

Company no. 03901460
Charity no. 1079626

**NatWest Social and Community Capital
Report and Audited Financial Statements
31 December 2024**

NatWest Social and Community Capital

Reference and administrative details

For the year ended 31 December 2024

Company number	03901460	
Charity number	1079626	
Registered office	250 Bishopsgate London EC2M 4AA	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Kirsty Anderson appointed 3 April 2025 John Dixon Parita Doshi Andrew Harrison Anshu Mandal Joshua Meek Ash Mohammed Debra Phillips resigned 2 December 2024 Ben Smith	
Company secretary	Joseph Suffield Kyle Macfarlane	appointed 2 December 2024 resigned 2 December 2024
Chief executive officer	Victoria Papworth	
Bankers	NatWest 246-250 Regent Street London W1B 3PB	
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD	

NatWest Social and Community Capital

Chair and CEO's report

For the year ended 31 December 2024

As we reflect on 2024, NatWest Social and Community Capital (S&CC) has continued to play a crucial role in supporting communities through flexible, patient finance. Our portfolio has grown significantly, driven by increasing demand for social lending in a challenging environment. Despite the tough landscape, we've expanded our support to new and existing investees committed to creating lasting social change.

Interest in social investment continues to rise among charities and social enterprises, yet many face difficulties navigating this complex space. The shift in risk appetite required to access these financial products remains a barrier. Our investees continue to face funding challenges, particularly with reductions in local government budgets and ongoing struggles to attract and retain skilled staff. As traditional funding sources tighten, the need for accessible social investment capital has never been more critical.

Following the UK election, discussions with the new Government around the Civil Society Covenant have gained momentum. This initiative aims to reset the relationship between government and civil society, with a focus on creating lasting change. While we are cautiously optimistic, its success will depend on ensuring that the voices of social entrepreneurs shape its development. We hope the Covenant can provide long-term support to strengthen our sector.

This year marked an important milestone in our investment strategy, as we appointed Tribe Impact Capital as the manager for a portion of our funds. Tribe's expertise in impact investing aligns closely with our mission to ensure that all our investments contribute to a more equitable and sustainable world. We look forward to seeing the positive outcomes of this new partnership and the opportunities it will bring for both S&CC and our investees.

Our portfolio has continued to evolve, with a focus on sustainability and meaningful impact. As of the end of 2024, our total portfolio stands at £3.6m (including funds committed but not drawn down). This growth underscores the increasing recognition of social lending as an essential tool for unlocking community potential in a rapidly shifting landscape.

In 2024, we issued 19 loans, 10 of which were new investees to our portfolio, demonstrating the increasing demand for flexible financing options that can respond to the specific needs of social enterprises and charities. These loans have enabled investees to scale their impact, expand their services, and reach more individuals who benefit from their work. As always, we remain committed to supporting social enterprises that prioritise long-term, sustainable impact.

Our commitment to social change is reflected in the amount of funding committed to our investees. We have committed £1.9m this year, supporting a diverse range of organisations that are tackling some of the most pressing issues in our communities, from affordable housing to VAT bridging support. These commitments are a testament to the belief we have in our investees' capacity to deliver lasting impact.

In line with our prudent financial management strategy, we have maintained robust reserves, including unrestricted and designated funds. These reserves ensure we are positioned to weather future uncertainties and continue to support our investees, while also remaining flexible in our approach to risk and opportunity. As of YE 2024, our cash reserves total £4.4m, giving us the stability needed to sustain operations and respond to emerging challenges in the sector.

NatWest Social and Community Capital

Chair and CEO's report

For the year ended 31 December 2024

As a social lender, we are proud to report a continued strong performance in repayments. In 2024, our investees repaid over £1m in capital and interest, which enables us to recycle those funds into new investments, strengthening our ability to drive further social impact. This reinforces the sustainability of our model and the trust that our investees place in us to support their growth.

Engagement with the wider sector has remained a priority for us in 2024. We attended a number of key sector events, conferences, and roundtables, both in-person and virtually, strengthening our relationships with key stakeholders. These events have provided valuable insights and fostered collaboration, enabling us to stay ahead of emerging trends and challenges in the social finance space.

We continue to place a strong emphasis on understanding and measuring the impact of our investments. Our annual Impact and Diversity, Equity, and Inclusion survey, conducted with our investees, highlighted the significant social outcomes our loans are enabling. This data is invaluable as we continue to refine our approach to impact measurement and ensure we are supporting the most effective initiatives.

