

# Equinox Care

Report and financial statements

For the year ended 31 March 2022



Social  
Interest  
Group

**equinox**

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## Reference and Administrative details of the Charity, its trustees and advisors

Equinox was established in 1986, incorporated as Drink Crisis Centre on the 23rd of March 1987, opened its first service in 1990 and changed its name to Equinox Care on the 13th of April 1999. It now trades as Equinox and joined the Group on the 1st October 2014.

### Directors and Charity trustees

The directors of the Charity are its trustees for the purposes of charity law and throughout this document are collectively referred to as trustees. The current trustees and those that served during the year:

#### Chairman

Karl Marlowe

#### Other trustees

Rami Bibi Resigned – 4<sup>th</sup> February 2022)

Dylan Kerr

Stuart Jenkin

Lindsey Wishart (Treasurer)  
(Resigned – 25<sup>th</sup> May 2022)

Jeff Loo (Appointed – 4<sup>th</sup> February 2022)

Claire Barton (Appointed – 4<sup>th</sup> February 2022)

#### Company Secretary

Michael Rutherford

#### Executive Officers

Group Chief Executive

Gill Arukpe

#### Senior Director of Operations

Cassie Newman

#### Director of Finance & Resources

Michael Rutherford

#### Director of People & Culture

Zainah Baker (Resigned – 25<sup>th</sup> April 2022)

Maria Speight (Appointed – 11<sup>th</sup> July 2022)

#### Registered office

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N1 1TY

#### Auditor

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#### Bankers

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London  
EC2V 7HN

#### Solicitors

Russell Cooke LLP  
2 Putney Hill  
London  
SW15 6AB

#### DWF LLP

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Company registration number

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Charity registration number **296694**

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The trustees present their report and the audited financial statements for the year ended 31<sup>st</sup> of March 2022.

The reference and administration information set out on the previous page form 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: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives**

### **Purposes and Aims**

The objects of Equinox as set out in the Articles of Association are for the public benefit:

- To assist, relieve and rehabilitate any person who is in need because of alcohol problems, other substance misuse problems, mental and physical health issues, age, learning difficulties, an involvement in the criminal justice system or a lack of appropriate housing, and to assist and relieve such persons' family, dependents and other carers who are in need as a result of that person's problems; and
- To further such other exclusively charitable purposes according to the law of England and Wales as the trustees in their absolute discretion from time to time determine.

The trustees review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the Charity has brought to the people that it is set up to help. The review also helps the trustees ensure the Charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

## **Activities**

Equinox provides tailored support, health care and recovery for people whose needs challenge other services, living with trauma, mental illness, substance and alcohol issues, homelessness, forensic history, or a combination of these, preventing them from living fulfilled lives.

Equinox's expertise supports people excluded from other services due to substance and alcohol misuse. The heart and soul of Equinox are providing hope without exclusion to all who come to them. Equinox currently operates across London and in Brighton and has the ambition to grow.

## Chief Executive's Statement

I'm very proud of what we achieved at the Social Interest Group (SIG) this year, of which Equinox is a subsidiary member. We supported 4,400 residents and participants during the pandemic and managed to keep everyone safe, well, active and involved.

We developed a Peer Mentoring Programme and volunteer scheme to enhance the participant and resident's journey, increasing how we can support people who find participating or living in supported housing challenging. Health Education England helped fund this new program. As part of the business growth plan, we established fundraising, marketing and a sales team. They have made a difference, bringing in new money for us to trial new ways of working and increase the occupancy rate in our supported housing schemes.

Equality, Diversity and Inclusivity (EDI) is the main reason for our purpose and why we are here. Ensuring our people have equal access to housing, employment, training, and health and social care services, no matter how complex their lives. To ensure EDI remains core in all we do, we appointed an EDI Program Manager who quickly established Ambassadors across the organisation, each with a particular interest in the protected groups. We included menopause as its crucial to health and wellbeing.

We retained existing services and for financial reasons, we have also had to make some hard decisions, most notably the closure of our detox service, Brook Drive. However, we finished the year strong and united as one team under one quality brand - SIG.

This year, the after-effects of the lockdowns and Covid-19 have become more apparent within the cohorts of people we support. We have seen dramatic rises in those referred to our services being more complex. Cases of dual diagnosis, depression and suicidal idealisation caused by poverty, isolation, and higher cost of living have increased. Alcohol and substance misuse continues to be a constant factor within the sector, and the number of women being exploited, trafficked and living in abusive and controlled environments is increasing. These impacts are why all of us at SIG Equinox strive for change, and this year, our most notable achievements were:

### Property Strategy

Our property strategy aims to increase the quality of estate management within Equinox and charge fairly for this service to ensure residents' satisfaction, particularly concerning repairs and easy access to our services. We continue to build enduring partnerships with local authorities to jointly invest in the communities where Equinox has accommodation to maximise social impact and boost economic growth.

### Social Impact and Value

Social value is vital to us as we deliver local services to local people with staff working and living in the local community. We devoted considerable time to finding ways to measure and understand the social impact and value of Equinox. Working with commissioners, we have been laying out plans for how each of our services engages more profoundly with the local area, infrastructure, and community.

### ICT Strategy

We invested in making our ICT infrastructure the most secure within the sector. The changes ensure we reduce risk on services and operations and increase visibility and assurance in Cyber-Security. We now have the flexibility to scale and evolve as our business needs change and provide a greater collaborative experience for all staff.

### People and Culture

Recruitment is the most significant risk in the sector. Finding and retaining the best staff is our challenge. We invested in our staff teams, deepening our connection to them by understanding what inspires, motivates, and hinders them from reaching their full potential. We implemented reflective practice at all levels to allow staff to openly discuss what they have seen, heard, or experienced in a safe environment. We brought in workplace apprenticeships, developed more in-house training around safeguarding and risk management, and focused on shaping the future of the leadership team by recognising and developing in-house talent. We

are proud of our career progression opportunities for frontline staff. Many have gone on to manage services and become senior leaders. We started to develop our pay and reward strategy and joined other thought leaders in raising the issue of pay in the sector. Without the support of commissioners and the central government, this will remain high risk.

### **Fundraising, Marketing and Development**

In closing, we onboarded new funders and trustees and overcame many challenges. My greatest sadness was making the difficult decision to close Brook Drive, as the Care Quality Commission's requirements meant we did not have the financial resources to continue to run it - the last remaining charity-led detox in London. Equinox ran the service for over 20 years. The closure has undoubtedly left a hole in the sector. However, where one door closes, another opens. Brook Drive, the building, has been transformed into a new and vital service launching in 2022.

I'm so proud of everyone at SIG Equinox for rising to the challenges we face each day and overcoming them together. I've seen strength and innovation across the Group, and I know the future will continue to be bright for the people we support and us.



**Gill Arukpe, Group Chief Executive**

**27<sup>th</sup> September 2022**

# Strategic Report

## Results and Impacts

In 21/22 we supported 1,027 people across 11 different services.

### Residential Services

Across SIG Equinox Care (trades as SIG Equinox) residential services, we supported 215 residents with diverse, complex support and health needs during FY2021-22. Over 75% of move-on in FY2021-22 were positive, including transferring into independent living and step-down accommodation. Only three residents experienced returns to prison or unplanned returns to hospital during their time in our care.

