



Social Interest Group

Trustees' Report & Consolidated Financial Statements

Year ended 31 March 2023

Charity registered number 1158402
Company registration number 09122052



Penrose

Equinox

Pathways to
Independence

SIG Housing Trust

Safe Ground

Contents

Reference and Administrative Details of the Charity, its Trustees and Advisors	3
Objectives and Activities	4
Chief Executives Statement.....	7
Strategic Report	9
Client Transformations	9
Our Focus	11
Financial Review 2022/23	13
Plans for the Future.....	15
SIG Penrose Services.....	16
Significant Events.....	17
SIG Equinox Services.....	19
SIG Pathways Services.....	22
Group New Business	25
Other Group Activities.....	26
Group Communications.....	28
Statement of responsibilities of the trustees	32
Auditor's Opinion.....	33
Statement of Financial Activities	36
Balance Sheet	37
Cash Flow Statements	38
Notes to the Financial Statements	39
Notes to the Financial Statements	44

Reference and Administrative Details of the Charity, its Trustees and Advisors

Social Interest Group was incorporated as a company limited by guarantee on the 8th of July 2014. It became a charity registered with the Charity Commission on the 1st of September 2014. It changed its name to the Social Interest Group on the 1st of October 2014, when Equinox Care (“Equinox”), Penrose Options (“Penrose”) and Milner Gibson Limited (“Milner Gibson”) joined as wholly-owned subsidiaries. SIG Housing Trust (formerly SIG Investments) joined the Group when it was incorporated on the 15th of December 2015. Pathways for Independence joined the Group on the 19th of January 2021 and Safe Ground joined the Group on the 1st November 2022 as wholly-owned subsidiaries. The Social Interest Group (SIG) is referred to as the Charity throughout this document. SIG is a charity providing strategic social support, quality standards, governance, risk management, central resources and models of supported housing, social support, and health care through its subsidiary charities. We aim to help address the inequality of access to health care and support for people with a diverse range of complex needs that consequently make their lives seem chaotic and often have behaviours that challenge service.

Our Residents and Participants are often living with trauma, mental ill-health and disorders, personality disorders, substance and alcohol misuse and may have been rough sleeping, homeless or in the criminal justice system and families that have lost their homes or at risk of doing so.

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:

<p>Chairman Karl Marlowe</p> <p>Treasurer Jeff Loo</p> <p>Trustees: Dylan Kerr Jeff Loo Claire Barton Stuart Jenkin (Vice Chair)</p> <p>Executive Trustee & Group Chief Executive Gill Arukpe</p> <p>Company Secretary Michael Rutherford</p> <p>Executive Officers: Group Chief Executive Gill Arukpe</p> <p>Senior Director of Operations Cassie Newman (Resigned 8th September 2023)</p> <p>Director of Finance & Resources Michael Rutherford</p> <p>Director of People & Culture Maria Speight</p>	<p>Registered office 1 Waterloo Gardens Milner Square London N1 1TY</p> <p>Auditor Buzzacott LLP 130 Wood St London EC2V 6DL</p> <p>Bankers Lloyds Bank plc 25 Gresham Street London EC2V 7HN</p> <p>Solicitors Russell Cooke LLP 2 Putney Hill London SW15 6AB</p> <p>DWF LLP 1 Scott Place 2 Hardman Street Manchester M3 3AA</p> <p>Company registration number 09122052 Charity registration number 1158402 www.socialinterestgroup.org.uk enquiries@socialinterestgroup.org.uk</p>
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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 and Activities

Purposes and Aims

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

- To relieve people in need, including but not limited to those with mental ill-health, substance use disorders, alcohol use or other dependence, people in the criminal justice system, people experiencing homelessness, people experiencing social isolation, people with disabilities (whether physical or mental) or chronically sick, and to assist and relieve such persons' family, dependents and other carers who are in need as a result;
- To promote and improve the efficiency and effectiveness of its charitable subsidiaries in fulfilling their charitable objectives;
- 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 and its subsidiaries each year. This report looks at what the Group 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 Group has brought to the people it is set up to help. The review also helps the trustees ensure that 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.

Penrose Options

Penrose Housing Association was set up as an Industrial & Provident Society, an exempt charity, in 1969 by two ex-offenders and several volunteers to provide housing for ex-offenders. It became a company limited by guarantee, registered with the Charity Commission and changed its name to Penrose Options on the 28th of March 2013. It traded as Penrose and joined the Group on the 1st of October 2014. Penrose Options now trades as SIG Penrose and strives to address inequality of access to health, employment, training, and social care support for people who are in a range of settings such as prison, hospitals, rough sleeping or homeless or at risk of homelessness. People struggling with daily living, mental ill-health, personality disorders, trauma, substances and alcohol, personality disorders, or need support due to their complex, chaotic life.

SIG Penrose specialises in working with people who have struggled in other services as they present personal or public safety risks. SIG Penrose provides practical social support and health care solutions, supported housing in residential accommodation, resource centres, floating support and Housing First services. SIG Penrose also provides specialist rehabilitation and technical and therapeutic support that aids recovery, reduces reoffending and changes behaviour. SIG Penrose currently operates across London, Bedfordshire and Luton and has ambitions to grow. On the 8th of August, SIG Penrose's flagship service, Penrose Drive (an Independent Approved Premises), opened its doors to men who served long sentences and require a level of supervision on release from prison.

Equinox Care

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. It traded as Equinox and joined the Group on the 1st October 2014. Equinox Care now trades as SIG Equinox, and 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 way. 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 Equinox are providing hope without exclusion to all who come to them. Equinox currently operates across London and in Brighton and has ambitions to grow.

Pathways to Independence

Pathways to Independence joined the Group on the 19th of January 2021. Pathways to Independence now trades as SIG Pathways, and its purpose is to provide support and relief, including rehabilitation from the causes and effects of poverty, homelessness, illness and reoffending behaviour for persons aged 16 and over in the county of Kent and the surrounding area by providing or assisting in the provision of supported accommodation, education, training for employment, advice and counselling and other support facilities. SIG Pathways provide a peer mentoring service, temporary accommodation service in Maidstone, and a Rough Sleeper Initiative (RSI) project in Medway and supported accommodation for single people and prison leavers who are homeless.

Milner Gibson

SIG Penrose operated an in-house maintenance department for more than twenty years for its accommodation-based services. Penrose Works Limited was incorporated on the 21st of October 2013, commenced trading on the 1st of August 2014, joined the Group on the 1st of October 2014 and changed its name to Milner Gibson Limited on the 27th of January 2016. Milner Gibson ceased trading on the 31st of March 2017, when the business was transferred to the Housing Management department within the Charity. The Company is currently dormant.

SIG Housing Trust

On registration as a charity, SIG Investments (SIGI), the principal activity was set up to buy or lease property on behalf of the Group and then lease it to Group members at an affordable social rent. SIG Investment was established in 2014. It has an independent Board of Trustees from the parent company, SIG. In 2023, SIG Investment consulted its residents regarding its name and branding. It was agreed a rebrand was required. As a result the registration was amended, and the name changed at Companies House, and Charity Commission to SIG Housing Trust. Since then, the SIG HT Board have developed a property strategy to include a housing development and social housing management programme for the residents supported by the Group. The strategy for SIG HT has developed and is currently proactively trying to register as a social landlord. SIG HT consulted residents in the Group who said they need access to permanent social housing as they move on from supported housing or directly when they leave inpatient hospital care or prison. SIG HT aims to create self-contained social housing units to improve

the quality of housing available for adults moving on from supported housing, prison, hospital and street homelessness.

Safe Ground

Safe Ground, trading as SIG Safe Ground, was established in 1995 and joined Social Interest Group on the 1st November 2022. Social Interest Group is its only member, therefore making it a subsidiary of Social Interest Group. SIG Safe Ground is an expert in the design and delivery of arts-based, therapeutic group work and operate nationally in various custodial and community settings. SIG Safe Ground's work offers various programmes to access new perspectives, creates opportunities for discussion and debate, and invites participants to take risks, experiencing themselves and each other in new ways with proven results. Analysis of Fathers Inside programme shows a 40% reduction in re-offending between programme participants and their counterparts who did not participate (Justice Data Lab, 2016).

Chief Executives Statement

With figures showing 1 in 4 adults predicted to experience a common mental 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 and number of people in prison.

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 for 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 significant rising demand 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 Social Interest Group 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 is exceptionally skilled at finding solutions to help people with the highest support needs.

This year, we took on additional units of accommodation, opening up a vital new housing pathway in Kensington and Chelsea for a range of people, including refugees. We continue to secure our long-term financial stability through contract retention, growth and income diversification.

