countries. This resulted in many countries implementing significant sanctions and trade restrictions against Russia in support of Ukraine. This has had repercussions in the global economy creating uncertainty and market volatility. Whilst negotiations continue to seek a resolution, the outcome of the negotiations is unlikely to lead to the resolution of the conflict in the foreseeable future. Consequently, the war is expected to continue for some time into the future with ongoing disruption in UK domestic and global markets. It is not considered that the Russia-Ukraine war will have a significant impact on the principal risks of the Charity due to the nature of the Charity's operations.

During 2022, the UK economy has faced a number of challenges, including rising inflation, increased interest rates and a period of significant market volatility that followed changes to policies announced by the UK Government. Consumer confidence has fallen with a deepening cost of living crisis partly driven by a sharp rise in energy prices. This has led to uncertainty in respect of growth expectations in the UK economy in 2023. However, due to the nature of the Charity's transactions, it is not considered that these events will have a significant impact on its principal risks.

During the first 7 months of 2023, the Charity's Trustees further increased the heating subsidies paid to less well-off eligible pensioners in response to the ongoing energy crisis, withdrawing £100,000 from the investment portfolio to cover these and other grants. The Charity's other expenses remained stable. Global markets advanced slightly during the first half of 2023. The market value of the Charity's investment portfolio at 31 July 2023 was £2,223,088, being 0.55% more than the market value at 31 December 2022. As at 22 July 2023, the Charity held a cash balance of £55,124, a decrease of £430 from the cash balance held at 31 December 2022.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he or she ought to have taken as a trustee to make himself or herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Approved by the Trustees of the James Capel Foundation on 20 September 2023 and signed on their behalf by:



P R Marsh

Trustee

Statement of Trustees' Responsibilities in respect of the Trustees' report and the financial statements

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees of The James Capel Foundation on 20 September 2023 and signed on their behalf by:



P R Marsh

Trustee

Independent Auditors' report to the Trustees of The James Capel Foundation

Report on the audit of the financial statements

Opinion

In our opinion, The James Capel Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the Charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Trustees' report and financial statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; the Statement of Financial Activities for the year then ended and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Independent Auditors' report to the Trustees of The James Capel Foundation (continued)

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charity sector we identified that the principal risks of non-compliance with laws and regulations related to any act that was not in accordance with the Trust Deed, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011 and relevant regulations made or having an effect thereunder, including The Charities (Accounts and Reports) Regulations 2008. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustees and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to the posting of inappropriate journals. Audit procedures performed included:

- Testing journals using a risk-based approach and evaluating whether there was evidence of bias; and
- Testing the investment management costs.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Independent Auditors' report to the Trustees of The James Capel Foundation (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the Charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

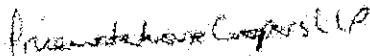
Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

27th September 2023

Statement of financial activities
for the year ended 31 December 2022

	<i>Notes</i>	2022 £	2021 £
		Unrestricted Funds	Unrestricted Funds
Income			
Investment income			
Income from investments - equities		24,676	40,129
- fixed interest securities		10,793	10,967
Interest income		86	4
		<hr/>	<hr/>
Total income		35,555	51,100
		<hr/>	<hr/>
Expenditure			
Cost of raising funds	2		
Investment management costs		(8,136)	(11,919)
Charitable activities			
Grants payable in furtherance of the Charity's objectives	3	(75,753)	(55,602)
Donations to registered charities	4	-	-
Administrative expenses	5	(6,323)	(5,879)
		<hr/>	<hr/>
Total expenditure		(90,212)	(73,400)
		<hr/>	<hr/>
Net (loss)/gain on investments	8	(235,215)	246,090
		<hr/>	<hr/>
Net (expense)/income and net movements in funds		(289,872)	223,790
		<hr/>	<hr/>
Reconciliation of funds			
Total funds brought forward		2,553,318	2,329,528
		<hr/>	<hr/>
Total funds carried forward		2,263,446	2,553,318
		<hr/> <hr/>	<hr/> <hr/>

The results shown above relate to continuing activities.


All incoming and outgoing resources and funds brought forward are unrestricted income funds.

The Charity has no recognised gains or losses other than the net movement in funds for the year. The notes on pages 11 to 14 form an integral part of these financial statements.

Balance sheet
as at 31 December 2022

	<i>Notes</i>	2022	2021
		£	£
Fixed assets			
Investments	8	2,211,005	2,515,695
Current assets			
Cash at bank:			
Current account		6,060	4,915
Cash held by investment manager		49,494	35,599
Current liabilities			
Creditors: amounts falling due within one year	9	(3,113)	(2,891)
Net current assets		<u>52,441</u>	<u>37,623</u>
Net assets		<u>2,263,446</u>	<u>2,553,318</u>
The funds of the Charity			
Unrestricted funds	10	<u>2,263,446</u>	<u>2,553,318</u>

These financial statements were approved by the Trustees of The James Capel Foundation on 20 September 2023 and were signed on their behalf by:


P R Marsh
Trustee

The notes on pages 11 to 14 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider the ultimate controlling party of the Charity to be HSBC Holdings plc.

Going concern

The Trustees consider that the valuation of investments, combined with ongoing levels of cash and reserves, support the Charity's ability to continue as a going concern.

Adoption of FRS 102

The financial statements for the current and prior year reflect the adoption of the Charities SORP (FRS 102) and the Update Bulletin 1 to this SORP.

The Trustees have taken the exemptions under Update Bulletin 1 from the requirement to prepare a cash flow statement.

Grants and donations payable

Grants and donations payable by the Charity are recognised when committed to be paid.