KPI	TARGET	ACTUAL
% Positive move-ons	>85%	75.6%
% unplanned return to hospital	<3%	0.3%
% convicted of new offence	<3%	0%
% unplanned return to prison	<3%	0%

- Positive Move on means people that secure independent accommodation or move into a safe location for continued support.
- Total Departures means every resident or Participant that has left the service that year.

Total departures	193
Positive move-ons	146
Total clients seen	1,027
Unplanned returns to hospital	3
Convicted of a new offence	0
Unplanned return to prison	0

## Client Transformations

### Ben's Story

At Equinox, we take care of physical, mental and emotional needs. Our Supported Housing Accommodations are not just places for people to lay their heads. We ensure their involvement with all we do and deliver. Ben joined Marron House on the 29th of June 2020. Initially, he was hesitant to join in as he wasn't sure what to expect. Staff built a relationship with him, encouraged, and motivated him to join in, helping him make decisions about his Support Plan and supporting him in taking informed risks. He wanted to change his physical and mental health from the start. Despite having a history of complicated health conditions, he did not let this bring him down. Ben had been diagnosed with Paranoid Schizophrenia and an Acoustic Neuroma (non-cancerous tumour) - which unfortunately led him to lose hearing in his left ear.

During the COVID-19 pandemic, Ben continued to attend every Well-Being Workout organised by his keyworker – socially distanced, of course. He was a regular attendee every time! Workouts included full-body workouts, including squats and resistance bands. He pushed himself to become stronger and even participated in weekly personal training sessions to further his progress. Through hard work and dedication alongside staff, his balance has improved dramatically, along with his strength, and he can now walk much longer distances without using a crutch or walking stick.

Ben is also a qualified architect, spending much time working on projects. Most recently, he has undertaken private work for his family, which he takes great pride in. He consistently presents no signs of relapse, behavioural issues or difficulty engaging with staff and fellow service participants. Ben continues to make fantastic progress and has aspirations of learning to drive and moving out into his flat. All the staff at Marron House are very proud of him.

## Our Focus

### Equality, Diversity and Inclusion (EDI)

As part of our strategic objective to make access to health, social care, housing and employment more equitable, we appointed an Equality, Diversity and Inclusion Programme Manager to develop our three-year strategy working with our CEO. The plan provides a framework and roadmap to identify and address any barriers that limit access to our services. Among the strategy's broader aims and objectives is to challenge the over-representation of People of Colour within the Criminal Justice and Mental Health System. We made real strides toward our EDI plans. An internal audit during the year concluded Equinox as an "Age-Friendly Employer". We intend to promote this as a unique selling point as part of future social media campaigns and recruitment drives.

### Disability Confident

We achieved Level 2 certification as a registered disability accredited employer. Recognised as a Disability Confident organisation, we lead in changing attitudes for the better. We aim to change behaviours and cultures internally and within our external networks and communities where possible and reap the benefits of inclusive recruitment practices. We are working towards ensuring that all our properties have disabled access. As part of our property development strategy, we aim to replace or renovate to ensure we can offer equal access for disabled people over the next five years.

### Reflective Practice

Reflective Practice is essential to creating Psychologically Informed Environments (PIE). It provides a safe place for staff to share best practice and reflect on our work's emotional impact, facilitated by external facilitators. Monthly Reflective Practice continued in the year provided by Brett Grellier Psychology Services for frontline staff. Bi-monthly sessions took place for Managers, Deputy Managers, senior management team and members of the Executive Management Team. Sessions are online, enabling staff to share learning across various services and geographical locations.

### Best Practice

#### Project Boards

Our Best Practice Team introduced Project Boards to manage new services' development, mobilisation and implementation. Using a project management approach, they promote best practices ensuring all new contracts are delivered on time, within budget and achieve or surpass the required outcomes. Support services, subject matter experts, residents and participants, families and carers are engaged, and any potential or current obstacles to progress are resolved. A Project Management Coordinator provides support, chairing meetings for each Project Board and maintaining accurate records.

#### Theory of Change

We finalised our Theory of Change model and presented it to staff, stakeholders and the Board. We base it on three core elements; identity, community and relationships. We started work reviewing all the activities and interventions we deliver across our services and aligning them with these elements. We began embedding the Theory of Change concept early with staff ensuring they understood how their work aligns with these fundamental principles. We began to develop a communication cascade with our Communications Team, working with a small, already engaged group of employees who helped build our Theory of Change.

#### Quality Handbook

We completed work on our Quality Handbook, a new digital interactive Best Practice Guide for all staff across SIG Equinox for developing, mobilising and implementing new services. It has been a historic collaborative effort, involving over 115 staff and 18 workshops to codevelop the contents. We designed the handbook for



group settings with guides and best practice examples. We will continue to add more examples as they develop. We announced its launch and introduced its contents in July through an all-staff webinar, and it went live on our staff intranet in August. Our Director of Innovation and Impact facilitated workshops on using the handbook in August and September, the first on resident and participant involvement and the second on embedding PIE in local services.

### Development, Mobilisation and Implementation Handbook (DMI)

We introduced the DMI Handbook as part of an improvement plan to help maintain service delivery standards across each stage of the business development cycle, from bidding and winning business to mobilisation, implementation and ongoing performance review. The handbook breaks down each stage, how they intersect, and the sign-off processes for each.

### Quality and Performance

Across the organisation, we worked to improve Quality and Performance reporting and workflow management for Service Managers and Heads of Service. We established what information could be utilised and defined new governance standards for capturing and curating data to create larger datasets for evidence-based decision-making. We worked across the organisation to better accustom frontline staff to data entry, reporting, systems and software. We used bi-weekly Excel training and Inform 'Clinics' to work through issues and queries live on-screen.

### Business Intelligence Reporting

Implementing and using various reporting dashboards within Microsoft PowerBI against internal KPIs has been a priority. Reports will add valuable insight into our performance as contractual evidence related to compliance and our impact, providing invaluable data for bids, grants and fundraising opportunities. The improvements we are making will continue to feed into the work on PowerBI, increasing the level and standard of business intelligence across the organisation and live reporting functionality.

## **ISO9001 Accreditation**

The Social Interest Group achieved Certification with ISO 9001 following an assessment by The Certification Group in January 2022. The assessor inspected a portfolio of audits carried out across the organisation that demonstrate our commitment to the Quality output of our services. Audits were a collaborative effort, with representatives from a range of services and all departments of SIG involved. ISO 9001 is the market's most credible, robust and effective business improvement tool. SIG has held Certification since its inception.

## **Voids Management**

We implemented weekly void meetings and reviewed collaborative working approaches between our Operations, Housing and Business Intelligence teams to create a more targeted and supportive approach to those higher-risk voids, including clear escalation routes for unpicking barriers. In some instances, we reduced the number of voids from 11 to two within five weeks, significantly reducing any additional lost income. We developed a live void dashboard through Microsoft PowerBI to see the voids across the SIG and drill down into each service to provide an up-to-date picture. For the first time in many years, we filled all our beds in our Equinox Brent services and filled long-standing voids at Equinox Southampton Way (SWay). We are also utilising the opportunity with contract extensions to negotiate with commissioners to share the risk around void loss.

