

# CCF & Partners Asset Management Limited

Registration No: 2477040

Annual Report and Financial Statements for the year ended 31  
December 2019



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**CCF & Partners Asset Management Limited**

**Annual Report and Financial Statements for the year ended  
31 December 2019**

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## CCF & Partners Asset Management Limited

### Strategic Report

CCF & Partners Asset Management Limited (the "Entity") is a private entity incorporated in England and Wales. Its trading address is 8 Canada Square, London E14 5HQ.

#### Principal activities

The principal activity of the Entity is to act as an investment holding entity and as such does not carry out any *investment management business on its own behalf*. The investment holding of the Entity, HCM Holdings Limited ("HCM"), is now under liquidation and subsequent to the liquidation of HCM, the Entity will be liquidated.

#### Review of the Entity's business and Performance

The entity made a profit before tax of £98k (2018: loss of £6k). The Entity's investment in joint venture, HCM was placed under liquidation during the year and is pending corporation tax clearance from HM Revenue and Customs. A distribution of net assets was paid to the shareholders of HCM and the Entity recognized a gain on disposal of £105k. The cash distribution was received post year end in January 2020.

The year-end Balance Sheet was mainly composed of cash totaling £4.9 million (2018: £4.9 million). At 31 December 2019 the net assets were £5.5 million (2018: £5.4 million).

#### Key performance indicators

The Directors use Key Performance Indicators ("KPI's") to monitor the business. As well as the Income Statement and the Balance Sheet, these indicators include measures to identify the returns on different categories of assets and the risks to which the Entity is exposed.

#### Financial KPIs

	2019	2018
Profit/(Loss) before tax (£'000)	98	(6)
Net assets (£'000)	5,525	5,424
Return on equity (%)	1.78%	(0.11)%

#### Principal risks and uncertainties

The Board has considered the impact of COVID-19 on the results and future financial performance of Entity and has concluded that there is no impact. The Board is responsible for setting the risk appetite for the Entity within the context of the HSBC Group's direction. The Board has considered the principal risks facing the Entity and the exposure in relation to each of those risks. The Entity also has its own established governance framework, with clear terms of reference for the Board and a clear organisation structure, with documented delegated authorities and responsibilities. The Entity operates within the risk management framework of HSBC Holdings plc. The framework defines the principal risk categories and sets out the methodology for the identification, assessment, mitigation and reporting of risks. A risk management structure is in place which embeds risk management into the business.

The Board reviews the key risks facing the Entity by receiving regular reports as to the current status of each risk.

The financial services industry remains closely regulated and the UK regulators may take actions that could result in changes to industry practices, sales and pricing. The Entity maintains strong compliance culture and monitors the regulatory environment closely to proactively adapt to changes and reduce risks to the Entity.

**CCF & Partners Asset Management Limited**

**Strategic Report (continued)**

The Entity has processes in place to identify, evaluate and manage the operational risk inherent in its business activities. Operational losses are monitored and assessed to ensure that business improvements are identified and implemented as appropriate.

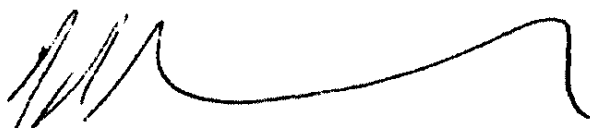
All of the Entity's activities involve, to varying degrees, the analysis, evaluation, acceptance and management of risks or combinations of risks.

The Directors consider it appropriate to differentiate between those financial risks which directly impact the Entity and those which indirectly impact the Entity due to risks borne by the Entity in relation to its asset holdings and their valuations.

**Liquidation of the Entity and basis of preparation**

The Directors made the decision in 2017 to liquidate the Entity. It is expected that the Entity will be liquidated within 12 months of the date when the Financial Statements are approved. Accordingly, the going concern basis of preparation is not appropriate and the Financial Statements have been prepared on a basis other than going concern as described in note 1 to the Financial Statements. No adjustments were necessary in these Financial Statements to reduce assets to their realisable values, to provide for liabilities arising from the decision or to reclassify fixed assets and long-term liabilities as current assets and liabilities.