Fixed assets – investments

Investments are measured initially at cost and subsequently at fair value (their market value). Realised gains or losses on investments arising during the year are calculated as the difference between the disposal proceeds and the market value as at the beginning of the year (or cost if purchased within the year). Unrealised gains or losses arising during the year are derived from the movement in market values during the year (or since date of acquisition if purchased within the year). Investments are held purely for charitable activities.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Income from investments

Dividend and coupon investment income is recognised on receipt (which is not considered materially different from an accruals basis).

Notes (continued)

1 Accounting policies (continued)

Interest income

Interest income is from bank accounts and cash deposits and is recognised on a receipt basis, which is not considered materially different from an accruals basis.

Taxation

The James Capel Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 Cost of raising funds

Cost of raising funds comprises those costs directly attributable to managing the investment portfolio.

3 Grants payable in furtherance of the Charity's objectives

Grants totalling £75,753 (2021: £55,602) were made to 165 individuals (2021: 167 individuals) in accordance with the Charity's purpose.

4 Donations to registered charities

During 2022 no donations to registered charities were made (2021: nil).

5 Administrative expenses

Administrative expenses represent governance costs and comprise:

	2022	2021
	£	£
Honorarium (Note 7)	5,500	5,500
Reimbursed expenses	685	379
Bank charges	138	-
Total administrative expenses	<u>6,323</u>	<u>5,879</u>

Certain administrative expenses of the Charity are paid by HSBC Bank plc. The value of this is not known but is not considered material. The Charity has no employees.

6 Audit fees

The audit is carried out by PricewaterhouseCoopers LLP as part of their audit of the HSBC Group. The audit fee of £2,000 (2021: £2,000) is not charged to the Charity.

7 Material related party transactions

£5,500 (2021: £5,500) was paid to J Wassell being an honorarium in respect of duties performed as secretary to the Charity during the year.

The James Capel Foundation, the Trustees and its officers are covered under the HSBC Group's Crime, Civil and Cyber liability and Directors and Officers insurance policies.

Notes (continued)

8 Investments

The market value of investments as at 31 December 2022 was £2,211,005 (2021: £2,515,695). The investments as at 31 December comprise:

	2022		2021	
	Cost £	Market value £	Cost £	Market Value £
Fixed interest	859,911	779,699	557,220	552,070
Equities	763,509	759,787	847,549	909,769
Alternative	686,611	671,519	987,063	1,053,856
Total Investments	2,310,031	2,211,005	2,391,832	2,515,695

Investments are held primarily to provide an investment return for the Charity.

The investments can be further analysed into:

	2022		2021	
	Cost £	Market value £	Cost £	Market value £
Investment assets in the UK	53,820	54,083	-	-
Investment assets outside the UK	2,256,211	2,156,922	2,391,832	2,515,695
Total Investments	2,310,031	2,211,005	2,391,832	2,515,695

Investments representing more than 5% of the portfolio are detailed below:

Description of holdings - 2022	Holding/ Units	Cost £	Market value £
HSBC Global Funds ICAV Global Govt Bond Index Fund ZQHGBP	24,412	252,269	223,617
HSBC American Index Inst Inc	49,388	434,950	429,725
HSBC Global Investment Funds Global Corporate Bond ZQHGBP	17,005	173,234	153,234
HSBC Global Funds ICAV Multi-Factor Worldwide Equity ZQ	27,916	278,490	279,418
Description of holdings - 2021	Holding/ Units	Cost £	Market value £
HSBC Global Funds ICAV Global Govt Bond Index Fund ZQHGBP	24,181	258,321	257,281
HSBC American Index Inst Inc	45,678	403,165	441,207
HSBC Global Investment Funds Global Real Estate Equity ZQ1	14,746	112,972	139,741
HSBC Global Funds ICAV Multi-Factor Worldwide Equity ZQ	28,782	287,110	317,749

Notes *(continued)*

8 Investments (continued)

All stocks are registered in the name of or held to the order of James Capel (Nominees) Limited.

The movement during the year in the portfolio of investments was:

	2022 £	2021 £
Carrying value (market value) at 1 January	2,515,695	2,178,975
Add:		
Investments acquired during the year (at cost)	1,134,130	2,678,550
Less:		
Investments disposed of during the year (proceeds)	(1,203,605)	(2,587,920)
Net (loss)/gain on investments	(235,215)	246,090
Carrying value (market value) at 31 December	2,211,005	2,515,695

9 Creditors: amounts falling due within one year

	2022 £	2021 £
J Wassell Honorarium	2,750	2,750
J Wassell expenses	363	141
Total Creditors (Accruals)	3,113	2,891

10 Unrestricted funds

	2022 £	2021 £
Balance at 1 January	2,553,318	2,329,528
Net (expense)/income and net movement in funds	(289,872)	223,790
Balance at 31 December	2,263,446	2,553,318

THE JAMES CAPEL FOUNDATION

England & Wales - Charity number 270031

Accounts

The James Capel Foundation

Trustees' report and financial statements

Registered charity number 270031

31 December 2021

Trustees' report and financial statements

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Trustees and professional advisers

Trustees	P R Marsh (Chairman) I Collier V Lammin J M Latham B J Marshall M W Penney R P Jarvis (appointed 20 October 2021) J Summers (appointed 20 October 2021)
Secretary	J Wassell
Foundation date	15 July 1975
Registered charity number	270031
Principal address	8 Canada Square London E14 5HQ United Kingdom
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Chamberlain Square Birmingham B3 3AX United Kingdom
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ United Kingdom
Investment manager	HSBC Global Asset Management (trading name of HSBC Private Bank (UK) Limited) 8 Canada Square London E14 5HQ United Kingdom

Trustees' report for the year ended 31 December 2021

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Reference and administrative information

The Charity is known as The James Capel Foundation and is registered with the Charity Commission as an unincorporated charity with number 270031. The Trustees and principal address of the Charity are listed on page 1.