We retendered for and won several crucial long-running service contracts, helping people secure and retain accommodation and supporting various social needs. SIG Penrose officially opened its first Independent Approved Premises (IAP), Penrose Drive, where sister charity SIG Safe Ground has been delivering its programmes. SIG Safe Ground secured new contracts with several prisons to embed its programmes, including at HMP Altcourse, with additional management of Altcourse's Visitors Centre.

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, homelessness 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 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.

A handwritten signature in purple ink, appearing to read 'Gill Arukpe', is positioned above the printed name.

Gill Arukpe, Group Chief Executive

6th December 2023

Strategic Report

Results and Impacts

In 22/23 Social Interest Group supported 3,089 people across our different services.

KPI	TARGET	ACTUAL	
% positive move-ons	>85%	85.6%	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%	0.3%	
% Convicted of new offence	<3%	0.0%	
% Unplanned return to prison	<3%	0.8%	

Total departures	2,169
Positive move-ons	1,857
Total clients seen	3,089
Unplanned return to hospital	10
Convicted of a new offence	0
Unplanned return to prison	25

Client Transformations

Joseph's Story

Resettlement can be a challenging time for many. Joseph needed help to resettle in the community. He was living in temporary accommodation when he came to SIG Penrose Synergy Universal for support to live in the community and manage his accommodation. He was using drugs and was engaging with Resolutions, a drug recovery service. He was struggling financially, was in rent arrears and needed help to set up a Repayment Plan.

Synergy contacted the Council to set up a payment plan consisting of weekly payments to help Joseph get back on track. The council had moved him to more secure and settled sheltered accommodation. Still, with no white goods or furniture on the property, Joseph wasn't optimistic about his future as he owned nothing. Synergy helped Joseph buy white goods and furniture, using Luton Borough Council's Household Support Fund, including a fridge, washing machine, microwave, plates, a bed and bedding. This was of great help to him. Due to his change of address, Joseph needed Synergy's help to change from Employment and Support Allowance to Universal Credit. Synergy persuaded Universal Credit to accept Joseph's application by phone as he couldn't manage an online account. During such challenging times, Synergy signed Joseph up to local food banks, ensuring he had additional support. Joseph fed back that SIG Penrose had offered him a life line, has settled into his home and was very grateful for the help.

Richard's Story

Richard has profound hearing loss and is a Registered Sex Offender. He has an ex-partner with a disability whom he sometimes helps care for, giving him a sense of purpose. Before being referred to Pathways for temporary accommodation, he slept in his car for the best part of a year. Pathways assessed Richard's needs to ensure he could live safely in supported accommodation with his disability and offered him a room at one of our step-down projects.

When he arrived, his emotional health was severely low as he said he regretted his crime. He was distraught and did not believe anything was possible. But Pathways knew that with patience, practical support, advice with how to discuss his previous offending and any triggers or risks he had to avoid and time, he would have the opportunity to adjust and ensure he did not reoffend or be a risk to the community or himself and able to positively move on with his life.

Pathway's accommodation was the foundation he needed, providing stability and a safe place where he felt comfortable and supported through weekly meetings to discuss and develop his Support Plan or to have a coffee and a chat. With staff encouragement and support from The Probation Service and Medway Visor Team, Richard made significant progress. He is currently completing in-house counselling sessions and has enrolled on a sign language course online. He has made regular savings towards a move-on fund, and an application for consideration has been made to the housing register through Kent and Medway HomeChoice.

Richard shares how *'when one is homeless and alone, communication shuts down'*, but now, he has a routine and can communicate for the first time in a long time. Without the support of Pathways and someone who believed in him, Richard thought it impossible to progress to a point where he was ready to live independently. Now, he is hopeful for the future.

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 was in need of accommodation and support in many areas - the main area 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 on offer. The staff worked together with his clinical team to agree a support plan to consistently adopt a different, person-centred approach, and offer the support 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 it was put 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 healthier and has contact with his family than he did 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 healthier and secure place. Staff have also built a good rapport with his relatives who live abroad, and they are very happy and grateful for the support that was offered to him. Gary is healthier and happier and has come to understand 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.

FOCUS for the coming year

We continue to develop new ways of working, embed our bespoke Theory of Change across all our services, create new services and further our work by building strong collaborative partnerships. We especially seek to extend the range of supported housing for people who are leaving hospital and those who have had to sleep rough and become homeless.

We will look to register SIG HT with the housing regulator and seek financial partners to help us with our property strategy to provide good social housing for people ready to live independently and those who would benefit from a Housing First support model.

We intend to extend SIG Penrose Community Care Service (PCCS), providing social and health care support to people in their homes. The aim of this is to keep people out of hospital and from losing their homes and reduce the number of people returning to prison.

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. You can learn more about our Theory of Change by visiting our website at <https://socialinterestgroup.org.uk/about-us/our-theory-of-change/>

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.

In January, SIG Safe Ground partnered with SIG's EDI Team to develop a series of online sessions inviting men across the organisation to consider how their conceptions and practice of masculinity impact their experiences at work and inform broader conversations on physical and psychological safety among staff, residents and participants. The first session occurred in March, with two more sessions planned in the year. Early feedback was that participants felt able to have conversations they were not having elsewhere and that ongoing participation in the group could make a tangible difference to people's work experience.

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 additional 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.

Financial Review 2022/23

The charity recovers the costs of the services that it provides to its subsidiary undertakings. The charity made a surplus of £90k (2021/22 - £173k). The Group had net unrestricted incoming resources for the year of £435k (2021/22 - £166k outgoing). Unrestricted reserves stand at £2,727k at 31st March 2023 (2021/22 - £2,292k) with £34k in restricted reserves (2021/22 - £34k) and a liability of £2,569k (2021/22 - £2,259k) in the pension reserve for past service deficits comprising in Penrose £574k (2021/22 - £386k), Equinox £1,977k (2021/22 - £1,350k) and Pathways £18k (2021/22 - £523k).

SIG Penrose made a surplus of £505k (2021/22 - £556k) during the year. This results in an unrestricted fund balance of £2,484k at 31st March 2023 (2021/22 - £2,145k). In addition, it had a restricted fund balance of £3k (2021/22 - £3k).

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).

SIG Pathways made a surplus of £57k (2021/22 - £13k) at the operating profit level before a past service surplus pension gain of £519k (2021/22 - £69k). This results in an unrestricted fund balance of £1,804k at 31st March 2023 (2021/22 - £1,733k). In addition, it had a restricted fund balance of £30k (2021/22 - £30k).

On 1st November 2022, SIG became the sole member of Safe Ground. This resulted in post acquisition deficit of £2k, but a one off surplus of £63k following the acquisition of their net assets.

At the end of the financial period, the charity had unrestricted general reserves of £467k (2021/22 - £377k).

Milner Gibson did not trade during the year.

SIG Housing Trust (formerly SIG Investments) made a surplus of £2k (2021/22 - £5k) at the operating profit level.

The pensions reserve 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 Penrose and Equinox. These charities closed their participation in this pension scheme but remain 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 acceptable. 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.

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 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

The Group has a risk management strategy, which the trustees oversee. 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 B drug use on our premises. This is not surprising given the activities undertaken by the Group. To mitigate these risks, we have robust risk management policies, a pandemic strategy for the Group and each entity, 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 or participants, responsible officers, and the police. In addition, the Group is experiencing significant difficulties in procuring properties either for rent or outright purchase, given that we cannot expand at the demand rate or 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 that contributions are affordable and do not significantly burden the Group.

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. All SIG charities aim to make a small surplus for retention and reinvestment purposes, which increases the free reserves. The trustees reviewed the reserves policy in the light of the relevant guidance on the established level of reserves (those funds that are freely available) that the charity and Group ought to have at any given time. Reserves are needed to bridge the funding gap between spending on services, as well as to cover the impact on working capital to increasing demand for its services and unforeseen budget variances. Reserves are also held to cover risks faced by SIG and the Group, including loss of contract income.

The trustees evaluated the commitment to future expenditure against likely future income streams weighing each element according to size, probability, spread of risk and operational impact. During the year the trustees reviewed the level of reserves required in light of the ongoing challenging financial environment. The trustees agreed the free reserves (excluding the Pension Reserve) target should be approximately £650k, and for the Group £2.14m. The charity needs to maintain sufficient funds to cover any potential loss in income and short-term cash flow and to have approximately three months of expenditure available at all times and to cover costs in the event of the charity winding up. The unrestricted free reserves of the charity are £467k (£377k at 31st March 2022). The Group has unrestricted free reserves, excluding the Pension reserve of £2,727k at 31 March 2023 (£2,292k at 31st March 2022). Actions to strengthen the financial position in the future include diversification of funding, including the growth of the business development team to secure additional funds through fundraising, securing and opening several new projects, and the closure of financially unviable projects. In addition, there are concerted management efforts to increase occupancy, reduce void rates, and minimise the use of expensive agency staff.