Signed on behalf of the Board



J Radley  
*Director*

4 May 2020

Registered Office  
8 Canada Square  
London  
E14 5HQ

## **Directors' Report**

### **Directors**

The Directors who served during the year were as follows:

<b>Name</b>	<b>Appointed</b>
G Penin	15/04/2014
J Radley	06/11/2015

The Articles of Association of the Entity provide that in certain circumstances the Directors are entitled to be indemnified out of the assets of the Entity against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the UK Companies Act 2006. Indemnity provisions of this nature have been in place during the financial year but have not been utilised by the Directors. All Directors have the benefit of directors' and officers' liability insurance.

### **Dividends**

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2019 (2018: Nil).

### **Significant events since the end of the financial year**

No significant events affecting the Entity have occurred since the end of the financial year.

### **Future developments**

The Entity is expected to be liquidated during the financial year ending 31 December 2020.

### **Going concern basis**

The Entity will be liquidated within 12 months of the date the Financial Statements are approved. Accordingly, the going concern basis of preparation is not appropriate and the Financial Statements have been prepared on a basis other than going concern as described in note 1 to the Financial Statements. No adjustments were necessary in these Financial Statements to reduce assets to their realisable values, to provide for liabilities arising from the decision or to reclassify fixed assets and long-term liabilities as current assets and liabilities.

### **Capital management**

The Entity defines capital as total Shareholders' Equity. It is HSBC Group's objective to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times. There were no changes to the Entity's approach to capital management during the year.

### **Disclosure of information to auditors**

Each person who is a Director at the date of approval of this report confirms that so far as the Director is aware, there is no relevant audit information of which the Entity's auditors' are unaware; and the Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Entity's auditors' are aware of that information. This confirmation is given pursuant to section 418 of the Companies Act 2006 and should be interpreted in accordance therewith.

### **Independent Auditors**

Pursuant to section 487 of the Companies Act 2006, the Auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP ("PwC") will therefore continue in office.

## **CCF & Partners Asset Management Limited**

### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

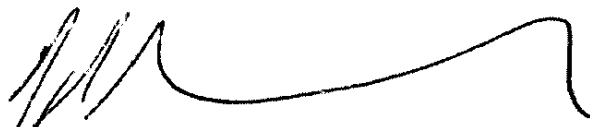
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the entity and of the profit or loss of the entity for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the entity will continue in business.

The directors are also responsible for safeguarding the assets of the entity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the entity's transactions and disclose with reasonable accuracy at any time the financial position of the entity and enable them to ensure that the financial statements comply with the Companies Act 2006.

Signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'J Radley', written over a horizontal line.

J Radley  
*Director*

4 May 2020

Registered Office  
8 Canada Square  
London  
E14 5HQ

## **Independent Auditors' Report to the Members of CCF & Partners Asset Management Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, CCF & Partners Asset Management Limited's financial statements:

- give a true and fair view of the state of the entity's affairs as at 31 December 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: balance sheet as at 31 December 2019; the income statement, the statement of cash flows, the statement of changes in equity 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 entity 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.

#### **Emphasis of matter - financial statements prepared on a basis other than going concern**

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1e to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

#### **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 directors 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, except to the extent otherwise explicitly stated in this report, 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 members of CCF & Partners Asset Management Limited (continued)

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

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.

### Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the entity and its environment obtained in the course of the audit, we *did not identify any material misstatements in the Strategic Report and Directors' Report*.

### Responsibilities for the financial statements and the audit

#### Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

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.

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](http://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 company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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.



**CCF & Partners Asset Management Limited**

**Independent Auditors' Report to the members of CCF & Partners Asset Management Limited (continued)**

**Other required reporting**

Companies Act 2006 exception reporting

Under the Companies Act 2006 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
- adequate accounting records have not been kept by the entity, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Colleen Local (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
4 May 2020

## Financial Statements

### Income statement for the year ended 31 December 2019

	<i>Note</i>	<b>2019</b> <b>£'000</b>	2018 £'000
Gain from investment in subsidiary	6	<u>105</u>	<u>-</u>
<b>Net operating income</b>		-	-
General and administrative expenses	2	<u>(7)</u>	<u>(6)</u>
<b>Total operating expenses</b>		<u>(7)</u>	<u>(6)</u>
<b>Operating income/(loss)</b>		<u>98</u>	<u>(6)</u>
<b>Profit/(loss) before tax</b>		<u>98</u>	<u>(6)</u>
<b>Tax (expense)/credit</b>	3	<u>3</u>	<u>1</u>
<b>Profit/(Loss) for the year</b>		<u><u>101</u></u>	<u><u>(5)</u></u>

The notes on pages 14 to 22 form an integral part of these Financial Statements.