None of this would be possible without our volunteers, colleagues, and supporters whose ongoing support makes our work possible, and in particular our Funding Panel, on whose expertise and judgement we rely. Andrew and I would like to pass on our special thanks to Brendan, Tracy and Megan, and we remain grateful to everyone who contributes to the work of our operational team; our trustees, volunteers and the Strategic Partnerships team for their ongoing commitment to delivering impactful work in the communities we serve.



Victoria Papworth - CEO



Andrew Harrison - Chair

NatWest Social and Community Capital

Report of the trustees

For the year ended 31 December 2024

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 December 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

The liability of each of the trustees in the event of a winding up is limited to £1. This liability applies to all trustees whilst they are trustees and for one year after they cease to be trustees. Under its governing document, the charity has the power to make any investment which the trustees see fit.

The charitable status of the organisation has been confirmed by the Charity Commission.

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and a system has been established to mitigate those risks.

Structure, governance and management

The charity was incorporated on 23 December 1999 as a company limited by guarantee and commenced its activities immediately. It is a non-profit making organisation. The governing document is the Articles of Association which were last updated on 26 July 2024.

The Board of Trustees, which can have up to 8 members, administers the charity. The Board normally meets quarterly and there are sub-committees covering investment, finance and risk, and Board development, marketing and communications which meet regularly. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and lending related activity. Investment decisions are taken by a voluntary Funding Panel that meets fortnightly and has representatives from the bank and external bodies with extensive social and financial sector experience and investment and credit skills.

Method of recruiting and appointing new trustees

Trustees are appointed in accordance with the charity's governing document. New trustees are recruited based on their experience, skills, and commitment to the charity's objectives. The recruitment process includes interviews, due diligence, and approval by the existing trustees.

The trustees have established a Nomination and Governance Committee (NGC) to promote good governance and best practice to ensure the Board is working as effectively as possible to promote the mission and core values of the charity. The NGC will ensure the Board is complying with all aspects of the law, relevant regulations and good practice relating to its areas of responsibility.

The NGC meets at least twice annually and maintains and regularly reviews a schedule of trustee appointments and retirements, which include details of the Board's existing skillsets. It recommends to the Board potential candidates who possess the appropriate skills and appoints a recruitment panel to carry out the interview and assessment process.

NatWest Social and Community Capital

Report of the trustees

For the year ended 31 December 2024

New trustees undergo an orientation to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the Governance Manual, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Related parties

The trustees consider NatWest Group plc to be a related party because of its continued close financial and operational support which has been provided throughout the year ended 31 December 2024 and in prior years.

To continue to reach those communities furthest from help, S&CC is grateful for the support of NatWest Group plc for continued donation of staff, operating costs and professional support.

Pay policy for staff

The trustees consider the Board of directors, who are also the charity's trustees, and the CEO and operational team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All trustees give their time freely and no trustee received remuneration in the year ending 31 December 2024. The full-time staff working for the charity are paid by NatWest Group plc and pay is reviewed annually and a performance related increase is made where appropriate. The pay is benchmarked against pay levels for other roles with similar responsibilities elsewhere within the bank.

Objectives and activities

The charity's primary purposes, as set out in its governing document, are to provide flexible funding to social enterprises and charities, with the aim of facilitating community-based impact and fostering social change. The charity was established in 1999 to fund and help local community businesses via patient and flexible loan finance, and occasionally makes grants to address specific needs and opportunities. It retains the flexibility to look at other financing mechanisms to meet market demands, gaps or opportunities as they are identified. S&CC operates across the UK including Northern Ireland, but with a strategic focus on Scotland and NW Midlands from 2024, and we only support ventures operating and benefitting communities in the UK.

During the year, S&CC provided loans to a variety of social enterprises and community organisations, focusing on bridging finance, working capital, and supporting projects with social impact. The mission of the charity is to enable social enterprises to make a positive impact in UK communities. We aim to achieve it through:

- The provision of finance to social enterprises that are unable to access mainstream funding;
- The reinvestment of funds for long-term sustainability of the charity; and
- The assessing, measurement and reporting of the social impact and financial performance of our borrowers and ourselves to ensure effective use of resources.

Our main sectors of focus are:

- Employability, education and training for those furthest from the labour market;
- Provision of services to the most disadvantaged people/communities; and
- Community regeneration.