After making enquiries, the Board of Trustees has a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. The Group has financial resources together with long-term cash-generating assets. Consequently, the Board of Trustees believe that the Group is well-placed to manage its business risks successfully. For this reason, they continue to adopt the going concern basis in preparing the Group's financial statements. The Pension deficit is large, but there is a robust repayment plan to reduce this over time. There are no material uncertainties related to events or conditions that may cause significant doubt about the ability of the Group 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, 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 by providing **excellent supported accommodation services** and **person-centred move-on** packages alongside the expansion of our **award-winning Synergy** model.

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** and demonstrating its impact on people leaving prison at the highest risk.

Identifying opportunities within the prison estate to roll out **SIG Safe Ground's unique approach to providing Visitor Centres**. Influence and shape cultural change in how people in prison are supported through SIG 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 by 2030 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.

SIG Penrose

SIG Penrose Services

SIG Penrose supported 2,483 people. Of these, we supported 2,308 residents living and recovering from poor mental health and disorders, homelessness, and trauma. Over 85% of move-on were positive, including transferring into independent living and step-down accommodation. Less than 1% of residents experienced unplanned returns to prison and to hospital during their time in our care.

KPI	TARGET	ACTUAL	
% positive move-ons	>85%	85.1%	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%	0.3%	
% Convicted of new offence	<3%	0.0%	
% Unplanned return to prison	<3%	0.5%	

Total departures	1,767
Positive move-ons	1,504
Total clients seen	2,483
Unplanned return to hospital	8
Convicted of a new offence	0
Unplanned return to prison	12

Luton Residential Services

- 924 Key Worker sessions
- 908 life skill sessions
- 170 group activities with a total of 492 client attendance to the activities

Synergy and Mental Health Floating Support Services

Penrose's Community Based services include Synergy, STEPS Hospital Discharge service and Blended Worker roles embedded within the Community Mental Health Transformation (CMHT).

BLMK (Beds, Luton, Milton Keynes) Community Mental Health Transformation

SIG Penrose is a lead VCSO in Luton, delivering services alongside the NHS and offering support for patients with Severe Mental Illness (SMI). We are already seeing innovation in our services, with Luton Penrose 'blended workers' delivery model, working closely with East London NHS Foundation Trust (ELFT). Penrose was the first VCSO to pilot the 'blended teams' approach in Luton, supporting East London Foundation NHS Trust (ELFT). The Blended Work Initiative with ELFT has been running for 18 months. Penrose's Blended Workers Team comprise two Mental Health Transition Workers and an Outreach Worker, fully funded by ELFT.

Based in the Community Mental Health Team's local offices, the team accesses NHS equipment and databases and is starting to adopt the Dialog+ approach to patient-led care and joint support planning. Penrose's Housing Related Support specialism enables NHS Care Coordinators to refer directly, bolstered by Penrose's attendance at Multi-Disciplinary Team Meetings (MDTs) and Triage Meetings.

This year, we continued to develop and establish these ways of working with ELFT's Transformation Lead, focusing on the need for supported housing as part of acute Mental Health services and co-designing procedures and governance as the framework for future blended teams. Two Mental Health Housing Leads and a Mental Health Community Engagement Coordinator role have been created as part of improved working practices.

Penrose is a lead at the BLMK VCSO Strategy Group, agreeing on Terms of Reference, reviewing and feeding into the NHS Joint Forward Plan, and contributing to discussions on the NHS Winter Plans 23/34, focusing on 'Virtual Wards' and Patient Flow. Penrose expects to be part of a working group to develop proposals with VCSOs at the heart of the plans.

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.

Enabling Environments Award

All three Offender Personality Disorder (OPD) accommodation sites achieved the Enabling Environments Award by the Royal College of Psychiatry. This is an extraordinary achievement and places our OPD services among the best in providing the highest quality. Feedback from residents and participants using the service is central to evidencing an enabling culture and treating them as a community working towards achieving their positive outcomes rather than service users receiving care and support.

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.

Penrose Drive Official Launch

In November, we officially opened SIG Penrose Drive, our first Independent Approved Premises, in partnership with HM Prison and Probation Service. The service builds on our work in the CFO Activity Hubs and our recent OPD Enabling Environments Award to help those in our care lead positive, independent lives and turn their back on crime. SIG Penrose Drive is a crucial bridge into the community, helping prison leavers reintegrate safely into society while protecting the public. The service combines a comprehensive range of meaningful behavioural programmes, training and purposeful activities to reduce the risk of reoffending, improve self-confidence and resilience, and further employment, training and education opportunities.

LGBTQIA+ Healthwatch Luton Consultation

The Bedfordshire, Luton and Milton Keynes Integrate Care System (BLMK ICS) commissioned the Denny Review in April 2022 to understand and tackle local communities' health inequalities. Our EDI programme expanded into community consultation with an invitation to facilitate their 'Denny Engagement' of local LGBTQIA+ community members disproportionately affected by COVID-19 across the region. Our EDI Ambassadors offer additional support and information on protected characteristics covering Faith and Religion, Age, Menopause, Marriage and Civil Partnership, Gender Reassignment, Gender, Race, Maternity and Paternity. Luton Healthwatch commissioned a programme of work for our EDI Ambassadors to facilitate online and face-to-face consultations to learn more about LGBTQIA+ community members' experiences accessing health and social care services and identify priority areas to reduce inequalities. Their feedback will help shape and plan for the Integrated Care System by improving services to meet people's expectations across BLMK.

Voluntary Sector Safeguarding

Healthwatch Luton invited SIG Penrose Luton to join a new strategic co-production initiative for VSOs in Luton. SIG Penrose is now a part of a VSO sub-group of the Luton Safeguarding Adults Board (LSAB). The LSAB meets quarterly and aims to work in partnership to safeguard the most vulnerable people in the Luton community while adhering to 'Making Safeguarding Personal.' The VSO sub-group involves experts by experience and provides a space for VSOs to learn about adult safeguarding and shape the strategic pathways of the LSAB.

SIG Equinox

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

Significant Events

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 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.

Aspiden Care Home

Aspiden Care Home promotes residents' rights and provides support that preserves their dignity, choice, privacy, and independence. Most of Aspiden'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, Aspiden 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 Aspiden'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.

SIG Pathways

SIG Pathways Services

SIG Pathways supported 144 people. Over 71% of move-on were positive. 13 residents returned to prison. No residents were convicted of a new offence or returned to hospital. (Services include providing supported housing for adults with additional support needs having left prison or been homeless or rough sleeping many of whom have other complex social and health care issues, including substance and alcohol use and mental ill-health. Referrals are from across Kent and Medway).

KPI	TARGET	ACTUAL	
% positive move-ons	>85%	71.6%	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%	0.0%	
% Convicted of new offence	<3%	0.0%	
% Unplanned return to prison	<3%	9.0%	

Total departures	95
Positive move-ons	68
Total clients seen	144
Unplanned return to hospital	0
Convicted of a new offence	0
Unplanned return to prison	13

Significant Events

Equality, Diversity, and Inclusion

Pathways collectively embraced a journey of learning to contribute to positively changing the working culture across SIG, ensuring respectful and decent behaviour and positive interactions between staff, participants, and residents. This year has been busy, progressive and rewarding. We have two on-site EDI Ambassadors, each offering additional support and information on protected characteristics on a 1:1 basis should staff need it, covering Faith and Religion, Age, Menopause, Marriage and Civil Partnership, Gender Reassignment, Gender, Race, Maternity and Paternity. October saw the rollout of SIG's 'Introduction to Facilitation,' a three-part course that our Ambassadors attended intending to lead more workshops, support sessions and learning forums into 2023.

In response to the increasing number of residents using racially motivated language and anti-social behaviour towards one another, we developed our first influential workshop utilising the EDI

Ambassadorial Model, encouraging solutions-focused conversations on race and providing a unique opportunity for residents to connect with staff and peers, which was very successful.

High Commendation Award

Our Peer2Peer Project in Medway was highly commended at the Kent Housing Group Excellence Awards in the Community Project award category. The project has run since September 2021 and provides volunteers as peer mentors with lived experience of substance and alcohol use and homelessness. Each meets weekly with people at the highest risk of drug or alcohol overdose or disengagement with treatment services, helping them engage in treatment and healthy activities, including sports and arts-based engagement. All peer mentors are trained in harm reduction and undertake an eight-week training course funded by Health Education England.

Influencing Positive Change in Medway

The Medway team participated in several Street Counts this year and continues attending the Medway Homelessness Forum, Medway Complex Needs and Blue Light Project meetings, and chairing the Medway Rough Sleeper Task & Finish Group.

SIG Safe Ground

Safe Ground joined Social Interest Group on 1st November 2022 as its sole member and began trading as SIG Safe Ground. In 22/23, SIG Safe Ground worked with 173 people across thirteen different custodial and community settings. This year, SIG Safe Ground started working with other members of SIG to grow our collaborative work with the Ministry of Justice and Police to influence cultural changes in the way the criminal justice system supports people in prison and custody and to help decrease the number of people returning to prison.