All amounts reported in the Income Statement relate to discontinuing operations.

There has been no comprehensive income or expense other than loss for the year as shown above (2018: Nil).

**CCF & Partners Asset Management Limited**

Registered No: 2477040

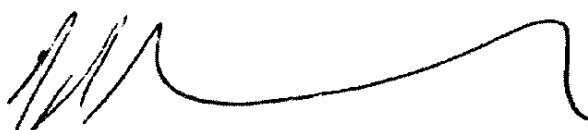
**Financial Statements (continued)**

**Balance Sheet as at 31 December 2019**

	<i>Note</i>	<b>2019</b> <b>£'000</b>	2018 £'000
<b>Assets</b>			
Cash and cash equivalents	4	<b>4,887</b>	4,887
Trade and other receivables	5	<b>655</b>	-
Current tax asset		<b>4</b>	1
Interests in associates and joint arrangements	6	-	550
<b>Total assets</b>		<b><u>5,546</u></b>	<u>5,438</u>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Trade and other payables	7	<b>7</b>	-
Accruals and other financial liabilities	8	<b>14</b>	14
Current tax liabilities		-	-
<b>Total liabilities</b>		<b><u>21</u></b>	<u>14</u>
<b>Equity</b>			
<i>Called up share capital</i>	9	<b>5,000</b>	5,000
Retained earnings		<b>525</b>	424
<b>Total equity</b>		<b><u>5,525</u></b>	<u>5,424</u>
<b>Total equity and liabilities</b>		<b><u>5,546</u></b>	<u>5,438</u>

The notes on pages 14 to 22 form an integral part of these Financial Statements.

These Financial Statements on pages 10 to 22 were approved by the Board of Directors on 4 May 2020 and were signed on its behalf by:



J Radley  
Director

## Financial Statements (continued)

### Statement of Cash Flows for the year ended 31 December 2019

	2019 £'000	2018 £'000
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax	98	(6)
Adjustments for:		
- change in trade and other receivables	(655)	29
- change in trade and other payables	7	-
- change in accruals and other financial liabilities	-	(4)
- disposal of investment in subsidiary	550	-
Net cash generated/(used in) from operating activities	-	19
<b>Net increase/(decrease) in Cash and cash equivalents</b>	-	19
Cash and cash equivalents brought forward	4,887	4,868
<b>Cash and cash equivalents carried forward</b>	4,887	4,887

The notes on pages 14 to 22 form an integral part of these Financial Statements.

## Financial Statements (continued)

### Statement of Changes in Equity for the year ended 31 December 2019

	Called up share capital £'000	Retained earnings £'000	Total £'000
<b>2019</b>			
At 1 January 2019	5,000	424	5,424
Profit for the year	-	101	101
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	101	101
	<hr/>	<hr/>	<hr/>
At 31 December 2019	<u>5,000</u>	<u>525</u>	<u>5,525</u>

	Called up share capital £'000	Retained earnings £'000	Total £'000
<b>2018</b>			
At 1 January 2018	5,000	429	5,429
Loss for the year	-	(5)	(5)
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	(5)	(5)
	<hr/>	<hr/>	<hr/>
At 31 December 2018	<u>5,000</u>	<u>424</u>	<u>5,424</u>

The notes on pages 14 to 22 form an integral part of these Financial Statements.

Equity is wholly attributable to equity shareholders of CCF & Partners Asset Management Limited.

## Notes on the Financial Statements

### 1 Basis of preparation and significant accounting policies

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The Financial Statements of the Entity have been prepared in accordance with the Companies Act 2006 as applicable to companies using IFRS as adopted by the European Union. The principal accounting policies applied in the preparation of these Financial Statements have been consistently applied to all of the years presented, unless otherwise stated. Further information is highlighted in the notes to the accounts.