## **Learning Programmes Development and Roll Out**

The roll-out of our Programmes across services continued. Our in-house Programme Team designs and develops creative learning activities and interventions, supplementing them with e-learning and utilising practical exercises, toolkits and coaching approaches for residents and participants. Each targets specific needs and includes: *Resonate* is a 6-step process to understand better, manage and cope with emotions;

*Amplify* seeks to explore two key themes: motivation and employability creatively; *Insight* is a self-awareness programme combining CBT with theatre and storytelling to improve confidence and self-esteem.

Insight, Resonate and Amplify were delivered at Equinox Brent, Hammersmith and Fulham service. Our Programmes Team finalised the staff training programme ensuring all services had the opportunity to provide our programmes to a high standard with support and quality assurance. The team supported moving all our intervention toolkits and resources into one place, making it easier to share best practices to ensure quality and consistency of provision.

## **People and Culture**

### Service Managers Development Programme

Despite the pandemic, we delivered our staff development program and devised multiple ways to ensure staff could access onboarding and refresher training resources. Our development programme for Managers and Deputy Managers aims to support their roles with internal and external delivery of crucial topics. These have included Resilience, Be More Assertive, Working to a Budget, Introduction to Coaching and Time Management. These were delivered interactively online in three cohort groups of 15 per group. During Q2, we continued expanding our programme offer, which includes eight modules.

### Agency Reduction

Work in this area continues to improve and has been one of the significant success areas for 2021/22 with our colleagues in People & Culture. Agency use has dramatically dropped, and we continue to see a reduction in the use of bank staff and overtime per month, despite challenges with self-isolation due to Covid. The work with Microsoft PowerBI will be able to compare the salaried headcount, vacancy, agency, bank and overtime hours via a dashboard to track hours delivered. The end-of-year result demonstrated that savings made against permanent staff were not 100% offset by agency, bank or overtime spending. Whilst this is a positive result for our agency use from previous years, it has meant undertaking further scrutiny to understand better how services functioned safely with less than budgeted headcount and how we can utilise these approaches into 2022/23.

### Uptake of Apprenticeships and Increased Spending of the Levy Pot

With the Social Interest Group contributing to the apprenticeship levy pot, we have encouraged staff at all levels to take advantage of accredited qualifications in Health and Social Care, Operational Management and Housing. Currently, with 12 participants on their learning journeys, we hope to expand this in the coming years.

## Significant Events

### Aspinden Care Home

Aspinden Care Home changed its registration status with the CQC from a recovery project to a residential care home with nursing. In our first inspection following the changeover, we identified some areas we needed to strengthen to get the service to the new regulatory framework standards. Aspinden received its follow-up CQC visit in October, which showed we had proactively addressed all areas of initial concern. With the inclusion of the new Sales and Marketing Manager, we have seen a dramatic increase in interest and placements into Aspinden Care Home. This role has allowed the service staff to focus on the high-quality care and support of the residents. Going into Q1 2022/23, we anticipate meeting or exceeding our occupancy target and will be full by June/July 2022.

### Brook Drive Closure

After 30 years of delivering high-quality support to the people of London, we closed Brook Drive, our detoxification service - this was a tough decision after working alongside the Care Quality Commission (CQC) from July 2021 to reopen Brook Drive. However, the Board decided to close the service as the financial requirements needed under the new terms set by the CQC were unachievable. We deregistered from regulated activities with the CQC in January 2022.

### Seven Years of Fulfilling Lives South East Project

Operating across Brighton & Hove, Eastbourne and Hastings, Fulfilling Lives South East Partnership, led by Brighton Housing Trust (BHT) Sussex, is one of 12 projects across England funded by the National Lottery Community Fund until July 2022. Equinox Brighton Women's Service is one of three partners making up the South East Partnership since 2014. The service is working to increase access to mental health support for vulnerable women experiencing homelessness, addiction, poor mental health, and other complex needs.

This year marks the end of Fulfilling Lives, whose purpose is to leave a legacy of systems change in project areas, which will result in better service accessibility for residents. Whilst this work has been taking shape through the learning over the last seven years, we should not overlook the impact of our staff on individuals directly supported. We will be keeping a keen eye on the next stage of Fulfilling Lives to understand its plans to embed new approaches and evidence the need for more responsive and flexible services for people with complex needs.

### Therapeutic Yoga Pilot

Brighton Women's Service provides vital temporary accommodation and support for up to 18 women local to Brighton and Hove with high-multiple and complex needs, often experiencing long periods of homelessness. During the year, the service partnered with Brighton Yoga Foundation in a pilot to bring yoga to residents as part of their Care Plans and recovery journey. Combined with other interventions, we see its benefits, particularly with women suffering from severe substance misuse and trauma - and in ways that challenge their beliefs about themselves and self-worth.

It has taken several months to embed yoga classes and for women to feel comfortable with it and consider it an option. Almost half of our residents participated in the pilot, which is unprecedented, with participants' needs ranging from undiagnosed and untreated ADHT to learning difficulties, poor memory and movement. Residents are even practising yoga in their bedrooms. We now plan to permanently build yoga into Care and Recovery Plans as part of our Resident Engagement and Activity Programme to support physical and mental health.

### **SWAY Meet the Service and Cultural Day**

Southampton Way (SWAY) in Southwark provides supported accommodation and a recovery approach resettlement programme for adult men with enduring mental health support needs. The service held a 'meet the service and cultural day' on the 6th of September to celebrate diversity. The day acknowledged individual staff and residents, teams and external agencies that have supported and continue to support SWAY. Present were commissioners, staff from the NHS, neighbours, parents, Social Services, South London & Maudsley NHS Foundation Trust (SLAM) and other partner agencies. The service showcased activities offered by SWAY, including gardening, keeping fit, cooking and art classes. Residents and staff made presentations, and DJ and staff member Ola provided the music alongside food prepared by staff and residents, some of which came from the SWAY garden. Residents were integral to the event planning, preparation, and implementation.

## Financial Review 2021/22

Equinox made a deficit of £652k (2020/21 - £143k surplus) at the operating profit level before a past service deficit pension payment of £125k (2020/21 - £160k). This results in an unrestricted fund balance in deficit of £2,059k at 31st March 2022 (2020/21 - £1,282k). In addition, it had a restricted fund balance of £1k (2020/21 - £1k) after receipts of £153k (2020/21 - £139k) and expenditure of £153k (2020/21 - £139k).

The pensions reserve at the end of the year was £386k and relates to the past service deficit liability relating to the defined benefit Social Housing Pension Scheme. The triennial valuations in 2008, 2011, 2014, 2017 and 2020 resulted in member organisations being charged a levy to bring the scheme back into surplus. These triennial valuation deficit contributions are reflected in the liabilities of Equinox. The charity closed its participation in this pension scheme but remains liable for an element of the deficit.

Given the wider economic environment and on-going changes and increased competition within the sector, the trustees consider the results to be disappointing but understandable. Therefore, it is essential that moving forward our focus remains on developing new services, new funding models, effective and financially efficient models of service delivery whilst addressing the issues causing the deficit.

