

Equinox Care

Report and financial statements

For the year ended 31 March 2023



Equinox

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Reference and Administrative details of the Charity, its Trustees and advisors

Equinox Care 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. Equinox Care joined Social Interest Group as a wholly owned subsidiary on the 1st October 2014. It now trades as SIG Equinox.

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

Dylan Kerr

Stuart Jenkin

Jeff Loo

Claire Barton

Company Secretary

Michael Rutherford

Executive Officers

Group Chief Executive

Gill Arukpe

Senior Director of Operations

Cassie Newman (Resigned – 8th
September 2023)

Director of Finance & Resources

Michael Rutherford

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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 31st of March 2023.

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 SIG 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

SIG Equinox provides personalised residential and community based health and social care services. For people who are furthest away from living independent lives. Residents and participants often have behaviours that can be challenging, forensic mental illness and mental health disorders, general mental health illness, long history of being in the criminal justice system, excluded previously from education and employment, substance and alcohol misuse and lengthy periods being homeless.

SIG Equinox staff are all trained to work in a trauma informed ways. Embrace enabling environments to ensure residents and participants are kept in the centre of what we do and how we work. Our residential services are also delivered using a psychologically informed framework. This helps ensure the people using our services achieve stability, rehabilitation, resettlement and long term recovery.

SIG Equinox's flagship service Aspinden Care home, provides the only residential service for treatment resistant adults using alcohol. We support adults who often cannot access other care homes due to their alcohol use and their associated behaviours. We use the Blue Light system and harm minimisation model to ensure the safety of the residents and staff. The heart and soul of SIG Equinox are providing hope without exclusion to all who come to them. SIG Equinox currently operates across London and in Brighton and has ambitions to grow.

Chief Executive's Statement

With figures showing 1 in 4 adults predicted to experience a common mental health disorder, and 10% will experience depression in their lifetime, our services find themselves amid a mental health crisis. The pandemic's legacy effects have made access to primary and secondary healthcare increasingly difficult. Economic and social imbalances continue to grow with substantial increases in homelessness. The number of families and single people in temporary accommodation is rising daily.

We continue to see a rise in people referred to us who have spent long periods in hospitals, prison and being homeless. Often requiring a high degree of support for harm-reduction, reablement after long-term mental ill-health and disorders, increase in suicidal tendencies, depression, dual diagnosis, alcohol dependency, and illegal and prescription substance use.

Charities are under severe financial strain. Facing soaring energy bills and declining incomes as some grant givers and commissioners cut back against a significant increase in people needing our support and care. The recruitment issues in the sector continue to make staff retention and growth challenging as we compete to hire and retain the best people. Research shows a high percentage of the sector using their reserves to support contracted work, which is not sustainable. I am pleased to say we have not had to do this.

We have worked hard to make working at SIG Equinox a rewarding experience personally and professionally and to find the best ways to offer support to reduce the impacts of rising fuel and living costs. We kept salaries at the London and Living Wage, carried out a salary review, gave two staff pay awards and increased our bank pay hourly rate by 3%.

This year, we joined the lobby for the government to provide more help to our sector. In January, we launched a new vision and mission: to stop the inequity of access to public services and opportunities for a good home, health care, social support, and employment. We will address the imbalance through new partnership working, influencing policy change and driving local systems change to bridge gaps in provision and break down barriers.

We remain committed to supporting local authorities, health trusts and the Ministry of Justice and HMPPS in the development of solutions for people in prison and those experiencing homelessness, stepping down from hospital or returning from prison or living on the street. SIG Equinox is exceptionally skilled at finding solutions that support people who have the highest support needs, and this year, we took on an additional units of accommodation in Lewisham. We continue to secure our long-term financial stability through contract retention, growth and income diversification.

Our Housing and Maintenance Team increased rental income, helping improve our free funds to utilise and deliver new activities, programmes and service innovations. Finding ways to take the pressure off the NHS across mental health, personality disorders and substance and alcohol use remains a priority. We grew our Peer Mentoring Programme and volunteering driven by our certified peer mentoring training course funded by Health Education England. We continue to utilise trainees with lived experience across projects, focusing on people at the highest risk of suicide and self-harm, drug and alcohol overdose and disengagement with treatment services.

I look back at all our achievements across SIG Equinox and the Group during 2022/23. Not only have we supported thousands of people, but we continue to overcome the challenges we face, changing how we work to improve and enhance the quality and performance of our services and implementing new services and projects to grow and extend our impact.



Gill Arukpe, Group Chief Executive

6th December 2023

Strategic Report

Results and Impacts

SIG Equinox Services

SIG Equinox supported 289 people with diverse, complex support and health needs. Over 83% of move-ons were positive, including transferring into independent living and step-down accommodation. No residents returned to prison, and only two residents experienced unplanned returns to hospital during their time in our care.