#### 1.1 Basis of preparation

##### (a) Compliance with International Financial Reporting Standards

The Financial Statements of the Entity have been prepared in accordance with IFRS as issued by the IASB, including interpretations ("IFRICs") issued by the IFRS Interpretations Committee, and as adopted by the European Union ("EU").

##### Standards adopted during the year ended 31 December 2019

There were no new standards adopted by the Entity during the year.

##### (b) Future accounting developments

There are no amendments to IFRS as adopted by the EU which are effective from 1 January 2020 which could have a material impact on the Entity's financial statements.

##### (c) Presentation of information

The functional currency of the Entity is Sterling, which is also the presentation currency of the Financial Statements of the Entity.

The Financial Statements present information about the Entity as an individual undertaking and not about its group. The Entity is not required to prepare consolidated Financial Statements by virtue of the exemption conferred by Section 400 of the Companies Act 2006.

## CCF & Partners Asset Management Limited

### (d) Critical accounting estimates and judgments

There is no use of estimates and judgments in the preparation of financial information of the Entity, other than as described in note 1e below.

### (e) Going concern

The Directors made the decision in 2017 to liquidate the Entity. It is expected that the Entity will be liquidated within 12 months of the date when the Financial Statements are approved. Accordingly, the going concern basis of preparation is not appropriate and the Financial Statements and comparatives have been prepared on a basis other than going concern. No adjustments were necessary in these Financial Statements to reduce assets to their realisable values, to provide for liabilities arising from the decision or to reclassify fixed assets and long-term liabilities as current assets and liabilities. Liquidation expenses, estimated at £2,400 (inclusive of VAT) will be borne by HSBC Global Asset Management Limited.

## 2 General and administrative expenses

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	2019 £'000	2018 £'000
Other administrative expenses include:		
Auditors' remuneration for:		
- Audit fees	7	6
	<u>7</u>	<u>6</u>

The Directors made no charge for their services. No emoluments were received or are receivable by any of the Directors in respect of their services to the Entity during the year (2018: Nil). The details regarding Directors who are also Directors of other group undertakings are disclosed in the financial statements of those companies. The Entity has no employees (2018: none). All other administrative expenses, such as accountancy and IT related expenses, are borne by other group companies.

The Directors have decided to liquidate the Entity within 12 months of the date the Financial Statements were approved. Liquidation expenses are estimated at £2,400 (inclusive of VAT) and will be borne by group company, HSBC Global Asset Management Limited.

## CCF & Partners Asset Management Limited

### 3 Tax expense/(credit)

#### Tax credited to the income statement

	2019 £'000	2018 £'000
<b>Current tax</b>		
UK Corporation tax - for this year	(3)	(1)
<b>Total current tax</b>	(3)	(1)

The UK corporation tax rate applying to the Entity was 19.00% (2018: 19.00%).

A reduction in the main rate of UK tax to 17% with effect from 1 April 2020 was enacted in the Finance (No2) Act 2016 on 6 September 2016.

#### Tax reconciliation

The tax credit to the income statement differs to the tax credit that would apply if all profits had been taxed at the UK Corporation tax rate as follows:

	2019 £'000	Percentage of overall loss before tax	2018 £'000	Percentage of overall loss before tax
<b>Profit/(Loss) before tax</b>	98		(6)	
<b>Tax charged</b>				
UK corporation tax at 19.00% (2018: 19.00%)	19	19.00%	(1)	19.00%
Adjustments on respect of prior periods	(2)			0%
Income not taxable	(20)			0%
<b>Total tax expensed/(credited) to income statement</b>	(3)	19.00%	(1)	19.00%



## CCF & Partners Asset Management Limited

### 4 Cash and cash equivalents

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#### Accounting policy

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

	2019 £'000	2018 £'000
Cash and cash equivalents held with other Group undertakings	4,887	4,887
	<u>4,887</u>	<u>4,887</u>

### 5 Trade and other receivables

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Trade and other receivables represent amounts due to the Entity from group Entities prior to the end of the financial year. The amounts are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

	2019 £'000	2018 £'000
Amounts due from other group undertakings	655	-
	<u>655</u>	<u>-</u>

**6 Interests in associates and joint arrangements**

**Accounting policy**

Joint arrangements are investments in which the Entity, together with one or more parties, has joint control. Depending on the Entity's rights and obligations, the joint arrangement is classified as either a joint operation or a joint venture.