The principal funding sources remain Local Authority block contracts largely for our resettlement projects alongside funding from Clinical Commissioning Groups and NHS Trusts towards our work with people recovering or living with mental ill health and or personality disorders, and the work we do with preventing homelessness and homeless people. The Ministry of Justice funds our Criminal Justice Service via the prime contractor MTC Novo. The trustees are appreciative of the funding received from its funders including those statutory commissioners for the work streams they support as well as the vital non-statutory funding received from individuals, trusts and foundations.

### Principle Risks and Uncertainties

Equinox has a risk management strategy, which is overseen by the trustees. The risk register is reviewed monthly by the Executive Management Team, in consultation with all managers, and subsequently by the trustees at each quarterly Board meeting. The principal risks are that a resident or participant commits a serious act and that there is class A and/or B drug usage on our premises. This is not surprising in view of the activities undertaken by Equinox. To mitigate these risks, we have robust risk management policies, a pandemic strategy and contingency plans, well trained staff, incident and near miss reporting and learning, a safeguarding officer, a clinical lead and people safe systems, testing procedures and good relationships with experts by experience and co-production with our residents and participants, responsible officers, and the police. In addition, Equinox is experiencing great difficulties in procuring properties either for rent or outright purchase, given that we cannot expand at the rate of demand or that we may lose contracts.

Another significant risk is the pension deficit contributions made to TPT and to the KCC to fund the shortfall in the pension liability of the schemes. The risk is regularly reviewed to ensure any contributions are affordable and do not place a significant financial burden on the Charity.

### Reserves Policy and Going Concern

Reserves are needed to innovate solutions for our stakeholders, (both residents, participants and commissioners) and bridge the funding gaps between spending on services and recovering these from subsidiaries by providing working capital. In addition, reserves are required to facilitate investment in fixed assets in the form of properties for leasing to subsidiaries for the provision of their services. The trustees evaluated the commitment to future expenditure against likely future income streams and believe that a regular review of reserve levels is appropriate. Equinox aim to make a small surplus for retention and reinvestment purposes, which increases the free reserves. The target for Equinox is £500k. The actual free reserves, excluding the past service pension liability, as at 31<sup>st</sup> March 2022 are £2,058k in deficit (20/21 - £1,281k deficit). The trustees will continue to review the reserves policy and position.

**Equinox Care**  
**Trustee report**  
**For the year ended 31 March 2022**

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Actions to strengthen the financial position going forward include diversification of funding, including the growth of the business development team to secure additional funds through fundraising and securing and opening a number of new projects, as well as the closure of projects that were not financially viable. In addition, there are concerted management efforts to increase occupancy and reduce void rates and minimise the use of expensive agency staff.

After making enquiries, the Board of Trustees has a reasonable expectation that Equinox has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. Equinox is considered to have a viable business plan and adequate support from the group to remain solvent for the foreseeable future. As a consequence, the Board of Trustees believe that Equinox is well placed to manage its business risks successfully. For this reason, they continue to adopt the going concern basis in preparing Equinox's financial statements. Whilst the Pension deficit is large, there is a robust repayment plan to reduce this over time, and that there are no material uncertainties related to events or conditions that may cause significant doubt about the ability of Equinox to continue as a going concern have been identified by key management personnel after taking into account the relevant facts and circumstances.

## Plans for the Future

Our *Making Change, Changing Lives* three-year strategy ends in 2023. As we enter 2022/23, we will begin to map out the next 3-5 years to ensure we continue to meet our next five strategic objectives and change the lives of those we support. We are reimagining how we work and our long-term financial sustainability, putting equity, diversity and inclusivity at the centre for the people we serve and our staff. We will remain ambitious for our participants and residents with our growth strategy and transparent in our work. We wish to extend our geographical footprint and will develop pilots and new ways of working, delivering new services wherever possible.

The areas of health and social care continue to transform. Integrated Care Boards (ICBs) go live in 2022. We will invest time and resources to understand their needs as their strategies develop and work with them and other commissioners to find effective solutions to service gaps. Our ambitions for next year include focusing energy and resources on our Equality, Diversity and Inclusion agenda, including completing an all-staff strategy consultation. Priorities are to understand any disparities in experience and accessing our services to ensure we are inclusive. We will audit our staff, residents and participants' demographic profiles to address underrepresented cohorts and provide equitable access to suitable housing, health, training and employment options.

We will continue to work with commissioners and local authorities to grow and develop our service provision to adapt to the increasingly complex needs of the most vulnerable people with the highest needs. Alcohol and substance misuse remain among the UK's most destructive and costly addictive behaviours. Due to demand, we continue to look for regional opportunities to support people in crisis who require stabilisation and recovery from alcohol misuse, especially where there is resistance to change and an interest in the relationship between alcohol and dementia; Korsakoff, and other mental health illnesses and disorders. Aspinden Care Home in London is one of our services for people resistant to changing their alcohol use. Its unique model provides high-level specialised nursing care and supports Care Quality Commission standards. It uses a harm-reduction model for change-resistant drinkers to aid their recovery and improve health and wellbeing and is a service we want to replicate and scale.

Our interests remain to expand our services for women and develop meaningful services to stop all forms of violence, exploitation, and trauma inflicted upon women. Our focus next year includes staff training on trauma-informed practice, shame awareness and sharing the learning from our Fulfilling Lives South East Partnership, which ended this year. Moving towards stabilisation assessment will be part of our focus to ensure women with specific vulnerabilities and complex needs who do not engage well learn to trust and build sustainable support circles.

We are increasing our capacity to improve and develop our business intelligence to strengthen the quality and analysis of outcomes data compliance and ensure a cohesive approach to understand any disparities to deliver fair outcomes for staff, participants and residents. We will continue to utilise the opportunity with contract extensions to negotiate with commissioners to share the risk around void loss, aiming for a significant contribution.

We will continue to bring lived experience into our service offering by building on our Peer Support Model as part of our Volunteering Programme. Doing so will be a crucial enabler in facilitating the personal growth of our residents and participants and inspiring and motivating them to get involved in activities such as seeking employment and developing independent living skills. Due to the rising cost of living, we are increasingly aware of the financial struggles going into 2022/23, including our staff members. We have worked hard to ensure a 3% pay increase for all staff next year, but we want to do more to help address our staff reward and recognition strategy. As a well-trusted and innovative third-sector organisation, we will continue to strengthen our offering and footprint within the health and social care sector.

## **New Business**

### **New Sales and Marketing Manager**

We recruited a new post within our Communications and Marketing Team. The Sales and Marketing Manager's focus is to promote and sell our full range of residential and community care services and ensure these meet their revenue and occupancy targets. Much of their time requires working with hospitals, local authorities, Clinical Commissioning Groups (CCGs) and broader to generate new leads and secure placements. This new post joined in January 2022 and has already helped provide greater oversight and support with referral pathways working closely with Service Managers and partner agencies and increasing awareness of our voids resulting in a reduction.

### **Commissioner Engagement Events**

SIG Equinox and SIG reviewed how we interacted with commissioners of drugs and alcohol services during the subsequent waves of covid and launched a series of online Open Days during December. We designed these events to properly engage the audience in real-time 'open' discussion. They allowed us to meet those interested in the service, answer questions on a wide range of topics. The event concluded with an audience Q&A session and networking to explore opportunities for joined-up work. The feedback was excellent from all that attended, and it is a model we intend to replicate across other service provisions, targeting commissioners in an informative and interactive way.