Significant Events

SIG Safe Ground Licensing Programme

SIG worked with SIG Safe Ground to develop a licensing model to help the charity generate additional revenue. Licensing allows SIG Safe Ground to expand its training and consultancy offer and reach more secure and community settings. It provides client organisations with greater autonomy and flexibility over their delivery schedules while ensuring programme integrity and outcomes via a comprehensive range of quality indicators.

Man Up at HMPs Parc and Peterborough

SIG Safe Ground delivered three Man Up Programmes to young adults at Peterborough during March, and we returned in November to continue our work. Their partnership with HMP Peterborough and HMP Parc will continue throughout the year under the terms of SIG Safe Ground's new license agreement, whereby they will now deliver Man Up under the new license agreement.

HMPPS CFO Activity Hub, Croydon

The CFO Activity Hub in Croydon is one of two activity hubs set up by Reed in Partnership with SIG Penrose, in contract with the Co-Financing Org (CFO) and Ministry of Justice. Activity Hubs provide safe and supportive spaces for men and women on licence or serving a community sentence to access essential services. SIG Safe Ground delivered four programmes in Croydon, including Man Up. As we move towards a co-delivery model for the final third of the contract, we are excited to see what they achieve working alongside SIG Penrose.

Offender Personality Disorder and Housing and Accommodation Services (OPD HASS), London

SIG Safe Ground provided its Thinking Space Journals to SIG Penrose, HerStory House service, a specialist high-supporting female residential service designed for women with multiple and complex care needs. Commissioned jointly by HMPPS and NHS England & NHS Improvement as part of the Offender Personality Disorder (OPD) pathway for women at highest risk, the service provides a safe, psychologically informed and enabling environment. Thinking Journals were delivered within the service's Wellbeing Hub as part of its therapeutic programmes and activities to enable residents and other women screened into the pathways opportunity to learn new skills and create positive and healthy relationships and move-on.

Brighton Women's Service (BWS)

SIG Equinox used SIG Safe Ground's Thinking Journals as part of the service's resident Care and Recovery Plans. As a female-only residential project for women experiencing homelessness and severe trauma with support requirements related to drugs and alcohol, offending behaviour and mental health, Thinking Journals helped provide a positive, supportive environment for women to develop skills and resilience to eventually move on to independent living and prepare for the next part of their journey.

Thinking Space Journals

With participants at Minerva's East London Women's Centre and, more recently, with all 58 young women currently in custody at HMP Peterborough, SIG Safe Ground is working with SIG towards a new goal of sharing a Thinking Space Journal with every woman in prison in England.

Fathers Inside at HMPs Parc, Norwich and Lowdham Grange

HMP Lowdham Grange is a privately operated category B prison near Nottingham housing 888 men, many of whom are serving life sentences. SIG Safe Ground delivered a revised Fathers Inside Programme to 52 men across HMPs Parc, Norwich and Lowdham Grange. SIG Safe Ground's Fathers Inside Programme is now a core element of HMP Parc's Family Interventions Unit, ensuring our relationship with the staff team goes from strength to strength.

Group New Business

Sodexo Partnership at HMPs Altcourse and Lowdham Grange

A huge achievement for SIG Safe Ground this year was the securing of two new contracts at HMPs Altcourse and Lowdham Grange, working with Sodexo, who manages both prisons on behalf of the Ministry of Justice. SIG Safe Ground programmes and methodology will be an integral part of both prisons' family strategies, with the additional management of the Visitors Centre at Altcourse, a new venture for us. We're very excited to develop our work in this way and have the opportunity to introduce our methodology towards a whole-prison approach.

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.

Complex Needs Hub, Royal Borough of Kensington and Chelsea

In April, SIG Penrose successfully bid for a large complex needs contract commissioned via the Royal Borough of Kensington and Chelsea. The new agreement merged several arrangements supporting people experiencing multiple disadvantages in the Borough. SIG Penrose mobilised the Complex Needs Hub through the summer and worked with three current support providers and landlords of 18 properties to enable a smooth transition for 154 residents and existing staff teams. The new service went live on 1st July 2022 and was well received by its residents, participants, transferring staff, commissioners and external partners. The service provides accommodation-based housing and floating support. It delivers trauma-informed and relational support, facilitating in-reach from external partners and provides a range of coproduced group activities in properties and in the hub setting.

Intensive Housing Management Support, Havering

SIG Penrose was successful in a tender for a long-term contract for subleasing several shared housing units in the Havering area, working closely with Havering Borough Council. Based in Romford, the service provides intensive housing management support to enable sustainable independent living for people experiencing multiple disadvantages. The service links to SIG Penrose's new Faringdon service, a 25-bed 24-hour assessment and stabilisation service, which provides specialist housing, programmes and support services in the community for people experiencing homelessness or at risk of homelessness and further embeds SIG Penrose in the Borough.

New Hope Forensic Mental Health Service, Lewisham

SIG Penrose's New Hope forensic mental health service was tendered by commissioners and successfully retained. SIG Penrose has delivered the service in Lewisham for over 20 years, the first of its kind. It uses trauma-informed approaches and a Psychologically Informed Environment to provide a supportive environment for people moving from inpatient care with severe and enduring mental health needs. The service offers 24-hour supported accommodation, can support up to thirteen male residents, and has provided a safe environment for hundreds of residents over the years, enabling them to progress to independent living or lower support provision successfully.

Contract Extension with Medway Council Public Health

SIG Pathways retained and grew its Community Peer to Peer Outreach Work. This funding has come from a universal grant for additional drug treatment, crime and harm-reduction funding. Our Medway project, in partnership with Medway Council Public Health for vulnerable people street-based or living in supported accommodation, has been extended to 2025. This service comprises two full-time roles, an Outreach Coordinator and an Outreach Worker, to deliver assertive outreach with peer mentors and support the existing treatment service outreach team. It works exclusively with people at risk of overdose who are either not under treatment services or not engaging with them. The team works across Medway's supported housing provision. It feeds into other projects, providing outreach to people experiencing rough sleeping to reduce drug-related deaths and increase harm-reduction support for people with substance and alcohol use disorders, working with Forward Trust, Open Road and other agencies. Since its inception, this project has gone from strength to strength.

Accommodation Based Housing Related Support Services, Medway

SIG Pathways retained its Housing Related Support Services across Medway from April. Comprising two lots totalling 52 units. The service supports statutory and non-statutory ex-prisoners and people experiencing homelessness, providing supported accommodation, help and support.

Other Group Activities

Group 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.

NW London Cancer Screening Outreach

SIG secured a health inequalities grant from NHS NW London, NW London Integrated Care System (NWLICS) 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 NWLICS.

First Corporate Partner

In March this year, we started talking to Reddico, a Kent-based digital agency and B Corp, looking to grow its support in Kent. We met Reddico's Community Team to share the valuable work Pathways does. Reddico knew what they wanted to do - to build Welcome and Move-on Kits for residents to support their arrival into Pathways' services and move-on into independent living, making them feel optimistic about their future. Reddico bought the items, including shampoo, hand towels, shaving kits, sanitary products, kitchenware, dry goods and rucksacks, and their staff assembled the kits to be ready on demand and deliver them to Pathways' project sites.

SIG Run Club launch

March saw the launch of SIG's first-ever Run Club. Run Club is a place for 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.

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.

Root's Food for Thought Project

The Harpur Trust came on board this year with a multiyear grant to support Roots to Recovery over the next three years. This first year's grant goes towards expanding Roots into Bedford by establishing a new Community Garden on a donated site, sponsoring a Project Support Officer role to oversee implementation and develop a weekly programme of group activities for the local community.

BLMK Heads Up Suicide Prevention

Bedford, Luton and Milton Keynes Clinical Commissioning Group funded 'Growing Futures' a pilot project to extend Roots community-based recovery service. This funding has come from a grant for suicide prevention and will pay for new group activities supporting male inpatients on Luton Hospital mental health wards and men in contact with the criminal justice system who are at higher risk of self-harm and suicide, working alongside East London Foundation NHS Trust, Luton and Bedfordshire Probation Service and Luton Recovery College.

Renewal Funding for Roots to Recovery

Roots to Recovery is an inclusive community engagement programme supporting the social prescription service, community groups, GPs and mental health trusts to reduce social isolation and promote wellbeing through its therapeutic community garden, training and social activity programme. The service has received a Community Investment Fund grant from the Bedford and Luton Community Foundation for the past four years. This year's grant continues to make a significant difference in allowing the service to meet the growing demand by scaling up its social activities programme and covering shortfalls in funding.