The Entity's investment in joint arrangements are stated at net realisable value.

	2019 £'000	2018 £'000
Interest in associates and joint arrangements	-	550

**Joint Venture**

The Entity's interest in the joint venture, HCM Holdings Limited is under liquidation and HCM's net assets have been distributed. A distribution from HCM to the Entity in the amount of £655k was approved on 26 November 2019. A gain on investment in subsidiary for £105k was recognized in the profit and loss statement.

**7 Trade and other payables**

**Accounting Policy**

Trade and other payables represent liabilities for goods and services provided to the Entity by other group companies prior to the end of the financial year, which were unpaid. The amounts are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

	2019 £'000	2018 £'000
Accrued expenses	<u>7</u>	<u>-</u>
	<u>7</u>	<u>-</u>

## CCF & Partners Asset Management Limited

### 8 Accruals and other financial liabilities

#### Accounting Policy

Accruals and other financial liabilities represent liabilities for goods and services provided to the Entity by non-group Entities prior to the end of the financial year which are unpaid. The amounts are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

	2019 £'000	2018 £'000
Accrued expenses	14	14
	<u>14</u>	<u>14</u>

### 9 Called up share capital

#### Accounting policy

Financial instruments issued are generally classified as equity when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

	2019 £'000	2018 £'000
Issued, allotted and fully paid up 5,000,000 (2018: 5,000,000) Ordinary shares of £1 each As at 1 January and 31 December	<u>5,000</u>	<u>5,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Entity. All shares rank equally with regard to repayment of capital.

### 10 Contingent liabilities and contractual commitments and guarantees

#### Accounting policy

Contingent liabilities, which include certain guarantees and letters of credit pledged as collateral security as well as contingent liabilities related to legal proceedings or regulatory matters are not recognised in the Financial Statements but are disclosed unless the probability of settlement is remote.

Liabilities under financial guarantee contracts which are not classified as insurance contracts are recorded initially at their fair value, which is generally the fee received or present value of the fee receivable. There were no contingent liabilities or financial guarantee contracts as at 31 December 2019 (2018: £nil).

**CCF & Partners Asset Management Limited**

**11 Analysis of financial assets and liabilities by measurement basis**

Financial assets and financial liabilities are measured on an ongoing basis at net realisable value. Fair value is considered equivalent to net realisable value.

The following table analyses the carrying amount of financial assets and liability by category as defined in IAS 39 and by Balance Sheet heading:

<b>At 31 December 2019</b>	<b>Financial assets and liabilities at net realisable value £'000</b>	<b>Total £'000</b>
<b>Assets</b>		
Cash and cash equivalents	4,887	4,887
Trade and other receivables	655	655
Total financial assets	<u>5,542</u>	<u>5,542</u>
Total non-financial assets	<u>4</u>	<u>4</u>
<b>Total assets</b>		<u><b>5,546</b></u>
<b>Liabilities</b>		
Trade and other payables	7	7
Accruals and other financial liabilities	14	14
Total financial liabilities	<u>21</u>	<u>21</u>
Total non-financial liabilities	<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<u><b>21</b></u>
<b>At 31 December 2018</b>	<b>Financial assets and liabilities at net realisable value £'000</b>	<b>Total £'000</b>
<b>Assets</b>		
Cash and cash equivalents	4,887	4,887
Trade and other receivables	1	1
Total financial assets	<u>4,888</u>	<u>4,888</u>
Total non-financial assets	<u>550</u>	<u>550</u>
<b>Total assets</b>		<u><b>5,438</b></u>
<b>Liabilities</b>		
Accruals and other financial liabilities	14	14
Total financial liabilities	<u>14</u>	<u>14</u>
Total non-financial liabilities	<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<u><b>14</b></u>

**12 Fair value of financial instruments not carried at fair value**

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There are no material differences between the carrying value and the net realisable value of financial assets and liabilities at 31 December 2019 and 31 December 2018. Fair value is considered equivalent to net realisable value.