### **Equinox Lewisham**

Having secured an extension until March 2022 in the first half of the year, Lewisham Council proposed a further two-year extension to the service until March 2024. We worked closely with Lewisham over this period on a property strategy, beginning with transferring our service at New Cross Road into an 8-bed property in Brockley. Fitted to a higher standard and with lower rents, we believe it will offer better quality and value of service to our residents and commissioners. The council remain keen to partner with us on future projects.

## **Fundraising**

Having recruited a Head of Fundraising at the beginning of the year, we achieved a 40% win rate across fundraising, with 1 in 2 large grant requests being successful. We now have a pool of committed high-value donors, including Health Education England. We seek to continue to grow this and bring in new donors. Our funding priorities remain capacity-building grants to develop and enhance our services and technology and implement our strategic ambitions and plans.

### **Lottery Awards for All Funding**

We secured a grant for social inclusion by expanding and transforming the Solace Centre's back garden to allow more visitors and support new nature-based interventions and activities. The Solace Centre is a Mental Health Resource that receives referrals from partnerships with NHS mental health teams, GPs (social prescribing), The Probation Service and other charities. Awards for All will help accommodate more members and raise beds for community gardening, food-growing projects, cooking and nutrition workshops, gardening tools, and weatherproof storage. External contractors alongside Solace's Gardening Group will all help with the makeover.

### **Coop Local Community Fund**

We approached the Coop Community Foundation, which selected Equinox for their local community fund this year. Coop members will be raising funds over the year for the Solace Centre to go towards digital inclusion equipment and IT training. We plan to train community members struggling with mental health and social isolation to use digital devices, stay connected, and access online public services.



## Thank You

On behalf of Equinox, we want to thank all our funders for their support. This new and vital funding has enabled us to extend our activities, launch new projects and pieces of work, and make a difference in the lives of the people we support across our services.

## Communications

### Webinars

This year, we continued with quarterly staff webinars, focusing on strategy and quarterly updates, led by the Executive Management Team members. Additional webinars took place updating staff on significant issues affecting the business, including the closure of Brook Drive and staff consultations. We also used webinars to support staff engagement linked to our new EDI Ambassador Scheme and Support Groups hosting webinars on race, disability, menopause and LGBTQI+.

### The SIG Awards

The SIG Honours Awards is an annual ceremony reflecting the year that recognises individuals and teams for contributing to the SIG and making it what it is today. As a member of the Social Interest Group, the event is open to all Equinox staff, residents and participants. Last year's event was virtual due to covid restrictions, but we were able to host the event in London in March of this year. We screened a short film on our achievements and provided a buffet lunch. We included a networking session as part of the event programme. There were many deserving nominations, and because of this, we extended the categories, including Going the Extra Mile, Coaching Champion, Healthy Living Awards and a Social Value and Community Award. A CEO Award is a discretionary award chosen and presented by Gill Arukpe, Group CEO, for people that have particularly stood out to her within the year.

### World Mental Health Day

We continued on the success of the first online Tea & Talks, aimed at providing staff with a safe space to share experiences and information and discuss their mental wellbeing. In October, we held an organisation-wide Tea & Talk to mark World Mental Health Day. Staff, residents and participants from various services and the central office came together and had a lively discussion and shared experiences. Amongst attendees was our Clinical Lead Muriel Gutu, who advised on managing mental health. Participants and residents were in attendance from several services. They duly participated in the discussions, offering candid and insightful observations on mental health. The session closed with five minutes of mindfulness.

### Black History Month

Our Ealing-based service Marron House displayed articles on inspirational figures from the black community and had a focused discussion over food bringing everyone in the house together and educating them on subjects like black history. Not everyone at the service has family in their lives. So the service tries to have at least one monthly engagement event to foster a sense of community. Guests included Recovery Workers from other local services. Our Brent service at the Mall celebrated with a lunch preceded by discussions on the origins and history of Black History Month.

Celebrations at St. Gabriel's, another of our Brent services, embraced the significance of dance, food, games and music in uplifting the culture and as a coping mechanism. Discussions offered different perspectives about black history and culture. Staff read the achievements of inventors, activists and positive role models through the centuries and showcased these on a poster board created by residents, participants and staff. There was also time to pause and remember staff, residents and participants who shared BHM last year and acknowledge those who have now transitioned.

## Social Media Review

We continued to focus on growing our social media presence and increasing activity to showcase our work, events and activities.

PLATFORM	APRIL 2021 Followers	MARCH 2022 Followers
Facebook	718	1,450
Twitter	337	459
LinkedIn	1,001	1,187
Instagram	108	135

Key achievements over the year:

- Grew LinkedIn following by 18.5%
- Grew Twitter following by 36.2%
- Doubled our Facebook followers

## Structure, Governance and Management

Equinox is a company limited by guarantee not having a share capital (Number 02114430) incorporated on the 23<sup>rd</sup> of March 1987 and registered as a charity with the Charity Commission (Number 296694) on the 21<sup>st</sup> of May 1987.

Equinox's governing instruments are its Articles of Association dated 23<sup>rd</sup> of March 1987, as amended on 1<sup>st</sup> of November 2018. The sole member of Equinox is the Social Interest Group with effect from 1<sup>st</sup> of October 2014 and as of 1<sup>st</sup> of November 2018 the non-executive trustees of the Social Interest Group were appointed as the trustees of Equinox.

All the trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 to the accounts.

## Appointment of Trustees

The trustees are listed on page 3. They hold office for an initial period of three years with the possibility of a second term of three years plus in exceptional circumstance where the trustee has specific skills, this can be extended by the board. The board consists of no fewer than three and no more than nine persons appointed by the members and the executive trustees. No person under the age of 18 may be appointed as a trustee.

Trustees are recruited by the Nominations Committee using specialist recruitment agents and by advertisement. A rigorous interview process takes place, which includes residents and participants. Candidates attend a board meeting and visit projects before being confirmed in post by the Chairperson.

## Trustee Induction and Training

New trustees must familiarise themselves with the content of the Articles of Association, their legal obligations under charity and company law, the organisational structure and its recent financial performance. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. All trustees have participated in Safeguarding training.

## Related Parties and Relationships with other Organisations

Equinox is a member of the Social Interest Group of which it is a subsidiary. It provides all support functions, senior management and strategic guidance. The Charity is supported in its charitable objectives by all Social Interest Group companies: Equinox Care, Penrose Options, SIG Investments and Pathways to Independence.

## Remuneration Policy for Key Management Personnel

The Group Chief Executive's remuneration is set by the Social Interest Group non-executive trustees. Their remuneration and all other staff are remunerated in accordance with a job evaluation process and market rates, which is reviewed by external consultants.

## Policy for Employment of Disabled Persons

In April 2019 we became a Disability Confident Employer.

It is the Charity's policy not to discriminate against persons falling under the Disability Discrimination Act 1995 for reasons of their disability whether in, or applying for, employment or in the delivery of services.

The key areas of our policy cover recruitment and employment (disabled applicants not being considered any less favourably on the ground of their disability) service delivery (disabled applicants, residents and participants not being treated less favourably on account of their disability) and information (ensuring information is accessible to all).

## Employee Information

The Charity requires line managers to conduct one-to-one meetings with their staff on a regular basis together with an annual appraisal.