Bedford Borough Council Cost of Living Grant

We secured a community grant from the council to support resilience and sustainability. The grant will cover cost-of-living workshops and additional activities for residents at our Holman House service to prepare them to move on and live independently and provide further enrichment and learning activities for those who remain in our care. Holman House is a 19-bed residential service supporting people in increasing their levels of independence.

Renewal Funding for Project CATE

We secured continuation funding for project CATE from the Bedfordshire Police and Crime Commissioner's Office to provide a specialist women's outreach service in Bedfordshire, operating out of SIG Penrose's Luton Synergy service. The service bridges gaps in providing much-needed access to current support provisions, offering additional trauma-informed wraparound support coordination, enabling engagement for hard-to-reach vulnerable women and ensuring they remain engaged.

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.

Contract Extension with Medway Council Public Health

This funding has come from a universal grant for additional drug treatment, crime and harm-reduction funding. Our Medway project, in partnership with Medway Council Public Health for vulnerable people street-based or living in supported accommodation, has been extended to 2025. It works exclusively with people at risk of overdose who are either not under treatment services or not engaging with them. It also feeds into other projects across Medway to reduce drug-related deaths and increase harm-reduction support for people with substance and alcohol use disorders, working with Forward Trust, Open Road and other agencies.

Renewal Funding for Mental Health Hospital Discharge Service

Mental health in-patient services continue to see increased demand for beds. SIG Penrose's STEPS accommodation assessment and housing-related support service for patients discharged from mental health wards in Luton and Dunstable Hospital continued to see increased demand from people residing outside of Luton across Central Beds and Bedford Borough. Crucially, the STEPS' delivery model comprises a dedicated STEPS Worker to ensure the perspective and needs of every patient discharged from the hospital are understood to find suitable accommodation, supporting timely discharge and helping maintain hospital bed capacity and flow in the system. This year, the service was once again supported by the Bedford and Luton Community Foundation (BLCF), which has sponsored our STEPS Worker role since 2020.

The Comfort Zone

Following two pilots demonstrating measurable impact among participants and significant interest in the Social Prescribing network in Merton, SIG Safe Ground successfully applied to Merton Giving to fund the delivery of four online programmes for residents between February and August 2022.

Thank You

On behalf of Social Interest Group, 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.

Group 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.

Brighton Fringe Festival

'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.

Being Well Being Equal

SIG Safe Ground was included in the 'Being Well Being Equal' report by Spark Inside, which features a case study of SIG Safe Ground's work with young men (pg. 54). The report looks at prioritising the wellbeing of young men in custody aged 18-25 and in highlights the experiences of young Black men, who are significantly overrepresented in the prison system. The report can be found at:

<https://www.sparkinside.org/sites/default/files/documents/2023-03/BWBE%20Report%20FINAL.pdf>

Now and Men, Durham University Podcast

Dan Boyden, SIG Safe Ground's lead facilitator for Man Up, Family Man and Father Inside Programmes, was invited to contribute to the University of Durham's monthly podcast. Created and hosted by Dr Stephen Burrell, Sandy Ruxton and Professor Nicole Westmarland, who are researchers from the Centre for Research into Violence and Abuse (CRiVA) based in the Sociology Department of Durham University, the podcast discussed the pressures of being a male in prison environments that can often be hyper-masculine, harsh and hierarchical and how SIG Safe Ground works within prisons to drive change prison culture. To listen to the podcast please visit: <https://now-and-men.captivate.fm/episode/safe-ground>

Drink and Drug News National Conference

SIG Penrose Roots to Recovery team and several Roots members attended and presented at the June DDN National Conference in Birmingham to talk about Roots to Recovery, a 1.2-acre Community Garden. Roots to Recovery is part of a range of community-based recovery services across Luton and Bedford, supporting over 95 members of the community each week to make new friends, learn new skills, grow vegetables to share within the community and 'reset' in nature. Staff and members shared their experiences running the Community Garden and working collaboratively in the community, supporting social prescribing, greening up the borough through local conservation and environmental work, and improving mental health and wellbeing. The conference attracts over 500 delegates from across the UK with lived experience, patient groups, treatment providers, recovery community members and policymakers – an incredible honour to have been approached to participate.

Synergy Universal Floating Support 10th Anniversary Celebration

SIG Penrose celebrated the ten-year anniversary of the achievements of our Synergy Universal Housing-Related Floating Services in Luton. Synergy provides vital work in the community, including working with people and families experiencing or at risk of homelessness. Hosting an event to celebrate, we welcomed over 100 guests, including the Mayor of Luton, Luton South MP and Shadow Minister for Rough Sleeping, Luton North MP and Bedfordshire Police and Crime Commissioners Commissioning Team – all strong supporters of SIG Penrose's work across Luton and Bedfordshire. Since its commissioning by Luton Borough Council in 2012, SIG Penrose has gone on to develop nine new initiatives working with Synergy, offering a range of accommodation and community-based support interventions across Luton and Bedford.

Shadow Minister Visits Luton Synergy

Sarah Owen, Luton MP and Shadow Minister for Homelessness, Rough Sleeping and Faith visited SIG Penrose Synergy Universal office. The visit was part of SIG's strategic partnership working model which aims to form stronger alliances with partners and agencies to allow for greater collaboration and efficiency. The visit introduced Ms Owen to the Synergy service, which carries out vital work in the community, working with families experiencing or at risk of homelessness and wider initiatives, including Mental Health Floating Support, STEPS accommodation assessment and support service for people discharged from mental health wards in Luton and Bridge House, which supports women and children. Discussions centred on funding for families experiencing homelessness and working together to support other areas of local need. Safeguarding the vulnerable and safe spaces for victims of domestic abuse, including SIG Penrose's specialist women's outreach project CATE, funded by the Bedfordshire Police and Crime Commissioner, was also discussed.

Mergers and acquisitions

Safe Ground, trading as SIG Safe Ground, was established in 1995 and joined Social Interest Group on the 01 November 2022. Social Interest Group is its only member, therefore making it a subsidiary of Social Interest Group. SIG Safe Ground is an expert in the design and delivery of arts-based, therapeutic group work and operate nationally in various custodial and community settings.

Structure, governance and management

The Charity is a company limited by guarantee not having a share capital (Number 09122052) and is registered as a charity with the Charity Commission (Number 1158402). The Charity's governing instruments are its Articles of Association dated 8th July 2014. All non-executive 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 circumstances where the trustee has specific skills, the board can extend this. 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

The Charity is the parent undertaking of Social Interest Group. It provides all support functions, senior management and strategic guidance. The Charity is supported in its charitable objectives by all Social Interest Group companies: SIG Equinox Care, SIG Penrose Options, SIG Investments, SIG Pathways to Independence, SIG Safe Ground and Milner Gibson Limited.

Remuneration policy for key management personnel

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

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 grounds of their disability), service delivery (disabled applicants and 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 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 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 (2022: 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, was approved by the board of trustees on 6th December 2023 and signed on their behalf.



Karl Marlowe

Chairman

Independent auditor's report to the member of Social Interest Group

Auditor's Opinion

We have audited the financial statements of Social Interest Group (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of financial activities, the group and charitable parent company balance sheets 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 group's and of the charitable parent company's affairs as at 31 March 2023 and of the group's 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 group 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 group and charitable parent 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 member of Social Interest Group

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 group and the charitable parent 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 parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent 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 group's and the charitable parent 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 group or the charitable parent 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 group and the parent charity and determined that the most significant frameworks which are directly

Independent auditor's report to the member of Social Interest Group

- 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 those 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

22 December 2023

Social Interest Group

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

For the year ended 31 March 2023

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		12	-	-	12	10	-	-	10
Charitable activities		22,074	255	-	22,329	18,719	367	-	19,086
Acquisition of Safe Ground	21	63	-	-	63	-	-	-	-
Total income		22,149	255	-	22,404	18,729	367	-	19,096
Expenditure on:									
Charitable activities		(21,714)	(255)	287	(21,682)	(18,895)	(367)	236	(19,026)
Total expenditure	3a	(21,714)	(255)	287	(21,682)	(18,895)	(367)	236	(19,026)
Net income for the year	4	435	-	287	722	(166)	-	236	70
Net income / (expenditure) before other recognised gains and losses		435	-	287	722	(166)	-	236	70
Actuarial (losses) / gains on defined benefit pension schemes	17	-	-	(597)	(597)	-	-	982	982
Net movement in funds		435	-	(310)	125	(166)	-	1,218	1,052
Reconciliation of funds:									
Total funds brought forward		2,292	34	(2,259)	67	2,458	34	(3,477)	(985)
Total funds carried forward	19a	2,727	34	(2,569)	192	2,292	34	(2,259)	67

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 19a to the financial statements.