**13 Management of financial risk**

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All of the Entity's activities involve to varying degrees, the analysis, evaluation, acceptance and management of risks or combination of risks. The most important types of risk include financial risk, which comprise credit risk, liquidity risk and market risk. The management of financial risk and consideration of profitability, cash flows and capital resources form a key element in the Directors' assessment of HSBC group entities, including the Entity.

**Credit risk management**

Credit risk is the risk of financial loss if a customer or counterparty of the Entity fails to meet a payment obligation under a contract.

Within the overall framework of the HSBC Group policy, the Entity has an established risk management process encompassing credit approvals, the control of exposures, credit policy direction to the Entity, and the monitoring and reporting of exposures.

The Entity's exposure to credit risk arises mainly from third party and intercompany receivables.

**a) Liquidity and funding risk management**

Liquidity risk is the risk that the Entity does not have sufficient financial resources to meet obligations as they fall due or will have access to such resources only at an excessive cost.

The entity monitors its cash flow requirements on a monthly basis and will compare expected cash flow obligations with expected cash flow receipts to ensure they are appropriately aligned. In light of this the Entity will borrow funds as and when required from parent undertakings.

**b) Market risk management**

The Entity's objective is to manage and control market rate exposures while maintaining a market profile consistent with its risk appetite.

The Entity manages market risk through risk limits approved by the HSBC Group Risk Management Meeting of the HSBC Group Management board and adopted by the Entity's Board. An independent risk unit develops risk management policies and measurement techniques, and reviews limit utilisation on a daily basis.

**c) Interest rate risk**

The entity has no exposure to interest rate risk as during 2019 the entity's bank account was changed to non-interest bearing in October 2018.

## CCF & Partners Asset Management Limited

### 14 Related party transactions

The Entity's related parties include the parent and fellow subsidiaries post-employment benefits plans for the Entity's employees, Key Management Personnel, close family members of Key Management Personnel and entities which are controlled or significantly influenced by Key Management Personnel or their close family members. Key management personnel are deemed to be the Directors of the Entity.

#### a) Transactions with Directors and other Key Management Personnel

Key Management Personnel are deemed to be the Directors of the Entity. There are no transactions between the Entity and key management personnel.

No loans were made to Key Management Personnel for the year ended 31 December 2019 (2018: none).

#### b) Transactions with other related parties

Transactions detailed below include amounts due to/from other group Entities.

	2019		2018	
	Highest balance during the year <sup>1</sup>	Balance at 31 December <sup>1</sup>	Highest balance during the year <sup>1</sup>	Balance at 31 December <sup>1</sup>
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Cash and cash equivalents	4,887	4,887	4,898	4,887
Trade and other receivables	655	655	-	-

<sup>1</sup> The disclosure of the year-end balance and the highest balance during the year is considered the most meaningful information to represent transactions during the year.

	2019	2018
	£'000	£'000
<b>Income statement</b>		
Accruals and other financial liabilities	14	14

### 15 Parent undertakings

The ultimate parent undertaking and ultimate controlling party is HSBC Holdings plc which is the parent undertaking of the largest group to consolidate these Financial Statements. HSBC Holdings plc is the parent undertaking of the smallest group to consolidate these Financial Statements. HSBC Holdings plc is registered in United Kingdom.

The immediate parent undertaking at 31 December 2019 is HSBC France. HSBC France is incorporated in France.

Copies of HSBC France and HSBC Holdings plc consolidated Financial Statements can be obtained from:

HSBC France  
103 avenue des Champs-Elysees  
75419 Paris Cedex 08  
France  
[www.hsbc.com](http://www.hsbc.com)

HSBC Holdings plc  
8 Canada Square  
London, United Kingdom  
E14 5HQ  
[www.hsbc.com](http://www.hsbc.com)

### 16 Events after the balance sheet date

There were no significant events occurring after the balance sheet date, as at the date these Financial Statements were approved. There is no impact on the Entity from COVID-19.