Structure, governance and management

The James Capel Foundation was established by James Capel & Co under a Trust Deed dated 15 July 1975 and is governed by that Trust Deed.

Since 1986, James Capel & Co and its associated companies have been owned by the HSBC Group and the businesses formerly conducted by the James Capel companies, and their employees, have been integrated into the HSBC Group. The company James Capel & Co changed its name to HSBC Investment Bank plc in 1996. The rights and obligations of HSBC Investment Bank plc under the Trust Deed were transferred to HSBC Bank plc on 30 November 2002.

No part of the Trust Fund, or income thereof, may be paid as a loan or otherwise to HSBC Bank plc.

The Charity's Trustees are appointed by HSBC Bank plc on the basis of nominations received from the existing Trustees, having regard to personal competence, the necessary range of specialist skills and knowledge, and availability. The Trustees meet formally three times a year, and otherwise as required, to consider applications for grants in accordance with the charitable aims set out below, to monitor investment performance and to consider such other matters as deemed appropriate.

An audit committee, comprising P R Marsh (Chairman), R P Jarvis, J M Latham and J Wassell, meets annually, oversees the internal financial controls within the Charity and reviews the audit.

The Trustees have considered the principal risks facing the Charity and are satisfied that the controls mitigating the risks are adequate.

Objectives and activities

The James Capel Foundation was established for the purposes of making payments:

- (a) to such legally charitable institutions, bodies or funds, or for such legally charitable purposes exclusively as the Trustees shall from time to time in their absolute discretion determine; and
- (b) to or for the benefit of persons for the relief of poverty:
 - (i) who are for the time being or have been employed by James Capel & Co, or its successor companies in business, or any company associated therewith or who are the wives, widows, husbands, widowers, children, parents or other dependants of any such persons; and
 - (ii) are in the opinion of the Trustees necessitous and deserving.

The principal activity of the Charity is to act as a benevolent association to former employees of James Capel & Co and its associated companies and their dependants, who need assistance with the ordinary necessities of life or who are otherwise in financial need. The Trustees become aware of such circumstances mainly through a network of former James Capel employees.

Trustees' report for the year ended 31 December 2021 (continued)

Objectives and activities (continued)

The Trustees confirm that they have referred to and comply with the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Achievements and performance

During 2021 the Charity distributed grants totalling £55,602 (2020:£69,921) to 167 individuals (2020:167 individuals) on welfare issues including the cost of personal alarms, boiler replacement and a contribution to heating costs during winter months. The Trustees intend to continue making grants for similar welfare purposes in the future. During 2021 the Charity made no donations to registered charities (2020:a donation of £1,000 each to 2 registered charities).

The financial results for the year are set out in the Statement of financial activities on page 9.

Income decreased from £58,321 in 2020 to £51,100. The cost of raising funds amounted to £11,919 (2020: £9,187). Charitable grants of £55,602 (2020: £69,921) and no charitable donations (2020: £2,000) were made. The net expense before movement on investment assets is £22,300 (2020: £28,691). Net gain on investments amounted to £246,090 (2020: net loss of £66,222) resulting in an increase in funds of £223,790 (2020: decrease of £94,913) leaving funds at the end of the year of £2,553,318 (2020: £2,329,528).

Financial review

Investments

The investments comprising the Trust Fund are managed at discretion by a professional independent fund manager under a mandate to secure a balance of income and capital growth. There are no investment restrictions placed on the Trustees by the Trust Deed and the Trustees have not placed any investment restrictions on the fund manager.

During the year ended 31 December 2021, the Charity's portfolio was migrated from the investment manager's UK Growth & Income charity model to the Premier Investment Management Services ('PIMS') Balanced general investment model. The PIMS Balanced model portfolio does not have a specific HSBC Global Asset Management benchmark. The PIMS Balanced model portfolio had a positive return of 12.57% for 2021 compared to the respective Asset Risk Consultants ('ARC') index which showed a 10.2% gain.

Reserves policy

It is the policy of the Trustees to seek appeals for grants which they consider qualify for payment and to distribute income within twelve months of it arising.

In the year ended 31 December 2021, expenses and grants exceeded income by £22,300. This excess of expenditure over income was expected and in compliance with the policy in the medium term.

It is also the policy of the Trustees to invest the brought forward reserves to generate a level of income each year consistent with the expected level of expenditure. The Trustees consider that cash held on deposit is a class of investment, particularly in times of stock market volatility. It is currently the view of the Trustees that the overall level of investment required lies between £1,000,000 and £2,000,000. The level of reserves at 31 December 2021 was £2,553,318 (2020: £2,329,528) which remains above this range. The Trustees are continuing to monitor the level of global investment market values in the context of the amount of income generated and are satisfied with the present position in the medium term. The level of investment income in 2021 was considered adequate.

There are no other specific requirements for holding reserves. The Trustees will keep the level of investments held and other components of reserves under review against the projected calls upon the Charity for assistance.

Adoption of FRS 102

The financial statements for the current and prior year reflect the adoption of the Charities SORP (FRS 102) and the Update Bulletin 1 to this SORP.

Trustees' report for the year ended 31 December 2021 (continued)

Future developments

The UK currently faces significant economic uncertainty. This uncertainty is greater than historical levels of uncertainty, due to COVID-19, Brexit and geopolitical tensions (heightened following the Russian military invasion of Ukraine). This has resulted in a significant and ongoing increase in cost inflation and therefore increased pressure for the Bank of England to continue to increase base rate from an unprecedented low level. As a result, the Charity has, as at the year-end date, no holdings in UK-specific funds.