KPI	TARGET	ACTUAL	
% positive move-ons	>85%	83.6%	Positive Move-on means people who secure independent accommodation or move into a safe location for continued support from any of our residential services.
% Unplanned return to hospital	<3%	0.7%	
% Convicted of new offence	<3%	0.0%	
% Unplanned return to prison	<3%	0.0%	

Total departures	134
Positive move-ons	112
Total clients seen	289
Unplanned return to hospital	2
Convicted of a new offence	0
Unplanned return to prison	0

Client Transformations

Gary's Story

Gary, a resident at one of our Ealing services, has a history of alcohol dependence and a diagnosis of liver cirrhosis. He joined the service in 2018, after a mental health crisis and time in hospital, and needed accommodation and support in many areas. One of the main areas was alcohol dependency. Gary would spend all his benefits on the day it was paid solely on alcohol and would leave the project to drink heavily. Staff struggled to get him to stay in long enough to talk and engage him in the programs and support offered. The staff worked with his clinical team to agree on a Support Plan to adopt a different, person-centred approach to offer the help he needed to make life-changing actions. They learnt, at this stage, that he had depleted most of his savings.

Several attempts were made to support him in engaging with the specialist alcohol and drug support service RISE, but this wasn't successful, and he struggled to meet their requirements for ongoing support. Consequently, a financial agreement was put in place with the condition that staff would monitor and

advise Gary on what to spend his money on. Once in place, Gary was able to cut back on his alcohol spend and started prioritising his rent, food, and essentials.

At present, Gary has money in his savings account and drinks much less, eats more healthily and has more contact with his family than before. He is pleased the staff intervened with his clinical team as it allowed him to make the necessary changes to arrive at a better, more financially and healthy secure place. Staff have also built a good rapport with his relatives who live abroad, and they are very happy with the support offered to him. Gary is healthier and happier and understands that past choices do not define him. He now participates in activities at the project and is looking forward to one day moving back into the community.

Our Focus

Cost of living and inflation support

We prudently capped our fuel charges for all our accommodations in the Group before the beginning of the financial year, ensuring fuel increases would not heavily impact us before 2024. We started discussions with commissioners during the year regarding uplifts to service contracts. In conjunction with the two pay increases for frontline staff, we began creating a comprehensive remuneration strategy for the Group. SIG already pays the Living Wage in and outside of London. However, we engaged an external consultant to benchmark salaries against peer and competitor organisations. We started exploring realistic options for ongoing support for staff and people using our services, working through our EDI Ambassador Group and Staff Council.

Recruitment

With thousands of Support Worker vacancies per week across the UK, we plan to attract new candidates into health and social care as a career choice. We focused on coherent recruitment, robust training programmes, onboarding processes and apprenticeships. Part of this work included building a dedicated careers microsite and implementing a New Applicant Tracking System (ATS) that went live at the end of the year to streamline the recruitment process.

Brand Refresh

We undertook the brand refresh to strengthen and galvanise the Group and enhance our excellent reputation in supporting the hardest-to-reach to create positive change for people and communities. We worked with staff, residents, and participants across the Group to shape the vision of our rebranding and launched our new visual identity in June. This momentous change project supports our growth as we take on new areas of work and new subsidiaries, expanding our horizons on a public stage.

Theory of Change rollout

Our newly developed Theory of Change articulates our unique approach to positively impacting the lives we support. This transformation journey focuses on three elements to make a crucial difference: identity, relationships and community. We launched the Theory of Change at our Staff Conference in October as we begin embedding it into our working methods to ensure best practice is achieved and evidenced. Learn more about our Theory of Change at www.socialinterestgroup.org.uk.

Reimagining the way we work

'Reimagine the way we work' is an organisation-wide review to use SIG's central resources better to maximise impact and income and improve quality whilst reducing risk. We launched several initiatives and implemented changes over the year to enhance the quality and performance of our services:

Housing Management

We undertook a housing management review, working with an external housing consultant to understand how we continually improve our housing management function and accommodations. Alongside this, we rolled out a programme of property evaluations through the Best Practice Team, comprising site visits, surveys, and focus groups to gain insights into service and property satisfaction levels and any improvement needs. This significant piece of work is ongoing into 2023.

Greater use of technology within our service model

We launched STARS, a new Staff Rota System, to embed the latest technology. STARS is a web-based application accessed through a desktop, laptop, or mobile phone, regardless of a user's location. The system allows frontline staff to view the calendar for their service and upcoming shifts, check rotas and search for available bank shifts, staff contacts, and service details. The application also provides driving directions and the latest news for each service. An all-staff webinar introduced the system, and resources made available on the staff intranet included 'How to' videos. We continue to develop new functionality into 2023.