NatWest Social and Community Capital

Report of the trustees

For the year ended 31 December 2024

We rely on volunteers to help us achieve our objectives. Over the course of the year, volunteers from within NatWest Group plc and the wider social enterprise sphere donated their time to support NatWest Social & Community Capital; participating in Funding Panel meetings, supporting the Board and Funding Panel in their decision making, providing skills-based support to our customers and assisting our work in innumerable other ways.

Public benefit statement

The trustees are aware of the obligations of the charity, which are set out in the guidance issued by the Charity Commission under the Charities Act 2011. They are confident that the work of the charity in pursuit of its objects is delivering public benefit. The trustees will comply with the future reporting requirements in this regard. Our services are focused on underserved communities and sectors who do not have access to mainstream funding, delivering sustainable solutions for social challenges.

Achievements and performance

In July 2024, we made important changes to our Articles of Association to better align with our position as a social lender, reflecting our evolving role in the sector. It is also worth noting the significant political changes in 2024, including the shift in the UK Government, which have contributed to increased market uncertainty. This, coupled with global instability and ongoing geopolitical challenges, has created a turbulent environment. Despite these external pressures, we have continued to provide flexible and patient finance to communities delivering vital local services, reinforcing our commitment to supporting those most in need during these uncertain times.

We have approved 19 loans to social enterprises, with 10 customers which were new to the charity. We acknowledge that, although we have two core geographies where we aim to focus new lending, we nonetheless remain available to those organisations with whom we have an existing relationship, even if they are outside of these areas.

Financial review

In 2024 we approved £1.88m in loans to charities and social enterprises but were only able to advance a portion of these loan commitments, £843k in total. We recognise the challenges which many of our investees face, both in terms of timings of the loans as well as the challenging economic environment. Market uncertainty, coupled with shifting priorities and operational challenges, led to delays in timing for some organisations. Despite these hurdles, we continue to work closely with them to ensure they are positioned to access the funding when the circumstances are more favourable.

Our loans and support have made a tangible difference to the lives of those in Scotland and the NW Midlands, our core areas of geographic focus. With our first loan of the year supporting a capital project at a cultural project in Kent, and our last being a bridging facility against a national grant, in Cornwall, S&CC's work has contributed to a broader social impact, including economic empowerment, sustainable community development, and fostering trust-based relationships with local and national partners.

Investment policy

In early 2024, S&CC sought to enhance its investment strategy by going to market for an impact-focused investment mandate. We issued a Request for Proposal for Investment Services, inviting several expert firms to submit proposals. After a thorough selection process, which included interviews and detailed assessments, we appointed Tribe Impact Capital as the manager for a portion of our funds.

NatWest Social and Community Capital

Report of the trustees

For the year ended 31 December 2024

This appointment marks an important step in aligning our investments with our mission. At S&CC, we are committed to ensuring that our entire balance sheet – not just the small portion allocated to catalytic social investments – reflects the world we want to see. By integrating impact considerations across all of our investments, we are striving to drive positive social and environmental outcomes, while maintaining the financial sustainability of the organisation. This approach reaffirms our dedication to responsible investing and underscores the importance of impact at every level of our operations.

Financial position at year end

At the end of the financial year, S&CC held £12,977,114 in assets, with a total income of £488,785 and total expenditure of £397,184. The charity remains in a strong financial position, enabling it to continue to make loans to those organisations which are not well served by mainstream finance.

Reserves policy

The Board of Trustees acknowledges that in order to provide loan finance the charity must ensure significant unrestricted free cash reserves are available.

As at 31 December 2024 the charity's unrestricted free reserves totalled £4,398,844. At this date the value of funds committed to investments and loan portfolio totalled £8,578,270 and available cash reserves totalled £4,409,094.

The Board are committed to achieving the charity's aims and objectives by ensuring the ongoing availability of loan finance through the adoption of sustainable lending policies and the continual review of our products and services. They anticipate that the loan book will continue to grow over time and, as it does so, unrestricted reserves will therefore convert from cash reserve to loan portfolio reserve.

Trustees' indemnity insurance

The trustees are the directors of the company. During the year and up to the date of approval of the financial statements, there was a qualifying third-party indemnity in place for directors as allowed by Section 234 of the Companies Act 2006.