The Covid-19 pandemic has continued to impact the global economy during 2021. Due to the roll-out of vaccines and measures taken by governments and central banks in many countries to protect their economies, there have been positive signs of economic recovery. However, there is still uncertainty remaining in assessing the duration and impact of the Covid-19 outbreak. Renewed outbreaks and new Covid-19 variants could still result in the requirement for future restrictions. Although it cannot be predicted how long the disruption will continue or the full extent of the impact on the Charity, it is not considered that the Covid-19 outbreak will have a significant impact on the ongoing activities of the Charity.

The European Union ('EU') and the UK agreed a Trade and Cooperation Agreement ('TCA') at the end of 2020 following the UK's withdrawal from the EU. The new trading relationship between the UK and the EU, outlined within the TCA, commenced on 1 January 2021 and is taking sometime to settle. Further disputes are expected during 2022 and there is still uncertainty around the ultimate economic effect of the UK leaving the EU. In the meantime, this uncertainty is expected to result in volatility in respect of the principal risks affecting the Charity. However, this is not expected to have a material impact on the results of the Charity.

The Russian invasion of Ukraine in February 2022 has resulted in the outbreak of war between the two countries. This has resulted in many countries implementing significant sanctions and trade restrictions against Russia in support of Ukraine. This has had repercussions in the global economy creating uncertainty and market volatility. Whilst negotiations are ongoing to seek a resolution, the outcome of the negotiations is unlikely to lead to the resolution of the conflict in the foreseeable future. Consequently, the war is expected to continue for some time into the future with ongoing disruption in UK domestic and global markets. It is not considered that the Russia-Ukraine war will have a significant impact on the principal risks of the Charity due to the nature of the Charity's transactions.

The Charity's investment portfolio has reduced from £2,515,695 at 31 December 2021 to £2,290,924 as at 31 July 2022 (a decrease of 8.93%, compared to an increase in the FTSE 100 during the same period of 0.53%). As at 31 July 2022 the Charity held a cash balance of £58,994.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he or she ought to have taken as a trustee to make himself or herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Approved by the Trustees of The James Capel Foundation on 16 August 2022 and signed on their behalf by:

P R Marsh
Trustee




Statement of Trustees' Responsibilities in respect of the Trustees' report and the financial statements

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees of The James Capel Foundation on 16 August 2022 and signed on their behalf by:

P R Marsh
Trustee



Independent Auditors' report to the Trustees of The James Capel Foundation

Report on the audit of the financial statements

Opinion

In our opinion, The James Capel Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the Charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008.

We have audited the financial statements, included within the Trustees' report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2021; the statement of financial activities for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Independent Auditors' report to the Trustees of The James Capel Foundation (continued)

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Charity/industry, we identified that the principal risks of non-compliance with laws and regulations related to any act that was not in accordance with the Trust Deed, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011 and relevant regulations made or having an effect thereunder, including The Charities (Accounts and Reports) Regulations 2008. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustees and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to the posting of inappropriate journals. Audit procedures performed included:

- Testing journals using a risk-based approach and evaluating whether there was evidence of bias; and
- Testing the investment management costs.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Independent Auditors' report to the Trustees of The James Capel Foundation (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the Charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

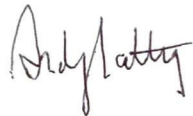
Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

16 August 2022

Statement of financial activities
for the year ended 31 December 2021

	<i>Notes</i>	2021 £	2020 £
		Unrestricted Funds	Unrestricted Funds
Income			
Investment income			
Income from investments - equities		40,129	39,921
- fixed interest securities		10,967	18,334
Interest income		4	66
Total income		<u>51,100</u>	<u>58,321</u>
Expenditure			
Cost of raising funds	2		
Investment management costs		(11,919)	(9,187)
Charitable activities			
Grants payable in furtherance of the Charity's objectives	3	(55,602)	(69,921)
Donations to registered charities	4	-	(2,000)
Administrative expenses	5	(5,879)	(5,904)
Total expenditure		<u>(73,400)</u>	<u>(87,012)</u>
Net gain/(loss) on investments	8	246,090	(66,222)
Net income/(expense) and net movements in funds		<u>223,790</u>	<u>(94,913)</u>
Reconciliation of funds			
Total funds brought forward		<u>2,329,528</u>	<u>2,424,441</u>
Total funds carried forward		<u><u>2,553,318</u></u>	<u><u>2,329,528</u></u>

The results shown above relate to continuing activities.

All incoming and outgoing resources and funds brought forward are unrestricted income funds.

The Charity has no recognised gains or losses other than the net movement in funds for the year. The notes on pages 11 to 14 form an integral part of these financial statements.

Balance sheet
as at 31 December 2021

	<i>Notes</i>	2021		2020	
		£	£	£	£
Fixed assets					
Investments	8		2,515,695		2,178,975
Current assets					
Cash at bank:					
Current account		4,915		7,538	
Cash held by investment manager		35,599		148,047	
Current liabilities					
Creditors: amounts falling due within one year	9	(2,891)		(5,032)	
Net current assets			<u>37,623</u>		<u>150,553</u>
Net assets			<u>2,553,318</u>		<u>2,329,528</u>
The funds of the Charity					
Unrestricted funds	10		<u>2,553,318</u>		<u>2,329,528</u>

These financial statements were approved by the Trustees of The James Capel Foundation on 16 August 2022 and were signed on their behalf by:

P R Marsh
Trustee



The notes on pages 11 to 14 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost transaction value unless otherwise stated in the relevant note(s) to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider the ultimate controlling party of the Charity to be HSBC Holdings plc.