The Executive Management Team meet on a weekly basis and updates from this meeting and the monthly Senior Managers Team meeting are disseminated to the Managers' meeting and then to the individual projects' monthly staff meeting.

The Charity takes its investment in its staff's professional development seriously and aims to provide different learning opportunities. It is the Charity's aim to see staff develop and share learning so that value can be added, and staff contribute to our growth and success. We introduced a new core training programme based around the Care Certificate made up of face-to-face and e-learning to ensure all modules are covered.

The trustees would like to thank all staff and volunteers for their hard work and dedication during the year, in a climate that continues to be extremely challenging. We confirm that the Charity pays at least the London Living Wage to our employees working in London.

## 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' annual report and the financial statements in accordance with applicable law and UK Accounting Standards (UK GAAP).

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 the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group 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 which are reasonable and prudent
- State whether the applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on an ongoing concern basis unless it is inappropriate to presume that the Charity will continue in operation.

**Equinox Care**  
**Trustee report**  
**For the year ended 31 March 2022**

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The trustees are responsible for keeping adequate accounting records that 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 Companies Act 2006. The trustees are also responsible for safeguarding the assets of the Charity and the Group 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 auditor is unaware
- 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 auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the 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 total number of such guarantees at the year-end was five (2020: five). The non-executive trustees are members of the Charity, the executive trustee is not a member of the Charity and does not have any beneficial interest in it.

The trustees' annual report, which includes the strategic report, has been approved by the board of trustees on 27<sup>th</sup> September 2022 and signed on their behalf.



**Dr Karl Marlowe**  
**Chairman**

## Opinion

We have audited the financial statements of Equinox Care (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 charitable company's affairs as at 31 March 2022 and of 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 charitable company 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 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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.

## Opinions 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 is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic 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 by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements;
- We focused on specific laws and regulations which we considered may have a direct material effect

## Independent auditor's report to the members of Equinox Care

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on the financial statements.

- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of representatives of management and the review of minutes of Trustee meetings.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of where management considers there was susceptibility to fraud and knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested and reviewed journal entries to identify unusual transactions;
- Tested the authorisation of expenditure; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Review of the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Agreeing financial statements disclosures to underlying supporting documentation.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://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 charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Hugh Swainson (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

01 December 2022

Equinox Care  
Statement of financial activities (incorporating an income and expenditure account)  
For the year ended 31 March 2022

	Note	Unrestricted £'000	Restricted £'000	Pension reserve £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	Pension reserve £'000	2021 Total £'000
<b>Income from:</b>									
Donations and legacies	2	6	-	-	6	1	-	-	1
Charitable activities	3	7,296	153	-	7,449	8,131	139	-	8,270
<b>Total income</b>		<b>7,302</b>	<b>153</b>	<b>-</b>	<b>7,455</b>	<b>8,132</b>	<b>139</b>	<b>-</b>	<b>8,271</b>
<b>Expenditure on:</b>									
Charitable activities	4a	(7,954)	(153)	-	(8,107)	(7,989)	(139)	-	(8,128)
<b>Total expenditure</b>		<b>(7,954)</b>	<b>(153)</b>	<b>-</b>	<b>(8,107)</b>	<b>(7,989)</b>	<b>(139)</b>	<b>-</b>	<b>(8,128)</b>
<b>Net (expenditure) / income for the year</b>	5	<b>(652)</b>	<b>-</b>	<b>-</b>	<b>(652)</b>	<b>143</b>	<b>-</b>	<b>-</b>	<b>143</b>
Transfers between funds		(125)	-	125	-	(160)	-	160	-
<b>Net (expenditure) / income before other recognised gains and losses</b>		<b>(777)</b>	<b>-</b>	<b>125</b>	<b>(652)</b>	<b>(17)</b>	<b>-</b>	<b>160</b>	<b>143</b>
Actuarial gains/(losses) on defined benefit pension schemes	14	-	-	550	550	-	-	(1,665)	(1,665)
<b>Net movement in funds</b>		<b>(777)</b>	<b>-</b>	<b>675</b>	<b>(102)</b>	<b>(17)</b>	<b>-</b>	<b>(1,505)</b>	<b>(1,522)</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward		(1,282)	1	(2,025)	(3,306)	(1,265)	1	(520)	(1,784)
<b>Total funds carried forward</b>	16a	<b>(2,059)</b>	<b>1</b>	<b>(1,350)</b>	<b>(3,408)</b>	<b>(1,282)</b>	<b>1</b>	<b>(2,025)</b>	<b>(3,306)</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.



Equinox Care  
Balance Sheet  
As at 31 March 2022

	Note	£'000	2022 £'000	£'000	2021 £'000
<b>Fixed assets</b>					
Tangible assets	10		<u>35</u>		<u>42</u>
			35		42
<b>Current assets</b>					
Debtors	11	997		1,031	
Cash at bank and in hand		<u>69</u>		<u>620</u>	
		1,066		1,651	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	12	<u>(1,809)</u>		<u>(1,624)</u>	
<b>Net current assets / (liabilities)</b>			<u>(743)</u>		<u>27</u>
<b>Total assets less current liabilities</b>			<u>(708)</u>		<u>69</u>
<b>Creditors: amounts falling due after one year</b>	13		<u>(1,350)</u>		<u>(1,350)</u>
<b>Net liabilities excluding pension scheme provision</b>			<u>(2,058)</u>		<u>(1,281)</u>
Defined benefit pension scheme provision	14		<u>(1,350)</u>		<u>(2,025)</u>
<b>Total net liabilities</b>			<u>(3,408)</u>		<u>(3,306)</u>
<b>The funds of the charity</b>	15a				
Restricted income funds			1		1
Unrestricted income funds					
General funds		(2,059)		(1,282)	
Pension reserve		<u>(1,350)</u>		<u>(2,025)</u>	
Total Unrestricted funds			<u>(3,409)</u>		<u>(3,307)</u>
<b>Total Charity funds</b>			<u>(3,408)</u>		<u>(3,306)</u>

Approved by the trustees on 27<sup>th</sup> September 2022 and signed on their behalf by



**Dr Karl Marlowe**  
Chairman

Equinox Care  
Cashflow statements  
For the year ended 31 March 2022

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	2022 £'000	2021 £'000
<b>Cash flows from operating activities:</b>		
Net (expenditure) for the reporting period (as per the statement of financial activities)	(102)	(1,522)
Depreciation charges	19	21
Movement in long-term pension deficit liability	(675)	1,505
Decrease in debtors	34	492
Increase / (Decrease) in creditors	186	(45)
	<hr/>	<hr/>
<b>Net cash provided by operating activities</b>	<b>(538)</b>	<b>451</b>
<b>Cash flows from investing activities:</b>		
Purchase of fixed assets	(13)	(19)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(13)</b>	<b>(19)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(551)</b>	<b>432</b>
Cash and cash equivalents at the beginning of the year	<hr/> <b>620</b>	<hr/> <b>188</b>
<b>Cash and cash equivalents at the end of the year</b>	<hr/> <b>69</b> <hr/>	<hr/> <b>620</b> <hr/>

## 1 Accounting Policies

### a) Statutory information

Equinox is a charitable company limited by guarantee and is incorporated in England & Wales. The registered office is 1 Waterloo Gardens, Milner Square, London, N1 1TY.