Going concern

The trustees are confident that S&CC will continue to operate as a going concern for the foreseeable future. Our cash flow projections and fundraising strategy are in place to manage any short-term financial pressures. At the year end, there were no deficits that have affected the charity's overall operations.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

NatWest Social and Community Capital

Report of the trustees

For the year ended 31 December 2024

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice 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 in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 25 June 2025 and signed on their behalf by



Andrew Harrison - Chair of Trustees

Independent auditors' report

To the members of

NatWest Social and Community Capital

Opinion

We have audited the financial statements of NatWest Social and Community Capital (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, 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, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 6 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

NatWest Social and Community Capital

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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.

Independent auditors' report

To the members of

NatWest Social and Community Capital

Our 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 auditor's 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the members of

NatWest Social and Community Capital

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 auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

William Guy Blake

Date: 28 July 2025

William Guy Blake ACA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

NatWest Social and Community Capital

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 December 2024

	Note	2024 Total £	2023 Total £
Income from:			
Donations and legacies	2	170,770	1,666,121
Charitable activities	3	148,487	131,526
Investments	4	169,528	80,078
Total income		488,785	1,877,725
Expenditure on:			
Raising funds		11,879	-
Charitable activities		385,305	309,877
Total expenditure	5	397,184	309,877
Net gains on investments	9	180,712	360,039
Net income and net movement in funds	6	272,313	1,927,887
Reconciliation of funds:			
Total funds brought forward		12,704,801	10,776,914
Total funds carried forward		12,977,114	12,704,801

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure pertains to unrestricted funds.

NatWest Social and Community Capital

Balance sheet

As at 31 December 2024

	Note	£	2024 £	Restated 2023 £
Fixed assets				
Listed investments	9		6,191,524	3,094,872
Social investments	10		220,150	220,150
			6,411,674	3,315,022
Current assets				
Debtors falling due within one year	11	553,941		479,619
Debtors falling due after one year	11	1,612,655		1,579,487
Current asset investments		2,921,613		-
Cash at bank and in hand		1,487,481		7,338,673
		6,575,690		9,397,779
Liabilities				
Creditors: amounts falling due within 1 year	12	(10,250)		(8,000)
Net current assets			6,565,440	9,389,779
Net assets			12,977,114	12,704,801
Funds				
Unrestricted funds	13		12,977,114	12,704,801
Total charity funds			12,977,114	12,704,801

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 25 June 2025 and signed on their behalf by



Andrew Harrison - Chair of Trustees

NatWest Social and Community Capital

Statement of cash flows

For the year ended 31 December 2024

	2024 £	2023 £
Cash used in operating activities:		
Net movement in funds	272,313	1,927,887
Adjustments for:		
(Gains) / losses on investments	(180,712)	(360,039)
Dividends and interest from investments	(169,528)	(75,078)
Decrease / (increase) in debtors	(107,490)	(1,247,757)
Increase / (decrease) in creditors	2,250	-
Net cash provided by / (used in) operating activities	(183,167)	245,013
Cash flows from investing activities:		
Dividends and interest from investments	169,528	75,078
Proceeds from the sale of investments	4,153,661	-
Purchase of investments	(7,006,593)	-
Net cash provided by / (used in) investing activities	(2,683,404)	75,078
Increase / (decrease) in cash and cash equivalents in the year	(2,866,571)	320,091
Cash and cash equivalents at the beginning of the year	7,338,673	7,018,582
Cash and cash equivalents at the end of the year	4,472,102	7,338,673
Analysis of cash and cash equivalents:		
Cash held in current accounts	1,487,481	7,338,673
Cash held in current asset investments	2,921,613	-
Cash held in investment portfolio	63,008	-
	4,472,102	7,338,673

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

NatWest Social and Community Capital

Notes to the financial statements

For the year ended 31 December 2024

1. Accounting policies

a) General information and basis of preparation

NatWest Social and Community Capital is a charitable company limited by guarantee registered in England and Wales. The registered office address is 250 Bishopsgate, London, EC2M 4AA.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

NatWest Social and Community Capital meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

NatWest Social and Community Capital

Notes to the financial statements

For the year ended 31 December 2024

1. Accounting policies (continued)

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. 100% of these costs have been allocated to charitable activities.

h) Listed investments

Listed investments traded on a recognised stock exchange are stated at fair value at the reporting date, which is deemed to be their market value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

i) Programme related investments

Programme related investments are made in pursuance of the charity's objects and are not held primarily for financial return. Such investments are stated at amortised cost using the effective interest method. They are reviewed annually for impairment. Any losses or impairment arising from such investments is charged as part of charitable activities within the Statement of Financial Activities.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Loans are initially stated at amounts advanced and are subsequently carried at amortised cost using the effective interest method. Loans are assessed for indicators of impairment at each reporting end date, which is classified as a latent provision and is charged as part of charitable activities within the statement of financial activities.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value.