Social Interest Group
Balance Sheet
For the year ended 31 March 2023

Balance Sheet	Note	The Group		The Charity	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fixed assets					
Tangible assets	9	2,216	1,566	145	148
Investments	10	-	-	20	20
Investment property	10	-	450	-	-
		<u>2,216</u>	<u>2,016</u>	<u>165</u>	<u>168</u>
Current assets					
Debtors: Amounts falling due within one year	12	1,959	1,880	1,469	678
Debtors: Amounts falling due after one year	12	-	-	1,745	1,745
Cash at bank and in hand		2,617	1,422	329	587
		<u>4,576</u>	<u>3,302</u>	<u>3,543</u>	<u>3,010</u>
Liabilities					
Creditors: amounts falling due within one year	13	(3,995)	(2,943)	(3,241)	(2,801)
Net current assets		<u>581</u>	<u>359</u>	<u>302</u>	<u>209</u>
Total assets less current liabilities		<u>2,797</u>	<u>2,375</u>	<u>467</u>	<u>377</u>
Creditors: amounts falling due after one year	14	(36)	(49)	-	-
Net assets excluding pension liability		<u>2,761</u>	<u>2,326</u>	<u>467</u>	<u>377</u>
Defined benefit pension scheme provision	16	(2,569)	(2,259)	-	-
Total net assets		<u>192</u>	<u>67</u>	<u>467</u>	<u>377</u>
The funds of the charity					
Restricted income funds		34	34	-	-
Unrestricted income funds					
Pension Reserve		(2,569)	(2,259)	-	-
General Reserve		2,727	2,292	467	377
Total unrestricted funds		<u>158</u>	<u>33</u>	<u>467</u>	<u>377</u>
Total charity funds	18a	<u>192</u>	<u>67</u>	<u>467</u>	<u>377</u>

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



Chair - Karl Marlowe

Social Interest Group: A company limited by guarantee, Company Registration Number 09122052
(England and Wales)

Cash Flow Statements

	2023 £'000	2022 £'000
Cash flows from operating activities:		
Net income for the reporting period (as per the statement of financial activities)	125	1,051
Safe Ground net assets at acquisition	(63)	-
Depreciation charges	165	159
Movement in long-term pension deficit liability	310	(1,218)
(Increase)/Decrease in debtors	(123)	126
Increase in creditors	1,074	195
	<hr/>	<hr/>
Net cash provided by operating activities	1,488	313
Cash flows from investing activities:		
Purchase of fixed assets	(365)	(140)
Transfer in from the acquisition from Safe Ground	95	-
	<hr/>	<hr/>
Net cash used in investing activities	(270)	(140)
Net cash used in financing activities	(23)	(19)
Change in cash and cash equivalents in the year	1,195	154
Cash and cash equivalents at the beginning of the year	1,422	1,268
Cash and cash equivalents at the end of the year	2,617	1,422

Notes to the Financial Statements

1 Accounting Policies

a) Statutory information

Social Interest Group 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.

These financial statements consolidate the results of the Charity and its wholly-owned subsidiaries Milner Gibson, Equinox Care, Penrose Options, Safe Ground and SIG Housing Trust on a line by line basis. Transactions and balances between the Charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the Charity and subsidiary companies are disclosed in the notes of the Charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Charity itself is not presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The net income for the Social Interest Group was a surplus of £90k (21/22 surplus £173k).

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 Board assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of SIG to continue as a going concern. The Trustees make an assessment in respect of a period of at least one year from the date of authorisation for the issue of the financial statements.

It has concluded that although the Group has adapted the way it delivers its services in response to the current economic situation, with the impact of this for the Group's activities, including the effect on our residents, participants, staff and funders. Although steps are in place to mitigate the adverse impacts, as highlighted in the Financial review section. In reaching this conclusion, the Board has considered the ability of the Group to absorb the impact of the revaluation of pension deficit, and the potential loss of contracts as they fall due.

1 Accounting Policies (continued)

d) Going concern (continued)

The Trustees therefore judge it is appropriate for the Group to continue to prepare its financial statements on the going concern basis and that the uncertainty noted above does not cast significant doubt on that conclusion. The Board also judges that the Group has adequate resources to continue in operational existence for the foreseeable future and thus it continues to adopt the going concern basis of accounting in preparing these financial statements.

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.

i) Expenditure on charitable activities

The expenditure on charitable activities relates to the support services provided to the Charity's charitable subsidiaries in supporting our beneficiaries. A breakdown of the governance and support costs is provided. The Group resources expended in directly providing the main services of Group companies are analysed as activities in the furtherance of the entities' objects. A liability is recognised when a legal or constructive obligation is entered into by a Group company.

j) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1 Accounting Policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. 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.

- Fixtures, fittings and office equipment – Between 25% and 33% straight line
- Freehold property – 2% straight line
- Leasehold property – Between 1% and 2% straight line
- Motor vehicles – Between 20% and 25% straight line
- Computer equipment and software – 25% straight line
- Leasehold improvements – Straight line over the term of the lease

l) Investment properties

Investment properties are measured initially at cost and subsequently included on the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities.

m) Debtors

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

n) 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.

o) 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.

p) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting Policies (continued)

p) Financial instruments (continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

q) Pensions

Group companies make contributions into a defined benefit pension scheme, which is now closed to new SIG entrants, and a number of defined contribution schemes. For financial years ending on or before 28 February 2019, it has not been possible for the Group to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the Group has 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 Group to account for the Scheme noted above as a defined benefit scheme. For accounting purposes, an actuarial valuation for the scheme was carried out with effective date of 31 March 2022. The liability figure from the valuation is rolled forward to the relevant accounting date and are used in conjunction with the Group's fair share of the Scheme's total assets to calculate the Group's net deficit or surplus at the accounting period start and end dates.

In addition, the Group, on the acquisition of Pathways To Independence Ltd, took over a further defined benefit pension scheme for current and former employees of Pathways who were part of the Kent County Council Pension Fund, which itself is part of the Local Government Pension Scheme. The pension scheme is closed to new members. It is a funded scheme and the assets are held separately from those of the Group in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

1 Accounting Policies (continued)

q) Pensions (continued)

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Safe Ground, has a defined contribution retirement benefit scheme. Contributions are therefore charged as an expense as they fall due.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

r) Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

2 Income

Charitable activities – supporting vulnerable people

The Group's charitable 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.

The Group's income is predominantly contractual income from local authorities and NHS Trusts, and rental income and service charges from residents.

Notes to the Financial Statements

3a Analysis of expenditure (current year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	2023 Total £'000	2022 Total £'000
Staff costs (Note 5)	11,339	-	2,783	14,122	12,928
Recruitment & training	-	-	475	475	211
Subsistence & travel	52	-	13	65	58
Premises Costs	3,139	-	104	3,243	2,766
Office running costs	350	-	176	526	422
Insurance	-	-	185	185	162
Information technology	-	-	471	471	371
Legal & Professional	-	-	245	245	105
Depreciation	163	-	-	163	158
Audit fees	-	87	-	87	35
Other Costs	2,077	-	23	2,100	1,810
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure 2023	17,120	87	4,475	21,682	19,026
Support costs	4,475	-	(4,475)	-	-
Governance costs	87	(87)			
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	21,682	-	-	21,682	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure 2023	19,026	-	-		19,026

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2023

3b Analysis of expenditure (previous year)

	Charitable Activities £000	Governance costs £000	Support costs £000	2022 Total £000
Staff costs (Note 5)	10,421	-	2,507	12,928
Recruitment & training	-	13	198	211
Subsistence & travel	47	-	11	58
Premises Costs	2,668	-	98	2,766
Office running costs	271	-	151	422
Insurance	-	-	162	162
Information technology	-	-	371	371
Legal & Professional	-	-	105	105
Depreciation	158	-	-	158
Audit fees	-	35	-	35
Other Costs	1,800	4	6	1,810
	15,365	52	3,609	19,026
Support costs	3,609	-	(3,609)	-
Governance costs	52	(52)	-	-
	19,026	-	-	19,026

4 Net income / (expenditure) for the year

This is stated after charging :

	2023 £'000	2022 £'000
Depreciation	163	158
Operating lease rentals:		
Property	3,139	2,876
Auditor's remuneration:		
Audit		
– current year Group	16	15
– current year Subsidiaries	48	38
– prior year	2	-
Other Services	10	-
	<u>10</u>	<u>-</u>

5 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	9,924	10,149
Redundancy and termination costs	24	85
Social security costs	959	950
Employer's contribution to defined contribution pension schemes	230	219
Operating costs of defined benefit pension schemes	59	20
Agency costs	2,926	1,505
	<u>14,122</u>	<u>12,928</u>

The redundancy and termination costs were settled and paid by the balance sheet date, except £20,500 that was settled and paid in July 2023.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£60,001 - £70,000	3	6
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-

The Non-Executive Trustees (directors for company law purposes) received no remuneration during the year. No non-executive trustees were reimbursed travel expenses incurred in the performance of their duties. The Executive Trustee (a director for company law purposes), as permitted by the Articles of Association, was remunerated during the year as follows:

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)

	2023			2022		
	Salary £	Employer's Pension Contribution £	Total £	Salary £	Employer's Pension Contribution £	Total £
Gill Arukpe, Group Chief Executive	121,025	-	121,025	115,476	-	115,476

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £535,605 (2022: £505,074). The key management personnel comprise the Trustees, the Group Chief Executive, Director of Finance & Resources, Senior Director of Operations, Director of People & Culture, Director of Governance and the Director of Development, Marketing & Communications

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 503 (2022: 590).