Quality and Performance

We grew our Compliance, Risk and Audit Team to develop further Risk Management, Governance, Safeguarding and Health and Safety within SIG. We launched new Quality and Performance meetings to support operational teams to focus on essential priorities and reduce duplication. Meetings provide a platform to share what is working well, what they are proud of, and where we, as a SIG community, need to improve processes, best practices, and training.

Staff Safety

We are committed to creating the safest environment for staff. This year, we added two new modules to our staff risk management training to enhance support for the growing number of people coming to us with highly complex support and care needs. Additionally, we set up a Quality Review Group and Safeguarding Review Group to strengthen how we capture trends, concerns and learnings across the Group and ensure staff meet the expected standards of our Quality Handbook, a digital best practice guide introduced last year.

Activity Forum

We launched our new Activity Forum, bringing together Activity Coordinators and Programme Facilitators from across the Group to look at how we consistently deliver interventions and activities. Discussions ensure the inclusion of participants, residents, and staff with a commitment to take forward initiatives. *SIG Run Club* is one such initiative.

Property Strategy

With move-on options for residents continuing to dwindle, the Housing and Maintenance Team took on more accommodation units to provide greater opportunities for residents. Rental income increased to 36% of our revenue model to help towards our future sustainability. Our journey to becoming a registered social housing provider continues as part of our long-term ambition to buy accommodation to strengthen our income and retention of contracts and ensure we can provide long-term housing for people in the greatest need. We renamed SIG Investments to SIG Housing Trust to reflect our plans to develop different housing types, including supported housing and social homes 'for life.' We seek sponsors, developers, and financial bodies to help us achieve this.

Significant Events

Investors in People

SIG was awarded Investors in People, an important accreditation, particularly in supporting our growth plans. We worked over many months with staff to achieve this. We continue our Investors in People journey, using the findings from the review to shape our 3-year strategic plan starting next year. We started developing our reward and recognition strategy to ensure we make working at SIG a rewarding experience personally and professionally by offering growth and development.

ISO90001

We received ISO9001 accreditation in January. ISO remains a necessary certificate held by SIG, assuring stakeholders that we have effective systems and processes and work to improve continuously. SIG has maintained certification since its inception.

The Solace Centre

The Solace Centre is an out-of-hours mental health service supporting over 100 members and associates who have long and enduring mental ill-health, including schizophrenia, bipolar, anxiety and depression). The heart of Solace is combating loneliness and isolation through social inclusion and maintaining wellness and healthy lifestyles. Solace is a safe place where members support one another through lived experience, involve themselves in activities and seek assistance, advice and reassurance from staff who go the extra mile in tackling barriers to health and wellbeing.

Solace embraces member involvement, learning and development to support all the challenges and growth. Members collectively run and maintain the centre voluntarily, cleaning, gardening and donating items needed. This year, Solace was South Ealing Co Op's top cause, receiving £1,796.23 to support Member engagement activities. Members choose the weekly activities and special events they want to do, including creative art groups, mindfulness, silent discos, cooking and BBQs and helping to develop skills, confidence, purpose and self-esteem.

Access to a garden is a luxury often beyond members. However, with Awards For All Lottery funding this year, members launched a Garden Project, developing and extending the centre's garden utilising wasteland next door. Poor health and lifestyle choices are often linked with mental health. The new garden promotes healthy eating choices through vegetable growing, exploring the steps from seed to plate, and diabetes awareness and mindfulness in nature groups, enabling access for everyone. Members have also transformed the car park outside from an anti-social area to a positive, welcoming community space. The impact of the Solace Centre is awe-inspiring. In the last three years, there have been no instances of unplanned returns to hospital for its members. 100% of members surveyed this year declared they were either 'very satisfied' (87%) or 'satisfied' (13%) with the centre.

Churchfield and Cherington Service

Churchfield and Cherington service provides supported housing and out-of-hours support for people with drug or alcohol dependency and mental ill-health. Operating across two sites, Churchfield offers supported housing for up to a year for people working towards abstinence from drugs or alcohol, and Cherington supports people abstaining from drugs and alcohol who need help to reintegrate back into the community.

This year, services negotiated funding increases with commissioners focused on overcoming barriers for residents accessing treatment services. Commissioners approved Cherington letting out an additional room as an 'in reach' service to the Ealing Substance Misuse Team (SMT) to enhance engagement and community-based treatment support for residents, generating much-needed additional income. Both services continue to support the SMT, and are working closely with the Rough Sleepers Drug and Alcohol Team (RSDAT), a newly set up team connected to Recovery Intervention Services Ealing (RISE).

More in-reach services have been developed, enabling residents to speak with nurses and dietitians and deliver groups and training on-site and more are in development, including mobile Blood-Borne Virus (BBV) testing and optician visits scheduled for later in 2023.