NatWest Social and Community Capital

Notes to the financial statements

For the year ended 31 December 2024

1. Accounting policies (continued)

m) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, and has opted to apply IFRS 9 to all financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at either fair value through profit or at amortised cost using the effective interest method, as indicated in the individual accounting policies.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

Donated services

The trustees have exercised judgement in relation to the recognition of donated services and facilities in the year ended 31 December 2024. The trustees note that donated services received in the year largely relate to staff time provided by NatWest Group PLC, which may command higher rates than the charity would have paid in the open market. The value of donated goods and services is therefore included at the value that the trustees consider the charity would have paid on the open market.

Latent provisions

Loans are assessed for indicators of impairment at each reporting end date, which is classified as a latent provision and is charged as part of charitable activities within the Statement of Financial Activities. Such indicators may include significant financial difficulty of the obligor, or observable data indicating that there has been a measurable decrease in the estimated future cash flows from a group of loans since the initial recognition of those assets, even though the decrease cannot yet be identified with the individual financial assets in the group. Latent provisions are calculated and applied to loans grouped on the basis of similar credit characteristics.

The balance of latent provisions at the year end is disclosed in note 11 of the accounts, with total amounts charged to the SoFA during the year shown in note 5. Actual results may differ from these estimates.

NatWest Social and Community Capital

Notes to the financial statements

For the year ended 31 December 2024

1. Accounting policies (continued)

o) Accounting estimates and key judgements (continued)

Loan balances falling due in less than and more than one year

In determining the split of capital expected to be repaid in the next 12 months, the trustees have had to make an assumption about the number of loan recipients who will make capital repayments in 2025, based on historical experience and current levels of repayments being made. However, actual results may differ.

2. Income from donations

	2024	2023
	Total	Total
	£	£
Donations	-	1,500,000
Gifts in kind (note 15)	170,770	166,121
Total income from donations	170,770	1,666,121

During the year the charity received gifts in kind from NatWest Group PLC estimated at £170,770 (2023: £166,121). This relates to staff time and administrative expenses which were not recharged to the charity. In the prior year they also made a one-off donation of £1,500,000.

3. Income from charitable activities

	2024	2023
	Total	Total
	£	£
Loan interest receivable	137,487	112,432
Loan administration fees	9,500	19,094
Partner payments	1,500	-
Total income from charitable activities	148,487	131,526

4. Income from investments

	2024	2023
	Total	Total
	£	£
Income from listed investments	28,972	-
Interest income	140,556	80,078
Total income from investments	169,528	80,078

NatWest Social and Community Capital

Notes to the financial statements

For the year ended 31 December 2024

5. Total expenditure

	Raising funds	Charitable activities £	Support and governance £	2024 Total £
Insurance	-	-	1,420	1,420
Legal and professional fees	-	-	125,954	125,954
Investment management fees	11,322	-	-	11,322
Auditors' remuneration	-	-	9,000	9,000
Client management	-	149,278	-	149,278
Loan provisions	-	60,280	-	60,280
Administration	557	-	39,373	39,930
Sub-total	11,879	209,558	175,747	397,184
Allocation of support and governance costs	-	175,747	(175,747)	-
Total expenditure	<u>11,879</u>	<u>385,305</u>	<u>-</u>	<u>397,184</u>

Total governance costs were £9,000 (2023: £7,000).

Prior period comparative

	Raising funds	Charitable activities £	Support and governance £	2023 Total £
Insurance	-	-	1,682	1,682
Legal and professional fees	-	-	41,298	41,298
Auditors' remuneration	-	-	7,000	7,000
Client management	-	129,088	-	129,088
Loan provisions	-	77,641	-	77,641
Administration	-	-	53,168	53,168
Sub-total	-	206,729	103,148	309,877
Allocation of support and governance costs	-	103,148	(103,148)	-
Total expenditure	<u>-</u>	<u>309,877</u>	<u>-</u>	<u>309,877</u>

NatWest Social and Community Capital

Notes to the financial statements

For the year ended 31 December 2024

6. Net movement in funds

This is stated after charging:

	2024 £	2023 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Auditors' remuneration:		
▪ Statutory audit (including VAT)	<u>9,000</u>	<u>7,000</u>

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

7. Staff costs and numbers

The key management personnel of the charitable company comprise the Trustees and Chief Executive Officer. The costs associated with key management personnel have been donated to the charity and therefore have been included as part of gifts in kind (see notes 2 and 15).