	2023 No	2022 No
Operational staff	451	531
Management and support staff	52	59
	<u>503</u>	<u>590</u>

7 Related party transactions

The Charity made charges to its subsidiaries to recover the cost of providing support services: Penrose £2,785,173 (2022: £1,981,108), Equinox £1,120,591 (2022: £1,675,173), Pathways £422,676 (2022: £278,755) and SIG Housing Trust £10,900 (2022: £10,900).

At year end the Charity owed £2,687,678 to Penrose Options (2022: £2,451,248), was owed £2,397,480 from Equinox Care (2022: £1,745,365 owed from Equinox Care), was owed £115,196 from Pathways (2022: owed £28,985), was owed £430,000 from SIG Housing Trust as a loan (2022 was owed £430,000) and owes to SIG Housing Trust £65,677 (2022: was owed £14,941) and was owed £44,363 (2022: £nil) from Safe Ground.

Gill Arukpe is a director of Milner Gibson Limited; and Michael Rutherford is the Company Secretary of all group companies.

8 Taxation

The Charity is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes. The Charity and its subsidiaries are registered for VAT although the vast majority of their outputs are exempt and therefore the majority of VAT on purchases is irrecoverable.

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2023

9 Tangible fixed assets - Group	Computer equipment £'000	Fixtures & fittings £'000	Lease improvements £'000	Motor Vehicles £'000	Freehold Property £'000	Total £'000
Cost						
At the start of the year	245	360	502	28	1,150	2,285
Transfer from Investment Properties	-	-	-	-	450	450
Reclassification	(23)	122	159	-	-	258
Additions in year	45	108	189	23	-	365
Disposal in year	-	-	-	-	-	-
At the end of the year	267	590	850	51	1,600	3,358
Depreciation						
At the start of the year	196	292	190	18	23	719
Reclassification	(11)	116	148	4	-	258
Charge for the year	20	56	61	6	23	165
At the end of the year	205	464	399	28	46	1,142
Net book value						
At the end of the year	62	126	451	23	1,554	2,216
At the start of the year	49	68	312	10	1,127	1,566

9 Tangible fixed assets - Charity

	Computer equipment £'000	Fixtures & fittings £'000	Lease improvements £'000	Motor Vehicles £'000	Total £'000
Cost					
At the start of the year	220	7	198	11	436
Additions in year	45	-	-	(2)	43
At the end of the year	<u>265</u>	<u>7</u>	<u>198</u>	<u>9</u>	<u>479</u>
Depreciation					
At the start of the year	183	7	87	11	288
Charge for the year	20	-	28	(2)	46
At the end of the year	<u>203</u>	<u>7</u>	<u>115</u>	<u>9</u>	<u>334</u>
Net book value					
At the end of the year	<u>62</u>	<u>-</u>	<u>83</u>	<u>-</u>	<u>145</u>
At the start of the year	<u>37</u>	<u>-</u>	<u>111</u>	<u>-</u>	<u>148</u>

10 Fixed assets investments and subsidiary undertakings

	2023 £'000	2022 £'000
At the start of the year	20	20
At the end of the year	<u>20</u>	<u>20</u>

The charity owns the entire issued share capital of Milner Gibson Limited, a company registered in England (registered number 8741792), which is held as a fixed asset investment. It is also the sole member of Equinox Care, a company registered in England (registered number 2114430), which is a registered charity (number 296694), Penrose Options, a company registered in England (registered number 8466743), which is a registered charity (number 1151455), SIG Housing Trust, a company registered in England (registration number 9918302), which is a registered charity (number 1166811), Pathways to Independence, a company registered in England (registration number 1859070), which is a registered charity (number 292579) and Safe Ground a company registered in England (registration number 3030847), which is a registered charity (number 1048181). All subsidiaries' activities have been consolidated on a line by line basis in the statement of financial activities. Milner Gibson Limited did not trade in the year.

The charity provides strategic guidance, development, management and back office support services to its subsidiary undertakings. It aims to promote and improve the efficiency and effectiveness of its charitable subsidiaries in fulfilling their charitable objectives. Equinox and Penrose provide similar support services to a variety of residents and participants and their families.

A summary of the results of the subsidiaries is shown below:

Year ended 31 March	Equinox		Penrose		Pathways to Independence	
	2023	2022	2023	2022	2023	2022
	£000	£000	£000	£000	£000	£000
Total income	6,446	7,455	13,643	9,901	1,884	1,707
Total expenditure	(6,440)	(8,107)	(13,138)	(9,345)	(1,753)	(1,694)
Net income / (expenditure)	<u>6</u>	<u>(652)</u>	<u>505</u>	<u>556</u>	<u>131</u>	<u>13</u>
Pension adjustment	(762)	550	(354)	363	-	69
Net movement in funds	<u>(756)</u>	<u>(102)</u>	<u>151</u>	<u>919</u>	<u>131</u>	<u>82</u>

Year ended 31 March	Milner Gibson		SIG Housing Trust		Safe Ground	
	2023	2022	2023	2022	2023	2022
	£000	£000	£000	£000	£000	£000
Total income	-	-	373	375	98	-
Total expenditure	-	-	(371)	(370)	(100)	-
Net income / (expenditure)	<u>-</u>	<u>-</u>	<u>2</u>	<u>5</u>	<u>(2)</u>	<u>-</u>
Pension adjustment	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2</u>	<u>5</u>	<u>(2)</u>	<u>-</u>

The results for Safe Ground above are from the date of them joining the Group on 1st November 2022.

10 Fixed assets investments and subsidiary undertakings (continued)

Year ended 31 March	Equinox		Penrose		Pathways to Independence	
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Assets	1,725	1,101	4,685	3,634	2,119	2,107
Liabilities	(3,912)	(3,159)	(2,198)	(1,486)	(286)	(343)
Pension Provision	(1,977)	(1,350)	(574)	(386)	(18)	(523)
Funds	<u>(4,164)</u>	<u>(3,408)</u>	<u>1,913</u>	<u>1,762</u>	<u>1,815</u>	<u>1,240</u>

Year ended 31 March	Milner Gibson		SIG Housing Trust		Safe Ground	
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
Assets	20	20	546	540	121	-
Liabilities	-	-	(450)	(446)	(60)	-
Funds	<u>20</u>	<u>20</u>	<u>96</u>	<u>94</u>	<u>61</u>	<u>-</u>

10b Group's Investment properties

	2023 £'000	2022 £'000
Fair value at the start of the year	450	450
Transfers to tangible fixed assets	(450)	-
Fair value at the end of the year	<u>-</u>	<u>450</u>

Following a review by the Trustees, the properties were no longer considered Investment properties, and were transferred to Freehold properties on the 31st March 2023.

11 Parent charity

The parent charity's gross income and the results for the period are disclosed as follows:

	2023 £000	2022 £000
Gross Income	4,556	4,057
Results for the period	<u>90</u>	<u>173</u>

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2023

12 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£000	£000	£000	£000
Trade Debtors	955	1,097	21	66
Staff loans	10	14	1	-
Amounts due from group undertakings	-	-	2,987	2,190
Other debtors	94	89	11	-
Prepayments	520	507	195	167
Accrued income	380	173	-	-
	1,959	1,880	3,215	2,423

£1,745,000 (2022: £1,745,000) of amounts due from group undertakings are receivable in more than 12 months.

13 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£000	£000	£000	£000
Bank Loans	15	15	-	-
Obligations under finance leases	-	10	-	-
Amount due under group undertakings	-	-	2,753	2,480
Trade creditors	602	290	193	83
Taxation and social security	260	42	19	13
Pension contributions	90	89	-	-
Other creditors	1,159	1,419	12	4
Accruals & deferred income	1,869	1,078	264	221
	3,995	2,943	3,241	2,801

14 Creditors: amounts falling due after more than one year

	Group	
	2023	2022
	No	No
	£'000	£'000
Bank Loans	36	49
	36	49

15 Loans and overdrafts

	Group	
	2023 £'000	2022 £'000
Bank Loans	<u>51</u>	<u>64</u>
Payable within one year	15	15
Payable after one year	<u>36</u>	<u>49</u>

The bank loan is secured by way of a first legal charge over a freehold property owned by the Group.