Aspinden Care Home

Aspinden Care Home promotes residents' rights and provides support that preserves their dignity, choice, privacy, and independence. Most of Aspinden's residents have been drinking all their lives, resulting in poor memory and learning disabilities. At the heart of the service is a trauma-informed approach to reduce re-traumatising residents by understanding their needs and where their behaviour stems and helping them understand their boundaries and how to set healthy ones.

Importantly, Aspinden focus on creating a sense of identity, treating residents as individuals, ensuring they feel part of society, and not defining them by their circumstances or labels. The service's non-clinical and Asset-based approaches provide meaningful activities to empower residents, reconnect them with the community and help manage emotions, health and well-being. Members are involved in decision-making processes, activity planning in service life, daily catering, garden maintenance and sitting on interview panels for constructive feedback as part of Aspinden's recruitment strategy.

SWAY

SIG Equinox Southampton Way provides supported accommodation and a recovery approach resettlement programme for men with enduring mental health support needs and drug and alcohol dependency. SWAY takes great care through human and personal touches to ensure positive and meaningful engagements with residents to keep them motivated, active and well. This year's activity calendar included in-house mindfulness, Tai Chi, art, cooking and newspaper clubs, fitness sessions, football and day trips and outings chosen by residents. In Spring, residents successfully grew their food, starting with spinach.

Brighton Women's Service (BWS)

This year, BWS continued driving systems change and creating a holistic service to empower women to engage in circles of support:

BWS is a flagship project for local commissioners, achieving an 86% reduction in offending/Anti-Social Behaviour and a 71% reduction in A&E admissions. The service provides vital temporary accommodation and supports women experiencing long periods of homelessness related to domestic abuse, mental health and drug and alcohol use. The service works to offer a unique model, delivery, and approach focused on providing a trauma-informed, safe environment where women have choice, control and care in developing and addressing their needs.

Tackling Women's Health Inequalities

BWS resident population have significant health inequalities. The service has focused on overcoming barriers to accessing local NHS primary and secondary healthcare services to meet residents' needs and prevent ill health and deterioration. The service has improved health screening uptake by implementing an In-reach Nursing Model. Nurse prescribers working in the District Nursing Team attend a regular drop-in set up by BWS to treat residents in-house, creating consistency and safety. Women who were less likely to agree to medical attention outside of the service and who have not done anything for years about their health have been very responsive and now engage with the nurses, who are making a significant difference to their recovery pathway. Nurses take blood, prescribe medications and even HRT, as many women at the service are menopausal or perimenopausal but have received no treatment and lack understanding. The service has plans to implement a cervical cancer screening programme next year.

Maintaining Community Safety

BWS is there to provide safety. However, perpetrators and controlling agents can often target women living at the service. BWS approached the Community Safety Team (CST) to explore how they could create a safer space outside the service, working more closely with the Police. The result was BWS being part of a local pilot with social landlords to test the effectiveness of issuing Community Protection Warning Letters (CPWL). BWS is the only hostel in the region trained in the process, allowing BWS to implement restrictions to ensure community safety from disturbances. Referrals are made to issue a Community Protection Letter, which can escalate to giving a CPWL. A breach of a CPWL can lead to prosecution. To the best effect, all BWS staff have access to the tool centred on tackling perpetrator behaviour and the detrimental impact on women residing at the service. BWS has used the tool with a 100% success rate and is supporting the CST to present it and its effectiveness to hostel managers across the region to encourage uptake.

MARAC Procedures and Governance Review

BWS's therapeutic model of trauma and shame-informed practice looks to positively challenge local systems and the stigma and shaming narrative for women with complex needs and risks by sharing insights and learnings to create positive female-led environments and respond to the need to restore trust in external frameworks. This year, the service strengthened its working relationship with Brighton and Hove Council's MARAC (Multi-Agency Risk Assessment Co-ordination), initiating a review that demonstrated the need to update MARAC's procedures and governance on information reporting and sharing to enhance victim safeguarding and avoid re-traumatisation and serious harm. The team also presented to the Brighton and Hove Council on the impact of misrepresentation and misinformation.

Financial Review 2022/23

SIG Equinox made a surplus of £6k (2021/22 - £652k deficit) at the operating profit level. This results in an unrestricted fund balance in deficit of £2,188k at 31st March 2023 (2021/22 - £2,059k). In addition, it had a restricted fund balance of £1k (2021/22 - £1k) after receipts of £9k (2021/22 - £153k) and expenditure of £9k (2021/22 - £153k).

The pensions reserve at the end of the year was £1,977k 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 operating costs and provisions of SIG 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

SIG 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 SIG 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, SIG 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. SIG Equinox aim to make a small surplus for retention and reinvestment purposes, which increases the free reserves. During the year, the Trustees agreed to reduce the target for SIG Equinox to £368k. The actual free reserves, excluding the past service pension liability, as at 31st March 2023 are £2,188k in deficit (20/21 - £2,059k deficit). The Trustees will continue to review the reserves policy and position.