Going concern

The Trustees consider that the valuation of investments, combined with ongoing levels of cash and reserves, support the Charity's ability to continue as a going concern.

Adoption of FRS 102

The financial statements for the current and prior year reflect the adoption of the Charities SORP (FRS 102) and the Update Bulletin 1 to this SORP.

The Trustees have taken the exemptions under Update Bulletin 1 from the requirement to prepare a cash flow statement.

Grants and donations payable

Grants and donations payable by the Charity are recognised when committed to be paid.

Fixed assets – investments

Investments are measured initially at cost and subsequently at fair value (their market value). Realised gains or losses on investments arising during the year are calculated as the difference between the disposal proceeds and the market value as at the beginning of the year (or cost if purchased within the year). Unrealised gains or losses arising during the year are derived from the movement in market values during the year (or since date of acquisition if purchased within the year). Investments are held purely for charitable activities.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Income from investments

Dividend and coupon investment income is recognised on receipt (which is not considered materially different from an accruals basis).

Notes *(continued)*

Accounting policies *(continued)*

Interest income

Interest income is from bank accounts and cash deposits and is recognised on a receipt basis, which is not considered materially different from an accruals basis.

Taxation

The James Capel Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 Cost of raising funds

Cost of raising funds comprises those costs directly attributable to managing the investment portfolio.

3 Grants payable in furtherance of the Charity's objectives

Grants totalling £55,602 (2020: £69,921) were made to 167 individuals (2020: 167 individuals) in accordance with the Charity's purpose.

4 Donations to registered charities

During 2021 no donations to registered charities were made (2020: a donation of £1,000 each to 2 registered charities in accordance with the Charity's purpose).

5 Administrative expenses

Administrative expenses represent governance costs and comprise:

	2021	2020
	£	£
Honarium (Note 7)	5,500	5,500
Reimbursed expenses	<u>379</u>	<u>404</u>
Total administrative expenses	<u>5,879</u>	<u>5,904</u>

Certain administrative expenses of the Charity are paid by HSBC Bank plc. The value of this is not known but is not considered material. The Charity has no employees.

6 Audit fees

The audit is carried out by PricewaterhouseCoopers LLP as part of their audit of the HSBC Group. The audit fee of £2,000 (2020: £2,000) is not charged to the Charity.

7 Material related party transactions

£5,500 (2020: £5,500) was paid to J Wassell being an honorarium in respect of duties performed as secretary to the Charity during the year.

The James Capel Foundation, the Trustees and its officers are covered under the HSBC Group's Crime, Civil and Cyber liability and Directors and Officers insurance policies.

Notes (continued)

8 Investments

The market value of investments as at 31 December 2021 was £2,515,695 (2020: £2,178,975). The investments as at 31 December 2021 comprise:

	2021		2020	
	Cost £	Market value £	Cost £	Market Value £
Fixed interest	557,220	552,070	514,509	527,644
Equities	847,549	909,769	1,002,678	1,075,190
Alternative	987,063	1,053,856	548,339	576,141
Total Investments	2,391,832	2,515,695	2,065,526	2,178,975

Investments are held primarily to provide an investment return for the Charity.

The investments can be further analysed into:

	2021		2020	
	Cost £	Market value £	Cost £	Market value £
Investment assets in the UK	-	-	744,345	802,592
Investment assets outside the UK	2,391,832	2,515,695	1,321,181	1,376,383
Total Investments	2,391,832	2,515,695	2,065,526	2,178,975

Investments representing more than 5% of the portfolio are detailed below:

Description of holdings - 2021	Holding/ Units	Cost £	Market value £
HSBC Global Funds ICAV Global Govt Bond Index Fund ZQHGBP	24,181	258,321	257,281
HSBC American Index Inst Inc	45,678	403,165	441,207
HSBC Global Investment Funds Global Real Estate Equity ZQ1	14,746	112,972	139,741
HSBC Global Funds ICAV Multi-Factor Worldwide Equity ZQHSBC	28,782	287,110	317,749
Description of holdings - 2020	Holding/ Units	Cost £	Market value £
HSBC GIF Global Emerging Market Local Debt ZQ1 USD	27,850	185,537	190,698
HSBC FTSE All Share Index Inst Inc	111,296	321,292	351,807
HSBC American Index Inst Inc	29,484	215,608	219,835
HSBC US Multi-Factor Equity Fund Inst Inc	27,921	114,534	117,829

Notes (continued)

8 Investments (continued)

All stocks are registered in the name of or held to the order of James Capel (Nominees) Limited.

The movement during the year in the portfolio of investments was:

	2021 £	2020 £
Carrying value (market value) at 1 January	2,178,975	2,367,427
Add:		
Investments acquired during the year (at cost)	2,678,550	1,433,205
Less:		
Investments disposed of during the year (proceeds)	(2,587,920)	(1,555,435)
Net gain/(loss) on investments	246,090	(66,222)
Carrying value (market value) at 31 December	2,515,695	2,178,975

9 Creditors: amounts falling due within one year

	2021 £	2020 £
J Wassell Honorarium	2,750	2,750
Grant pending payment	-	2,000
J Wassell expenses	141	85
Due to Bank	-	197
Total Creditors (Accruals)	2,891	5,032

10 Unrestricted funds

	2021 £	2020 £
Balance at 1 January	2,329,528	2,424,441
Net income/(expense) and net movement in funds	223,790	(94,913)
Balance at 31 December	2,553,318	2,329,528