### b) Basis of preparation

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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

### c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

### d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The financial statements are drawn up on a going concern basis despite having net liabilities, including the pension reserve in deficit. The deficit of the pension scheme, however, does not result in an immediate cash flow impact on the charity. This deficit will be cleared by an agreed payment plan for pension contributions. For this reason, the trustees are satisfied this does not affect the going concern status of the charity.

The Social Interest Group will not recall the inter-company balances within the next 12 months, unless the Trustees deem that Equinox can afford to repay the balances. In addition, the trustees of both Social Interest Group and Penrose Options have expressed their intention to continue to provide support to Equinox Care, including providing working capital, for the foreseeable future.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### e) Income

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

Income from 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. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**1 Accounting Policies (continued)**

**f) 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.

**g) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Unrestricted funds are donations and other income received or generated for the charitable purposes.

**h) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal 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. Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**i) Central support costs**

Central support costs are incurred by the parent company, Social Interest Group, and are for senior management, finance, human resources, payroll, workforce development, housing income management, quality & performance and information & communication technology. These departments are vital to the smooth running of Equinox's charitable activities.

**j) Operating leases**

Rental charges are charged on a straight-line basis over the term of the lease.

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures, fittings and office equipment – 25% straight line
- Leasehold improvements – Straight line over the term of the lease

**l) Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

**m) Cash at bank and in hand**

Cash at bank and 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. Cash balances exclude any funds held on behalf of residents and participants.

**n) Creditors and provisions**

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 recognised at their settlement amount.

**1 Accounting Policies (continued)**

**o) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**p) Pensions**

Equinox makes contributions into a defined benefit pension scheme, which is now closed to new Equinox entrants, and a number of defined contribution schemes. For financial years ending on or before 28 February 2019, it had not been possible for the charity to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the charity accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the charity to account for the Scheme as a defined benefit scheme. For accounting purposes, an actuarial valuation for the scheme was carried out with effective date of 31 March 2018. The liability figure from the valuation is rolled forward to the relevant accounting date and are used in conjunction with the charity's fair share of the Scheme's total assets to calculate the charity's net deficit or surplus at the accounting period start and end dates.

**2 Donations**

Equinox has received a donation of £6,000 (2021: £1,000) from other donors.

**3 Charitable activities – supporting vulnerable people**

Equinox's activities are to relieve people in need, including but not limited to those with mental health illness, those currently suffering from substance misuse or other addictive behaviour patterns, ex-offenders, the homeless, poor people, aged, disabled (whether physically or mentally) or chronically sick. This is achieved by providing support in the form of housing, or accommodation, or services including but not limited to medical, social, welfare, rehabilitative, resettlement, care services, education, training, employment, mentoring and other similar services. Equinox's income is predominantly contractual income from local authorities and NHS Trusts, and rental income and service charges from residents.

4a Analysis of expenditure (current year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	2022 Total £'000	2021 Total £'000
Staff costs (Note 6)	4,130	-	1,076	5,206	5,458
Recruitment & training	-	-	132	132	81
Subsistence & travel	12	-	5	17	18
Premises Costs	1,386	-	42	1,428	1,376
Office running costs	98	-	82	180	144
Insurance	-	-	70	70	49
Information technology	-	-	159	159	124
Bank charges	-	-	1	1	-
Legal & Professional	-	-	48	48	19
Depreciation	38	-	-	38	33
Audit fees	-	14	-	14	19
Other Costs	812	2	-	814	807
Total expenditure 2022	<u>6,476</u>	<u>16</u>	<u>1,615</u>	<u>8,107</u>	
Total expenditure 2021	<u>6,864</u>	<u>19</u>	<u>1,245</u>		<u>8,128</u>

**4b Analysis of expenditure (prior year)**

	Charitable activities £'000	Governance costs £'000	Support costs £'000	2021 Total £'000
Staff costs (Note 6)	4,603	-	855	5,458
Recruitment & training	-	-	81	81
Subsistence & travel	13	-	5	18
Premises Costs	1,334	-	42	1,376
Office running costs	82	-	62	144
Insurance	-	-	49	49
Information technology	-	-	124	124
Bank charges	-	-	-	-
Legal & Professional	-	-	19	19
Depreciation	33	-	-	33
Audit fees	-	19	-	19
Other Costs	799	-	8	807
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure 2021	6,864	19	1,245	8,128
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## 5 Net income / (expenditure) for the year

This is stated after charging:

	2022 £'000	2021 £'000
Depreciation	19	21
Operating lease rentals:		
Property	1,246	1,298
Auditor's remuneration (excluding VAT):		
Audit	14	12
	14	12

## 6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows

	2022 £'000	2021 £'000
Salaries and wages	3,913	4,184
Redundancy and termination costs	57	–
Social security costs	381	389
Employer's contribution to defined contribution pension schemes	75	97
Operating costs of defined benefit pension schemes	13	30
Agency costs	767	758
	5,206	5,458

No employee earned more than £60,000 during the year (2021: £nil).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £nil (2021: nil). These were borne by the parent entity Social Interest Group.

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

No trustees' expenses were paid or reimbursed £Nil (2021: £nil).

## 7 Staff numbers

	2022 £'000	2021 £'000
Operational	185	164
Administration	2	2
	187	166

## 8 Related party transactions

Equinox was charged £1,675,173 for central office functions provided by the parent charity Social Interest Group (2021: £1,354,650).

Equinox owed £1,745,365 to SIG at the year-end (2021: owed £1,648,148).

Equinox was owed £504,613 from Penrose Options at the year-end (2021: owed £378,490).

Equinox owed £27,813 to SIG Investments at the year-end (2021: £106,099)



## 9 Taxation

Equinox is a registered charity and is exempt from Corporation Tax on its charitable income as it is spent on charitable purposes.

The Charity is part of the Social Interest Group VAT registration. However, as virtually 100% of its income is exempt, the VAT on purchases is irrecoverable and therefore included in expenditure.

## 10 Tangible fixed assets

	Fixtures, fittings & Equipment £'000	Leasehold improvements £'000	Total £'000
<b>Cost of valuation</b>			
At the start of the year	154	27	181
Additions in year	-	13	13
At the end of the year	154	40	194
<b>Depreciation</b>			
At the start of the year	128	11	139
Charge for the year	16	4	20
At the end of the year	144	15	159
<b>Net Book Value</b>			
At the end of the year	10	25	35
At the start of the year	26	16	42

All of the above assets are used for charitable purposes.

## 11 Debtors

	2022 £'000	2021 £'000
Trade debtors	283	400
Amounts due from Group undertakings	505	378
Other debtors	22	29
Prepayments	140	71
Accrued Income	47	153
	997	1,031

**12 Creditors: amounts falling due within one year**

	2022 £'000	2021 £'000
Trade creditors	149	436
Taxation and social security	19	124
Pension contributions	38	40
Other creditors	791	399
Amounts due to Group undertakings	422	404
Accruals	390	221
	<u>1,809</u>	<u>1,624</u>

**13 Creditors: amounts falling due after one year**

	2022 £'000	2021 £'000
Amounts due to Group undertakings	<u>1,350</u>	<u>1,350</u>

**14 Pension Scheme**

**The Pensions Trust – Social Housing Pension Scheme (“Scheme”)**

Equinox participates in the Scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

For financial years ending on or before 28 February 2019, it had not been possible for the charity to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the charity accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the charity to account for the Scheme as a defined benefit scheme. For accounting purposes, an actuarial valuation for the scheme was carried out with effective date of 31 March 2018. The liability figure from the valuation is rolled forward to the relevant accounting date and is used in conjunction with the charity's fair share of the Scheme's total assets to calculate the charity's net deficit or surplus at the accounting period start and end dates.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension scheme in the UK.