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 SIG Equinox has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. SIG 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 SIG Equinox is well placed to manage its business risks successfully. For this reason, they continue to adopt the going concern basis in preparing SIG 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 SIG 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

At SIG Equinox, we pride ourselves on being a learning organisation, constantly developing and innovating to adapt to changes in our environments, and ensuring we continue to focus on delivering the best possible outcomes to the people we support. Over the next five years, our ambitions include:

Delivering **permanent, quality social homes** for people requiring longer-term support through SIG Housing Trust's ambitious property strategy, with support from key partners, benefactors and developers.

Decreasing the number of people rough sleeping, leaving hospital and prison with no accommodation by providing **excellent supported accommodation** services and **person-centred move-on** packages.

Becoming an employer of choice by developing a **Staff Academy of Learning**, ensuring all our staff feel safe, valued and invested, and adding value by enhancing our volunteering offer and increasing volunteer numbers to over 300.

Working with the NHS and Integrated Care Boards to **shift more mental health treatment and recovery services from the hospital to the community** by offering evidence-based and innovative alternative delivery models.

Deploying an External Affairs Team to ensure we make positive social change by sharing **frontline and lived experiences to have a meaningful influence on policy development** and provide opportunities for our participants and residents to be heard at the highest levels of government.

Supporting a fairer, more impactful criminal justice system by working collaboratively with HMPPS and other key partners to deliver positive resettlement outcomes. **Expanding our promising Approved Premises delivery model** run by SIG Penrose, a sister charity within the Group and demonstrating its impact on people leaving prison at the highest risk.

Identifying opportunities within the prison estate to roll out sister charity, SIG **Safe Ground's unique approach to providing visitor centres**. Influence and shape cultural change in how people in prison are supported through Safe Ground's methodology and our External Affairs Team.

Extending our specialist gender-based services to women with multiple complex needs and significant enduring trauma by building on our therapeutic model of trauma and shame-informed practice to create positive, female-led environments and responding to the need to restore trust in external frameworks and wider systems change, working through our **'I Am More Than'** Project and **Theory of Change** to break the stigma and shaming narrative for women with complex needs and risks.

Growth and development to support a minimum of 30,000 people, triple income to £60 million and continue to grow and flourish, adding **three new charities** to the Group to expand and enhance our range and offer to the people we support.

New Business

Complex Mental Health Supported Accommodation, Lewisham

SIG Equinox secured a new Complex Mental Health Supported Accommodation stepped service in Lewisham consisting of a high support service and three step-down properties, accommodating 29 residents. It followed a two-stage tendering process in spring/summer 2022. Mobilisation of the new service took place from January through to March 2023. It included merging contracts previously delivered by two organisations, requiring a significant TUPE process, and establishing agreements with two landlords across the four properties. The new service went live on 1st April 2023.

Other Group Activities

Fundraising

We recruited a Grant Writer in the year to help build on our first-year successes. Our funding priorities remain capacity-building grants to develop and enhance our services and technology and implement our strategic ambitions and plans.

Irene Mensah Bursary

SIG Equinox Brighton Women's Service was again awarded the Irene Mensah Bursary for its '**I Am More Than**' artistic project at this year's Brighton Fringe Festival. The project supports women in the city experiencing homelessness. This bursary pays the registration fee in full and will share information on the events and activities on their social media.

NW London Cancer Screening Outreach

SIG secured a health inequalities grant from NHS NW London, NW London Integrated Care System and RM Partners West London Cancer Alliance to deliver cancer outreach activities across our NW London services. Led by our Group Clinical Lead, activities focused on understanding the barriers when accessing NHS national screening services and gathering feedback to understand the changes residents and participants would like to see. Our insights and findings were shared at an event attended by charities, community groups, Public Health and cancer specialists as part of a roundtable discussion. We plan to continue work in this area next year with further funding from the NW London Integrated Care System.

SIG Run Club launch

March saw the launch of SIG's first-ever Run Club. Run Club is a place for SIG Equinox staff, residents, and participants to share their journey to improved well-being. The club is made up of a mix of running abilities. Initially started as a virtual support group to share individual journeys, the group now arranges in-person meet-ups to officially organised running events and support each other's running challenges. The club hopes to start fundraising for SIG next year.

Health Education England

We continued our partnership with Health Education England to develop our Peer Mentoring Training Programme to support the increasing need for people with lived experience to support residents and participants in our services on their recovery journeys.

Thank You

On behalf of SIG 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

Our focus this year has been on sustainability, growth and development. We made the decision to focus on quality rather than quantity of content, which meant reducing social media posting to focus on refreshing our vision, mission and brand and supporting the implementation of our Theory of Change. As part of our strategic aims to make positive social change, we also started developing plans for our own External Affairs Team to showcase our work and impact and share the lived experience and voices of the people using our services to ensure they are understood and heard.