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Listed investments

	2024 £	Restated 2023 £
Market value at 1 January 2024	3,094,872	2,734,833
Additions	7,006,593	-
Disposals proceeds	(4,153,661)	-
Gains / (losses)	<u>180,712</u>	<u>360,039</u>
Market value at 31 December 2024	6,128,516	3,094,872
Cash held	<u>63,008</u>	<u>-</u>
Total investments	<u>6,191,524</u>	<u>3,094,872</u>

The prior year accounts have been restated to recognise show mixed motive investments as purely listed investments. The restatement is a change in reclassification only.

NatWest Social and Community Capital

Notes to the financial statements

For the year ended 31 December 2024

10. Social investments

	Total £
Cost or valuation	
At 1 January 2024 and at 31 December 2024	<u>220,150</u>
Impairment	
At 1 January 2024 and at 31 December 2024	<u>-</u>
Carrying amount	
At 31 December 2024	<u>220,150</u>
At 31 December 2023	<u>220,150</u>

Social investments comprise:

	2024 £	2023 £
Investments		
The Charity Bank Limited	40,000	40,000
Black Country Reinvestment Society Limited	20,000	20,000
East Lancashire Moneyline (IPS) Limited	40,000	40,000
Wessex Reinvestment Society Limited	20,000	20,000
The Ethical Property Company Limited	15,750	15,750
Portsmouth Area Regeneration Trust (IPS) Limited	-	20,000
ICOF Community Capital Limited	10,000	10,000
Art Share (Social Help Association for Reinvesting in Enterprise) Limited	20,000	20,000
Derby Loans (IPS) Limited	20,000	20,000
London Rebuilding Society Limited	20,000	20,000
East End Fair Finance Limited	<u>20,000</u>	<u>20,000</u>
Total investments	225,750	245,750
Provisions for impairment	<u>(5,600)</u>	<u>(25,600)</u>
Net book value at 31 December 2024	<u>220,150</u>	<u>220,150</u>

NatWest Social and Community Capital

Notes to the financial statements

For the year ended 31 December 2024

11. Debtors

	2024 £	2023 £
Loan portfolio	2,628,030	2,716,717
Latent provisioning	(475,725)	(671,902)
Accrued loan interest and fees receivable	14,007	14,007
Loan portfolio sub total	2,166,312	2,058,822
Prepayments	284	284
	<u>2,166,596</u>	<u>2,059,106</u>

Loan portfolio analysis

	2024 £	2023 £
Amounts due < 1 year	553,657	479,335
Amounts due > 1 year	1,612,655	1,579,487
	<u>2,166,312</u>	<u>2,058,822</u>

Portfolio loans have been made in accordance with charity's objective to help local community groups and charities.

12. Creditors: amounts falling due within 1 year

	2024 £	2023 £
Accruals	10,250	8,000

13. Movements in funds

	2024 £	2023 £
At 1 January 2024	12,704,801	10,776,914
Net income before gains	91,601	1,567,848
Net gains on investments	180,712	360,039
At 31 December 2024	<u>12,977,114</u>	<u>12,704,801</u>

NatWest Social and Community Capital

Notes to the financial statements

For the year ended 31 December 2024

14. Financial instruments at fair value

	2024 £	2023 £
Financial assets measured at fair value	<u>6,191,524</u>	<u>3,094,872</u>

Financial assets measured at fair value comprise listed investments.

15. Related party transactions

The majority of the Board of Trustees are also employees of the NatWest Group PLC, which provided donated services for the charity during the year.

Income and expenditure, including donated services, relating to NatWest Group PLC during the year ended 31 December 2024 were as follows:

	2024 £	2023 £
Income		
Gifts in kind	170,770	166,121
Cash donations	<u>-</u>	<u>1,500,000</u>
	<u>170,770</u>	<u>1,666,121</u>
Expenditure		
Gifts in kind - client management	149,278	129,088
Gifts in kind - administration	<u>21,492</u>	<u>37,033</u>
	<u>170,770</u>	<u>166,121</u>