The last triennial valuation of the Scheme overall for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,560m. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028. The Scheme is classified as a 'last-man standing arrangement'. Therefore, the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Following consultation between the Pension Trustees and Employers, a new recovery plan to recover the overall scheme deficit has been agreed. This is based on a full share of liabilities approach. This is effective from 1 April 2022.

14 Pension Scheme (continued)

Number of active members in the scheme

	No.
Active	3
Deferred	95
Pensioners	44

Financial assumptions

	2022 %pa	2021 %pa
Rate of discount	3.09	2.47
Price inflation (RPI)	3.57	3.28
Price inflation (CPI)	3.19	2.86
Earnings increases	4.19	3.86
Allowance for commutation of pension for cash at retirement	75%	75%

Other material assumptions

Life expectancies in retirement:	Years	years
Male currently aged 65	21.10	21.60
Female currently aged 65	23.70	23.50
Male currently aged 45	22.40	22.90
Female currently aged 45	25.20	25.10

Present values of defined benefit obligation, fair value of assets and defined benefit liability

	2022 £'000	2021 £'000
Fair value of plan assets	11,657	11,352
Present value of defined benefit obligation	(13,007)	(13,377)
Net defined liability to be recognised	(1,350)	(2,025)

Reconciliation of opening and closing balances of the fair value of plan assets

	2022 £'000	2021 £'000
Opening fair value of employer assets	11,352	10,278
Interest income	279	243
Experience on plan assets	118	872
Contributions by the employer	186	183
Withdrawals by Employees	-	-
Benefits paid and expenses	(278)	(224)
	11,657	11,352

14 Pension Scheme (continued)

Reconciliation of opening and closing balances of defined benefit obligation

	2022 £'000	2021 £'000
Opening defined benefit obligation	13,377	10,798
Current service cost	-	-
Expenses	13	13
Interest cost	327	253
Contributions by members	-	-
Withdrawals by Employees	-	-
Actuarial losses / (gains)	(432)	2,537
Benefits paid and expenses	(278)	(224)
Closing defined benefit obligation	<u>13,007</u>	<u>13,377</u>

Defined benefit costs recognised in the statement of financial activities (SOFA)

	2022 £'000	2021 £'000
Current service cost	-	-
Expenses	13	13
Net interest expense	48	10
Defined benefit costs recognised in the SOFA	<u>61</u>	<u>23</u>
Actual return on plan assets	<u>397</u>	<u>1,115</u>

Net actuarial gain/(loss) on defined benefit pension scheme

	2022 £'000	2021 £'000
Actuarial gain / (loss) on plan obligations	432	(2,537)
Actuarial gain on plan assets	118	872
	<u>550</u>	<u>(1,665)</u>

15a Analysis of net assets between funds (current year)

	General unrestricted £'000	Pension Reserve £'000	Restricted £'000	Total funds £'000
Tangible fixed assets	35	-	-	35
Net current liabilities	(794)	-	1	(793)
Non-current liabilities	(1,300)	-	-	(1,300)
Defined benefit pension provision	-	(1,350)	-	(1,350)
	<u>(2,059)</u>	<u>(1,350)</u>	<u>1</u>	<u>(3,408)</u>

**15b Analysis of net assets between funds (prior year)**

	General unrestricted £'000	Pension Reserve £'000	Restricted £'000	Total funds £'000
Tangible fixed assets	42	-	-	42
Net current liabilities	(24)	-	1	(23)
Non-current liabilities	(1,300)	-	-	(1,300)
Defined benefit pension provision	-	(2,025)	-	(2,025)
	<u>(1,282)</u>	<u>(2,025)</u>	<u>1</u>	<u>(3,306)</u>

**16a Movements in funds (current year)**

	At 1 April 2021 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2022 £'000
<b>Restricted funds:</b>					
Fulfilling Lives	-	35	(35)	-	-
Corona Virus Grants	-	118	(118)	-	-
Skills for Care	1	-	-	-	1
<b>Total restricted funds</b>	<u>1</u>	<u>153</u>	<u>(153)</u>	<u>-</u>	<u>1</u>
<b>General funds</b>	<u>(1,282)</u>	<u>7,455</u>	<u>(8,107)</u>	<u>(125)</u>	<u>(2,059)</u>
<b>Pension reserve</b>	<u>(2,025)</u>	<u>550</u>	<u>-</u>	<u>125</u>	<u>(1,350)</u>
<b>Total funds including pension fund</b>	<u>(3,306)</u>	<u>8,158</u>	<u>(8,260)</u>	<u>-</u>	<u>(3,408)</u>

The narrative to explain the purpose of each fund is given at the foot of the note below.

**16b Movements in funds (prior year)**

	At 1 April 2020 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2021 £'000
<b>Restricted funds:</b>					
Fulfilling Lives	-	125	(125)	-	-
Corona Virus Grants	-	14	(14)	-	-
Skills for Care	1	-	-	-	1
<b>Total restricted funds</b>	<b>1</b>	<b>139</b>	<b>(139)</b>	<b>-</b>	<b>1</b>
<b>General funds</b>	<b>(1,265)</b>	<b>8,271</b>	<b>(8,128)</b>	<b>(160)</b>	<b>(1,282)</b>
<b>Pension reserve</b>	<b>(520)</b>	<b>-</b>	<b>(1,665)</b>	<b>160</b>	<b>(2,025)</b>
<b>Total funds including pension fund</b>	<b>(1,784)</b>	<b>8,410</b>	<b>(9,932)</b>	<b>-</b>	<b>(3,306)</b>

**Purposes of restricted funds**

A. Fulfilling Lives. The Equinox Brighton team is part of a nationwide Big Lottery initiative designed to affect positive change on several levels in the area of multiple and complex needs.

B. Corona Virus Grants. These grants were received from Local Authorities to cover the increased costs of working as a result of the COVID-19 pandemic.

C. Skills for Care. This is a programme of work related to the Assessed and Supported Year in Employment.

**17 Operating lease commitments**

The charity's total future minimum lease payments under non-cancellable operating leases are as follows for each of the following periods

	2022 £'000	2021 £'000
Less than one year	835	960
One to five years	452	509
Over five years	-	22
	<b>1,287</b>	<b>1,491</b>

**18 Guarantees and ultimate parent undertaking**

Equinox is a company limited by guarantee not having a share capital. The Social Interest Group became the sole member of Equinox on the 1 October 2014, previously all trustees were members. Each member has guaranteed to pay £1 in the event that Equinox was wound up. Social Interest Group is the ultimate parent undertaking. Its charity registered number is 158402. Its company registered number is 9122052. Its registered office is: 1 Waterloo Gardens, Milner Square, London N1 1TY.