'I am More Than' is an artistic project set up by SIG Equinox Brighton Women's Service. The project empowers women living at the service to use their creative voices to tell their communities who they are and that they are not defined by homelessness or any of the many issues that run alongside it. It aims to help women to challenge their negative beliefs about themselves and help them regain self-worth and confidence. This year, the project collaborated with Bloom Café, Brighton, a Safe Haven (St Peters) and Brighton Probation Service project. Despite local council elections taking much of the day's focus, the launch event presented the courageous artistic work of the women at the service and saw over 50 attendees, from staff and service residents to community partners, including Brighton and Hove Council's Homeless Unit, RISE domestic abuse charity, Change Grow Live, Just Life, and the project volunteer and student social worker.

Structure, governance and management

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

SIG Equinox's governing instruments are its Articles of Association dated 23rd of March 1987, as amended on 1st of November 2018. The sole member of SIG Equinox is Social Interest Group with effect from 1st of October 2014 and as of 1st of November 2018 the non-executive Trustees of Social Interest Group were appointed as the Trustees of SIG 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 Care is a member of 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: Penrose Options, SIG Housing Trust, Safe Ground and Pathways to Independence.

Remuneration policy for key management personnel

The Group Chief Executive's remuneration is set by 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.

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 6th December 2023 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 2023 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 2023 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.

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

Independent auditor's report to the members of Equinox Care

- 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 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. 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

Statement of Financial Activities

	Note	Unrestricted £'000	Restricted £'000	Pension reserve £'000	2023 Total £'000	Unrestricted £'000	Restricted £'000	Pension reserve £'000	2022 Total £'000
Income from:									
Donations and legacies	2	7	-	-	7	6	-	-	6
Charitable activities	3	6,430	9	-	6,439	7,296	153	-	7,449
Total income		6,437	9	-	6,446	7,302	153	-	7,455
Expenditure on:									
Charitable activities	4a	(6,566)	(9)	135	(6,440)	(8,079)	(153)	125	(8,107)
Total expenditure		(6,566)	(9)	135	(6,440)	(8,079)	(153)	125	(8,107)
Net income / (expenditure) for the year	5	6	-	-	6	(777)	-	125	(652)
Net income / (expenditure) before other recognised gains and losses		(129)	-	135	6	(777)	-	125	(652)
Actuarial gains/(losses) on defined benefit pension schemes	14	-	-	(762)	(762)	-	-	550	550
Net movement in funds		(129)	-	(627)	(756)	(777)	-	675	(102)
Reconciliation of funds:									
Total funds brought forward		(2,059)	1	(1,350)	(3,408)	(1,282)	1	(2,025)	(3,306)
Total funds carried forward	16a	(2,188)	1	(1,977)	(4,164)	(2,059)	1	(1,350)	(3,408)

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.

Balance Sheet

	Note	£'000	2023 £'000	£'000	2022 £'000
Fixed assets					
Tangible assets	10		<u>80</u>		<u>35</u>
			80		35
Current assets					
Debtors	11	918		997	
Cash at bank and in hand		<u>727</u>		<u>69</u>	
		1,645		1,066	
Liabilities					
Creditors: amounts falling due within one year	12	<u>(2,562)</u>		<u>(1,809)</u>	
Net current assets / (liabilities)			<u>(917)</u>		<u>(743)</u>
Total assets less current liabilities			<u>(837)</u>		<u>(708)</u>
Creditors: amounts falling due after one year	13		<u>(1,350)</u>		<u>(1,350)</u>
Net liabilities excluding pension scheme provision			<u>(2,187)</u>		<u>(2,058)</u>
Defined benefit pension scheme provision	14		<u>(1,977)</u>		<u>(1,350)</u>
Total net liabilities			<u><u>(4,164)</u></u>		<u><u>(3,408)</u></u>
The funds of the charity	15a				
Restricted income funds			1		1
Unrestricted income funds					
General funds		(2,188)		(2,059)	
Pension reserve		<u>(1,977)</u>		<u>(1,350)</u>	
Total Unrestricted funds			<u>(4,165)</u>		<u>(3,409)</u>
Total Charity funds			<u><u>(4,164)</u></u>		<u><u>(3,408)</u></u>

Approved by the Trustees on 6th December 2023 and signed on their behalf by



Chair - Karl Marlowe

SIG Equinox Care: A company limited by guarantee, Company Registration Number 02114430 (England and Wales)

Cash Flow Statement

	2023 £'000	2022 £'000
Cash flows from operating activities:		
Net deficit for the reporting period (as per the statement of financial activities)	(756)	(102)
Depreciation charges	21	19
Movement in long-term pension deficit liability	627	(675)
Decrease in debtors	79	34
Increase / (Decrease) in creditors	753	186
	<hr/>	<hr/>
Net cash provided by operating activities	724	(538)
Cash flows from investing activities:		
Proceeds from the sale of fixed assets	17	
Purchase of fixed assets	(83)	(13)
	<hr/>	<hr/>
Net cash used in investing activities	(66)	(13)
Change in cash and cash equivalents in the year	658	(551)
Cash and cash equivalents at the beginning of the year	<hr/> 69	<hr/> 620
Cash and cash equivalents at the end of the year	<hr/> 727	<hr/> 69

Notes to the Financial Statements

1 Accounting Policies

a) Statutory information

Equinox Care 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.