THE JAMES CAPEL FOUNDATION

England & Wales - Charity number 270031

Accounts

The James Capel Foundation

Trustees' report and financial statements

Registered charity number 270031

31 December 2020

Trustees' report and financial statements

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Trustees and professional advisers

Trustees	P R Marsh (Chairman) I Collier V Lanmin J M Latham B J Marshall M W Penney
Secretary	J Wassell
Foundation date	15 July 1975
Registered charity number	270031
Principal address	8 Canada Square London E14 5HQ United Kingdom
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors One Chamberlain Square Birmingham B3 3AX United Kingdom
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ United Kingdom
Investment manager	HSBC Global Asset Management (trading name of HSBC Private Bank (UK) Limited) 8 Canada Square London E14 5HQ United Kingdom

Trustees' report for the year ended 31 December 2020

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Reference and administrative information

The Charity is known as The James Capel Foundation and is registered with the Charity Commission as an unincorporated charity with number 270031. The Trustees and principal address of the Charity are listed on page 1.

Structure, governance and management

The James Capel Foundation was established by James Capel & Co under a Trust Deed dated 15 July 1975 and is governed by that Trust Deed.

Since 1986, James Capel & Co and its associated companies have been owned by the HSBC Group and the businesses formerly conducted by the James Capel companies, and their employees, have been integrated into the HSBC Group. The company James Capel & Co changed its name to HSBC Investment Bank plc in 1996. The rights and obligations of HSBC Investment Bank plc under the Trust Deed were transferred to HSBC Bank plc on 30 November 2002.

No part of the Trust Fund, or income thereof, may be paid as a loan or otherwise to HSBC Bank plc.

The Charity's Trustees are appointed by HSBC Bank plc on the basis of nominations received from the existing Trustees, having regard to personal competence, the necessary range of specialist skills and knowledge, and availability. The Trustees meet formally three times a year, and otherwise as required, to consider applications for grants in accordance with the charitable aims set out below, to monitor investment performance and to consider such other matters as deemed appropriate.

An audit committee comprising P R Marsh (Chairman), J M Latham and J Wassell meets annually, oversees the internal financial controls within the Charity and reviews the audit.

The Trustees have considered the principal risks facing the Charity and are satisfied that the controls mitigating the risks are adequate.

Objectives and activities

The James Capel Foundation was established for the purposes of making payments:

- (a) to such legally charitable institutions, bodies or funds, or for such legally charitable purposes exclusively as the Trustees shall from time to time in their absolute discretion determine; and
- (b) to or for the benefit of persons for the relief of poverty:
 - (i) who are for the time being or have been employed by James Capel & Co, or its successor companies in business, or any company associated therewith or who are the wives, widows, husbands, widowers, children, parents or other dependants of any such persons; and
 - (ii) are in the opinion of the Trustees necessitous and deserving.

The principal activity of the Charity is to act as a benevolent association to former employees of James Capel & Co and its associated companies and their dependants, who need assistance with the ordinary necessities of life or who are otherwise in financial need. The Trustees become aware of such circumstances mainly through a network of former James Capel employees.

Trustees' report for the year ended 31 December 2020 (continued)

Objectives and activities (continued)

The Trustees confirm that they have referred to and comply with the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Achievements and performance

During 2020 the Charity distributed grants totalling £69,921 (2019: £59,884) to 167 individuals (2019: 167 individuals) on welfare issues including the cost of personal alarms, assistance with hospitalisation expenses and day care costs, property maintenance and repairs and a contribution towards heating costs during winter months. The Trustees intend to continue making grants for similar welfare purposes in the future. During 2020 the Charity also made donations of £1,000 each to 2 registered charities (2019: £1,000 paid to 1 registered charity).

The financial results for the year are set out in the Statement of financial activities on page 9.

Income decreased from £69,639 in 2019 to £58,321. The cost of raising funds amounted to £9,187 (2019: £11,451). With charitable grants of £69,921 (2019: £59,884) and charitable donations of £2,000 (2019: £1,000), there was a net expense before movement on investment assets of £28,691 (2019: £8,153). Net loss on investments amounted to £66,222 (2019: net gains of £265,825) resulting in a decrease in funds of £94,913 (2019: increase of £257,672) leaving funds at the end of the year of £2,329,528 (2019: £2,424,441).

Financial review

Investments

The investments comprising the Trust Fund are managed at discretion by a professional independent fund manager under a mandate to secure a balance of income and capital growth. There are no investment restrictions placed on the Trustees by the Trust Deed and the Trustees have not placed any investment restrictions on the fund manager.

In the year ended 31 December 2020, the Fund manager's UK Growth and Income strategy resulted in a total negative return on the investment portfolio of -0.30% (2019: +15.11%) which compared with the benchmark of +0.30% (2019: +15.96%). The benchmark is a mix of indices relevant to the above strategy which was adopted during 2009.

Reserves policy

It is the policy of the Trustees to seek appeals for grants which they consider qualify for payment and to distribute income within twelve months of it arising.

In the year ended 31 December 2020, expenses and grants exceeded income by £28,691. This excess of expenditure over income was expected and in compliance with the policy in the medium term.

It is also the policy of the Trustees to invest the brought forward reserves to generate a level of income each year consistent with the expected level of expenditure. The Trustees consider that cash held on deposit is a class of investment, particularly in times of stock market volatility. It is currently the view of the Trustees that the overall level of investment required lies between £1,000,000 and £2,000,000. The level of reserves at 31 December 2020 was £2,329,528 (2019: £2,424,441) which remains above this range. The Trustees are continuing to monitor the level of global investment market values in the context of the amount of income generated and are satisfied with the present position in the medium term. The level of investment income in 2020 was considered adequate.