16 Pension Scheme

The Pensions Trust - Social Housing Pension Scheme ("Scheme")

Penrose and Equinox participate 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 £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026. The Scheme is classified as a 'last-man standing arrangement'. Therefore, the charities are 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 2019.

Number of active members in the scheme

Active	No. 5	No. 8
Deferred Pensioners	140	150
	<u>63</u>	<u>64</u>

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2023

16 Pension Schemes (continued)		
Financial assumptions	2023	2022
	%pa	%pa
Rate of discount	5.17	3.09
Price inflation (RPI)	3.19	3.54
Price inflation (CPI)	2.75	3.17
Earnings increases	3.75	4.17
Allowance for commutation of pension for cash at retirement	75%	75%
Other material assumptions		
Life expectancies in retirement:	Years	Years
Male currently aged 65	21.00	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	2022
	£'000	£'000
Fair value of plan assets	10,867	18,396
Present value of defined benefit obligation	(13,418)	(20,655)
Net defined liability to be recognised	(2,551)	(2,259)
Reconciliation of opening and closing balances of the fair value of plan assets		
	2023	2022
	£'000	£'000
Opening fair value of employer assets	17,159	17,667
Interest Income	530	431
Experience on plan assets	(6,805)	397
Contributions by the employer	369	352
Withdrawals by Employees	-	2
Benefits paid and expenses	(386)	(453)
Closing fair value of employer assets	10,867	18,396
Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
	2023	2022
	£'000	£'000
Opening defined benefit obligation	18,895	21,144
Current service cost	-	16
Expenses	20	20
Interest cost	578	510
Contributions by members	-	2
Actuarial losses / (gains)	(5,689)	(585)
Benefits paid and expenses	(386)	(452)
Actual return on plan assets	13,418	20,655

16 Pension Schemes (continued)		
Defined benefit costs recognised in the statement of financial activities (SOFA)		
	2023	2022
	£'000	£'000
Current service cost	-	16
Expenses	20	21
Net interest expense	48	79
Defined benefit costs recognised in the SOFA	68	116
Actual return on plan assets	(6,436)	828
Net actuarial gain/(loss) on defined benefit pension scheme		
	2023	2022
	£'000	£'000
Actuarial (loss) / gain on plan obligations	5,689	585
Actuarial gain on plan assets	(6,805)	397
	(1,116)	982

17 Retirement benefit schemes - Pathways
Defined contribution scheme

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Defined benefit schemes

The charity operates a pension scheme providing benefits based on final pensionable pay for 1 employee and 10 ex-employees. The assets of the scheme are held separately from those of the charity, being invested in an independently administered fund. The charity is an employing body within the Kent County Council Pension Fund which itself is part of the Local Government Pension Scheme. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was at 31 March 2022.

The independent actuary also prepares an annual valuation specific to the Charity for the sole purpose of accounting and reporting details of the Fund under the provisions of Financial Reporting Standard (FRS102) and the details that follow are drawn from that report for the year ended 31 March 2023. The accounts are prepared under the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). It should be noted that the figures presented are only for the purposes of FRS 102 and have no validity in other circumstances. In particular, they are not relevant for calculation undertaken for funding purposes or for other statutory purposes under UK legislation.

The pension charge for the year was £11,890 (2021/22 - £16,000) and is shown under pension costs; defined benefit, in Note 5. The contributions of the company for the year were 19.50% and employees are 6.8% and 6.5%.

17 Retirement benefit schemes – Pathways (continued)

Number of active members in the scheme

	2023	2022
	No.	No.
Active	1	2
Deferred	3	4
Pensioners	5	4

Other information

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

Key assumptions

	2023	2022
	%	%
Discount rate	4.80	2.60
Expected rate of increase of pensions in payment	2.90	3.20
Expected rate of salary increases	3.90	4.20

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	Years	Years
Retiring today		
- Males	21.1	21.6
- Females	23.5	23.7
Retiring in 20 years		
- Male	22.3	23.0
- Female	25.0	25.1

Amounts recognised in the income statement:

	2023	2022
	£'000	£'000
Current service cost	14	16
Net interest on defined benefit liability	13	11
Other costs and income	1	1
Total costs	28	28

Amounts taken to other comprehensive income:

	2023	2022
	£'000	£'000
Return on scheme assets excluding interest income	(15)	(1)
Actuarial changes related to obligations	534	(68)
Total costs	519	(69)

The amounts included in the statement of financial position arising from the charity's obligations in respect of defined benefit plans are as follows:

17 Retirement benefit schemes – Pathways (continued)

	2023 £'000	2022 £'000
Present value of defined benefit obligations	(1,248)	(1,760)
Fair value of plan assets	1,266	1,237
Deficit in scheme	<u>(18)</u>	<u>(523)</u>
Movements in the fair value of plan assets:		
	2023 £'000	2022 £'000
Liabilities at 1 April	1,760	1,818
Current service cost	14	16
Benefits paid	45	(44)
Actuarial gains and losses	(524)	(68)
Interest cost	(31)	36
Other	2	2
At 31 March	<u>1,266</u>	<u>1,760</u>
Reconciliation of opening and closing balances of the fair value of plan assets		
	2023 £'000	2022 £'000
Opening fair value of employer assets	1,237	1,241
Interest income	32	25
Experience on plan assets	(15)	1
Contributions by the employer	14	13
Contributions by scheme members	2	2
Benefits paid and expenses	(22)	(45)
	<u>1,248</u>	<u>1,237</u>
The fair value of plan assets at the reporting period end was as follows:		
	2023 £'000	2022 £'000
Equity instruments	284	795
Debt instruments	839	297
Property	125	145
	<u>1,248</u>	<u>1,237</u>

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2023

18a Analysis of net assets between funds (current year)

	General unrestricted	Pension Reserve	Restricted	Total funds	Charity unrestricted funds
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	2,216	-	-	2,216	145
Investments	-	-	-	-	20
Net current assets	547	-	34	581	302
Long Term liabilities	(36)	-	-	(36)	-
Defined benefit pension provision	-	(2,569)	-	(2,569)	-
Net assets at 31 March 2023	2,727	(2,569)	34	192	467

18b Analysis of net assets between funds (prior year)

	General unrestricted	Pension Reserve	Restricted	Total funds	Charity unrestricted funds
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	1,566	-	-	1,566	148
Investments	450	-	-	450	20
Net current assets	325	-	34	359	209
Long Term liabilities	(49)	-	-	(49)	-
Defined benefit pension provision	-	(2,259)	-	(2,259)	-
Net assets at 31 March 2022	2,292	(2,259)	34	67	377

19a 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:					
Roots for Life	3	-	-	-	3
Skills for Care	1	-	-	-	1
Corona Virus Grants	-	-	-	-	-
Fulfilling Lives	-	-	-	-	-
Maidstone Borough Council	30	-	-	-	30
Total restricted funds	34	-	-	-	34
General funds	2,292	22,404	(21,969)	-	2,727
Pension reserve	(2,259)	-	(310)	-	(2,569)
Total funds including pension fund	67	22,404	(22,279)	-	192

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

19b 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:					
Roots for Life	3	-	-	-	3
Skills for Care	1	-	-	-	1
Corona Virus Grants	-	332	(332)	-	-
Fulfilling Lives	-	35	(35)	-	-
Maidstone Borough Council	30	-	-	-	30
Total restricted funds	34	367	(367)	-	34
General funds	2,458	18,729	(18,895)	-	2,292
Pension reserve	(3,477)	1,218		-	(2,259)
Total funds including pension fund	(985)	20,314	(19,262)	-	67

Purposes of restricted funds

A. Tesco - Bags of Help awarded a grant specifically to be used on Roots for Life

B. 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.

C. Corona Virus Fund - This is funding provided by various stakeholders to support service users' activities during the pandemic period.

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

E. Maidstone Borough Council - This grant is a Move on Fund to support service users leave the service into independent accommodation.

20a Operating lease commitments - Group

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

	2023 £'000	2022 £'000
Less than one year	3,745	2,432
One to five years	2,020	3,461
Over five years	2,403	788
	8,168	6,681

20b Operating lease commitments - Charity

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

	2023 £'000	2022 £'000
Less than one year	47	80
One to five years	-	47
	<u>47</u>	<u>127</u>

21 Acquisition of Safe Ground

On 1st November 2022, Social Interest Group took control of Safe Ground Ltd, a charitable company (3030847), charity number 1048181). The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities.

At that date, Social Interest Group acquired, for no consideration, the following assets and liabilities.

	Value at 1 November 2022 £000
Assets:	
Cash at bank and in hand	95
Liabilities:	
Current liabilities	<u>(32)</u>
Total net asset value/net assets received	<u>63</u>

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.