Social Interest Group will not recall the inter-company balances within the next 12 months, unless the Trustees deem that SIG 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 SIG 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.

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.

As at 31 March 2023

1 Accounting Policies (continued)

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 SIG 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:

- Leasehold improvements - 25% straight line
- Fixtures, Fittings and Office Equipment - 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.

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

SIG Equinox makes contributions into a defined benefit pension scheme, which is now closed to new SIG 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

SIG Equinox has received a donation of £7,309 (2022: £6,000) from other donors.

3 Charitable activities – supporting vulnerable people

SIG 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. SIG 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	2023 Total £'000	2022 Total £'000
Staff costs (Note 6)	3,464	-	704	4,168	5,206
Recruitment & training	-	-	188	188	132
Subsistence & travel	4	-	3	7	17
Premises Costs	989	-	26	1,015	1,428
Office running costs	96	-	45	141	180
Insurance	-	-	47	47	70
Information technology	-	-	109	109	159
Bank charges	-	-	-	-	1
Legal & Professional	-	-	62	62	48
Depreciation	33	-	-	33	38
Audit fees	-	22	-	22	14
Other Costs	642	-	6	648	814
Total expenditure 2023	<u>5,228</u>	<u>22</u>	<u>1,190</u>	<u>6,440</u>	
Total expenditure 2022	<u>6,476</u>	<u>16</u>	<u>1,615</u>		<u>8,107</u>

Equinox Care
Notes to the Financial Statements
For the year ended 31 March 2023

4b Analysis of expenditure (prior year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	2022 Total £'000
Staff costs (Note 6)	4,130	-	1,076	5,206
Recruitment & training	-	-	132	132
Subsistence & travel	12	-	5	17
Premises Costs	1,386	-	42	1,428
Office running costs	98	-	82	180
Insurance	-	-	70	70
Information technology	-	-	159	159
Bank charges	-	-	1	1
Legal & Professional	-	-	48	48
Depreciation	38	-	-	38
Audit fees	-	14	-	14
Other Costs	812	2	-	814
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure 2022	6,467	16	1,615	8,107
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5 Net income / (expenditure) for the year

This is stated after charging:

	2023 £'000	2022 £'000
Depreciation	21	19
Operating lease rentals:		
Property	948	1,246
Auditor's remuneration (excluding VAT):		
Audit	14	14
	<u>14</u>	<u>14</u>

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

Staff costs were as follows

	2023 £'000	2022 £'000
Salaries and wages	2,718	3,913
Redundancy and termination costs	16	57
Social security costs	254	381
Employer's contribution to defined contribution pension schemes	75	75
Operating costs of defined benefit pension schemes	52	13
Agency costs	1,053	767
	<u>4,168</u>	<u>5,206</u>

No employee earned more than £60,000 during the year (2022: £nil).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £nil (2022: 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 (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

No Trustees' expenses were paid or reimbursed £Nil (2022: £nil).

7 Staff numbers

	2023	2022
Operational	126	185
Administration	2	2
	<u>128</u>	<u>187</u>

8 Related party transactions

SIG Equinox was charged £1,120,591 for central office functions provided by the parent charity Social Interest Group (2022: £1,675,173).

SIG Equinox owed £2,397,305 to SIG at the year-end (2022: owed £1,745,365).

SIG Equinox was owed £333,158 from Penrose Options (wholly owned subsidiary of SIG) at the year-end (2022: owed £504,613).

SIG Equinox was owed £306 to SIG Housing Trust (wholly owned subsidiary of SIG) at the year-end (2022: owed £27,813)

9 Taxation

SIG 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 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
Cost of valuation			
At the start of the year	154	40	194
Additions in year	9	74	83
Assets disposed during the year	(44)	(16)	(60)
At the end of the year	<u>119</u>	<u>98</u>	<u>217</u>
Depreciation			
At the start of the year	144	15	159
Charge for the year	7	14	21
Assets disposed during the year	(41)	(2)	(43)
At the end of the year	<u>110</u>	<u>27</u>	<u>137</u>
Net Book Value			
At the end of the year	<u>9</u>	<u>71</u>	<u>80</u>
At the start of the year	<u>10</u>	<u>25</u>	<u>35</u>

All of the above assets are used for charitable purposes.