There are no other specific requirements for holding reserves. The Trustees will keep the level of investments held and other components of reserves under review against the projected calls upon the Charity for assistance.

Adoption of FRS 102

The financial statements for the current and prior year reflect the adoption of the Charities SORP (FRS 102) and the Update Bulletin 1 to this SORP.

Trustees' report for the year ended 31 December 2020 (continued)

Following the referendum on 23 June 2016, the UK took the decision to leave the European Union ('EU') with the process of the UK leaving the EU commencing on 29 March 2017. The UK left the EU on 31 January 2020 and entered into a transition period until 31 December 2020. During the transition period, the UK continued to be bound by EU laws and regulations. A Trade and Cooperation Agreement between the EU and the UK was agreed on 24 December 2020 and ratified by the UK on 30 December 2020. At this stage the ultimate economic effect of the UK leaving the EU remains uncertain and will depend on the outcome of replacement trading arrangements following the separation from the EU. In the meantime, this uncertainty is expected to result in volatility in respect of the principal risks affecting the Charity. However, this is not expected to have a material impact on the results of the Charity.

COVID-19

Since early January 2020, the COVID-19 outbreak has spread across the globe and has been classified by the World Health Organisation as a Pandemic. This is causing ongoing global disruption to business and economic activity, and is resulting in substantial and substantive government and central banks relief actions and support measures in many countries to protect their economies. The Charity's investment portfolio has recovered from £2,178,975 at 31 December 2020 to £2,411,612 at 31 July 2021 (an increase of 10.68%, compared to an increase in the FTSE 100 during the same period of 8.85%). Whilst it cannot be predicted how long the disruption will continue or the full extent of the impact on the Charity, the COVID-19 outbreak is not considered to have a significant impact on the ongoing activities of the Charity. As at 31 July 2021 the Charity held a cash balance of £42,747.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all the steps that he or she ought to have taken as a trustee to make himself or herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Approved by the Trustees of The James Capel Foundation on 18 August 2021 and signed on their behalf by:

P R Marsh
Trustee



Statement of Trustees' Responsibilities in respect of the Trustees' report and the financial statements

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' report to the Trustees of The James Capel Foundation

Report on the audit of the financial statements

Opinion

In our opinion, The James Capel Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the Charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008.

We have audited the financial statements, included within the Trustees' report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2020; the statement of financial activities for the year then ended; and the notes to the financial statements which include a summary of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Independent Auditors' report to the Trustees of The James Capel Foundation (continued)

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud:

Based on our understanding of the Charity, we identified that the principal risks of non-compliance with laws and regulations related to any act that was not in accordance with the Trust Deed, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008). We evaluated the trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the posting of inappropriate journals. Audit procedures performed included:

- Making inquiries of those charged with governance in relation to known or suspected instances of non-compliance with laws and regulations, including the listing requirements and the underlying transaction documents, and fraud;
- Testing journals using a risk-based approach and evaluating whether there was evidence of bias; and
- Testing, on a sample basis, grant approvals and payments.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Independent Auditors' report to the Trustees of The James Capel Foundation (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

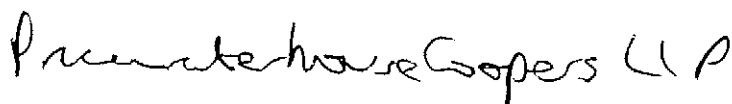
Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

18 August 2021

Statement of financial activities
for the year ended 31 December 2020

	<i>Notes</i>	2020 £	2019 £
		Unrestricted Funds	Unrestricted Funds
Income			
Investment income			
Income from investments - equities		39,921	52,506
- fixed interest securities		18,334	16,993
Interest income		66	140
Total income		58,321	69,639
Expenditure			
Cost of raising funds	2		
Investment management costs		(9,187)	(11,451)
Charitable activities			
Grants payable in furtherance of the Charity's objectives	3	(69,921)	(59,884)
Donations to registered charities	4	(2,000)	(1,000)
Administrative expenses	5	(5,904)	(5,457)
Total expenditure		(87,012)	(77,792)
Net (loss)/gain on investments	8	(66,222)	265,825
Net (expense)/income and net movements in funds		(94,913)	257,672
Reconciliation of funds			
Total funds brought forward		2,424,441	2,166,769
Total funds carried forward		2,329,528	2,424,441

The results shown above relate to continuing activities.

All incoming and outgoing resources and funds brought forward are unrestricted income funds.

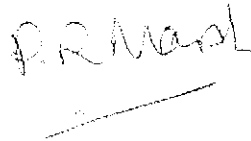
The Charity has no recognised gains or losses other than the net movement in funds for the year. The notes on pages 11 to 14 form an integral part of these financial statements.

Balance sheet
as at 31 December 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Investments	8		2,178,975		2,367,427
Current assets					
Cash at bank:					
Current account			7,538		2,813
Cash held by investment manager			148,047		59,683
Current liabilities					
Creditors: amounts falling due within one year	9		(5,032)		(5,482)
Net current assets			<u>150,553</u>		<u>57,014</u>
Net assets			<u>2,329,528</u>		<u>2,424,441</u>
The funds of the Charity					
Unrestricted funds	10		<u>2,329,528</u>		<u>2,424,441</u>

These financial statements were approved by the Trustees of The James Capel Foundation on 18 August 2021 and were signed on their behalf by:

P R Marsh
Trustee



The notes on pages 11 to 14 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost transaction value unless otherwise stated in the relevant note(s) to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102. The Trustees consider the ultimate controlling party of the Charity to be HSBC Holdings plc.