11 Debtors

	2023 £'000	2022 £'000
Trade debtors	368	283
Amounts due from Group undertakings	333	505
Other debtors	23	22
Prepayments	114	140
Accrued Income	80	47
	<u>918</u>	<u>997</u>

12 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	187	149
Taxation and social security	74	19
Pension contributions	38	38
Other creditors	718	791
Amounts due to Group undertakings	1,047	422
Accruals	498	390
	<u>2,562</u>	<u>1,809</u>

13 Creditors: amounts falling due after one year

	2023 £'000	2022 £'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")

SIG 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.

Number of active members in the scheme

	No.
Active	2
Deferred	91
Pensioners	45

Financial assumptions

	2023 %pa	2022 %pa
Rate of discount	5.17	3.09
Price inflation (RPI)	3.19	3.57
Price inflation (CPI)	2.75	3.19
Earnings increases	3.75	4.19
Allowance for commutation of pension for cash at retirement	75%	75%

Other material assumptions

	Years	years
Life expectancies in retirement:		
Male currently aged 65	21.00	21.10
Female currently aged 65	23.40	23.70
Male currently aged 45	22.20	22.40
Female currently aged 45	24.90	25.20

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

	2023 £'000	2022 £'000
Fair value of plan assets	7,391	11,657
Present value of defined benefit obligation	(9,368)	(13,007)
Net defined liability to be recognised	(1,977)	(1,350)

14 Pension Scheme (continued)

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

	2023 £'000	2022 £'000
Opening fair value of employer assets	11,657	11,352
Interest income	360	279
Experience on plan assets	(4,612)	118
Contributions by the employer	187	186
Withdrawals by Employees	-	-
Benefits paid and expenses	(201)	(278)
	<u>7,391</u>	<u>11,657</u>

Reconciliation of opening and closing balances of defined benefit obligation

	2023 £'000	2022 £'000
Opening defined benefit obligation	13,007	13,377
Expenses	13	13
Interest cost	399	327
Actuarial losses / (gains)	(3,850)	(432)
Benefits paid and expenses	(201)	(278)
Closing defined benefit obligation	<u>9,368</u>	<u>13,007</u>

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

	2023 £'000	2022 £'000
Expenses	13	13
Net interest expense	39	48
Defined benefit costs recognised in the SOFA	<u>52</u>	<u>61</u>
Actual return on plan assets	<u>(4,252)</u>	<u>397</u>

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

	2023 £'000	2022 £'000
Actuarial gain / (loss) on plan obligations	3,850	432
Actuarial gain on plan assets	(4,612)	118
	<u>(762)</u>	<u>550</u>

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

	General unrestricted £'000	Pension Reserve £'000	Restricted £'000	Total funds £'000
Tangible fixed assets	80	-	-	80
Net current liabilities	(918)	-	1	(917)
Non-current liabilities	(1,350)	-	-	(1,350)
Defined benefit pension provision	-	(1,977)	-	(1,977)
	<u>(2,188)</u>	<u>(1,977)</u>	<u>1</u>	<u>(4,164)</u>

15b Analysis of net assets between funds (prior 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>

16a Movements in funds (current year)

	At 1 April 2022 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2023 £'000
Restricted funds:					
Fulfilling Lives	-	9	(9)	-	-
Skills for Care	1	-	-	-	1
Total restricted funds	<u>1</u>	<u>9</u>	<u>(9)</u>	<u>-</u>	<u>1</u>
General funds	(2,059)	6,437	(6,566)	-	(2,188)
Pension reserve	(1,350)	-	(627)	-	(1,977)
Total funds including pension fund	<u>(3,408)</u>	<u>6,446</u>	<u>(7,202)</u>	<u>-</u>	<u>(4,164)</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 2021 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2022 £'000
Restricted funds:					
Fulfilling Lives	-	35	(35)	-	-
Corona Virus Grants	-	118	(118)	-	-
Skills for Care	1	-	-	-	1
Total restricted funds	<u>1</u>	<u>153</u>	<u>(153)</u>	<u>-</u>	<u>1</u>
General funds	(1,282)	7,302	(8,079)	-	(2,059)
Pension reserve	(2,025)	550	125	-	(1,350)
Total funds including pension fund	<u>(3,306)</u>	<u>8,005</u>	<u>(8,107)</u>	<u>-</u>	<u>(3,408)</u>

Purposes of restricted funds

- Fulfilling Lives. The 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.
- 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.
- 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

	2023 £'000	2022 £'000
Less than one year	584	835
One to five years	114	452
	<u>698</u>	<u>1,287</u>

18 Guarantees and ultimate parent undertaking

Equinox Care, now trading as SIG Equinox, is a company limited by guarantee not having a share capital. Social Interest Group became the sole member of Equinox Care on the 1 October 2014, previously all Trustees were members. Each member has guaranteed to pay £1 in the event that Equinox Care 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.