Going concern

The Trustees consider that the valuation of investments, combined with ongoing levels of cash and reserves, support the Charity's ability to continue as a going concern.

Adoption of FRS 102

The financial statements for the current and prior year reflect the adoption of the Charities SORP (FRS 102) and the Update Bulletin 1 to this SORP.

The Trustees have taken the exemptions under Update Bulletin 1 from the requirement to prepare a cash flow statement.

Grants and donations payable

Grants and donations payable by the Charity are recognised when committed to be paid.

Fixed assets – investments

Investments are measured initially at cost and subsequently at fair value (their market value). Realised gains or losses on investments arising during the year are calculated as the difference between the disposal proceeds and the market value as at the beginning of the year (or cost if purchased within the year). Unrealised gains or losses arising during the year are derived from the movement in market values during the year (or since date of acquisition if purchased within the year). Investments are held purely for charitable activities.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Income from investments

Dividend and coupon investment income is recognised on receipt (which is not considered materially different from an accruals basis).

Notes (continued)

Accounting policies (continued)

Interest income

Interest income is from bank accounts and cash deposits and is recognised on a receipt basis, which is not considered materially different from an accruals basis.

Taxation

The James Capel Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 Cost of raising funds

Cost of raising funds comprises those costs directly attributable to managing the investment portfolio.

3 Grants payable in furtherance of the Charity's objectives

Grants totalling £69,921 (2019: £59,884) were made to 167 individuals (2019: 167 individuals) in accordance with the Charity's purpose.

4 Donations to registered charities

Donations of £1,000 each (2019: £1,000) were paid to 2 registered charities (2019: 1 registered charity) in accordance with the Charity's purpose.

5 Administrative expenses

Administrative expenses represent governance costs and comprise:

	2020	2019
	£	£
Honorarium (Note 7)	5,500	5,000
Reimbursed expenses	<u>404</u>	<u>457</u>
Total administrative expenses	<u>5,904</u>	<u>5,457</u>

Certain administrative expenses of the Charity are paid by HSBC Bank plc. The value of this is not known but is not considered material. The Charity has no employees.

6 Audit fees

The audit is carried out by PricewaterhouseCoopers LLP as part of their audit of the HSBC Group. The audit fee of £2,000 (2019: £2,000) is not charged to the Charity.

7 Material related party transactions

£5,500 (2019: £5,000) was paid to J Wassell being an honorarium in respect of duties performed as secretary to the Charity during the year.

The James Capel Foundation, the Trustees and its officers are covered under the HSBC Group's Crime, Civil and Cyber liability and Directors and Officers insurance policies.

Notes (continued)

8 Investments

The market value of investments as at 31 December 2020 was £2,178,975 (2019: £2,367,427). The investments as at 31 December 2020 comprise:

	2020		2019	
	Cost	Market value	Cost	Market Value
	£	£	£	£
Fixed interest	514,509	527,644	413,844	417,537
Equities	1002,678	1,075,190	891,396	1,053,744
Alternative	548,339	576,141	839,020	896,146
	-----	-----	-----	-----
Total Investments	2,065,526	2,178,975	2,144,260	2,367,427
	=====	=====	=====	=====

Investments are held primarily to provide an investment return for the Charity.

The investments can be further analysed into:

	2020		2019	
	Cost	Market value	Cost	Market value
	£	£	£	£
Investment assets in the UK	744,345	802,592	884,963	1,011,844
Investment assets outside the UK	1,321,180	1,376,383	1,259,297	1,355,583
	-----	-----	-----	-----
Total Investments	2,065,525	2,178,975	2,144,260	2,367,427
	=====	=====	=====	=====

Investments representing more than 5% of the portfolio are detailed below:

Description of holdings - 2020	Holding/ Units	Cost	Market value
		£	£
HSBC GIF Global Emerging Market Local Debt ZQ1 USD	27,850	185,537	190,698
HSBC FTSE All Share Index Inst Inc	111,296	321,292	351,807
HSBC American Index Inst Inc	29,484	215,608	219,835
HSBC US Multi-Factor Equity Fund Inst Inc	27,921	114,534	117,829
Description of holdings - 2019	Holding/ Units	Cost	Market value
		£	£
HSBC GIF Global Emerging Market Local Debt ZQ1 USD	23,781	163,187	168,292
HSBC FTSE All Share Index Inst Inc	95,481	301,587	344,017
ISHARES III PLC Core MSCI World UCITS ETF USD ACC GBP	5,023	238,009	239,748
HSBC American Index Inst Inc	19,736	85,425	131,109

Notes (continued)

8 Investments (continued)

All stocks are registered in the name of or held to the order of James Capel (Nominees) Limited.

The movement during the year in the portfolio of investments was:

	2020	2019
	£	£
Carrying value (market value) at 1 January	2,367,427	2,132,263
Add:		
Investments acquired during the year (at cost)	1,433,205	845,443
Less:		
Investments disposed of during the year (proceeds)	(1,555,435)	(876,104)
Net (loss)/gain on investments	(66,222)	265,825
Carrying value (market value) at 31 December	2,178,975	2,367,427

9 Creditors: amounts falling due within one year

	2020	2019
	£	£
J Wassell Honorarium	2,750	2,500
Grant pending payment	2,000	2,982
J Wassell expenses	85	-
Due to Bank	197	-
Total Creditors (Accruals)	5,032	5,482

10 Unrestricted funds

	2020	2019
	£	£
Balance at 1 January	2,424,441	2,166,769
Net (expense)/ income and net movement in funds	(94,913)	257,672
Balance at 31 December	2,329,528	2,424,441