Social Interest Group

Pathways to Independence

PATHWAYS TO INDEPENDENCE LTD

Annual Report

Trustees' Report & Consolidated Financial Statements

Year ended 31 March 2025

Charity no. [illegible]292579
Company no. 01859070

Contents

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

Pathways to Independence was established in October 2013 following the merger of two well-established, Kent-based charities: Medway Cyrenians and Hope (Kent) Limited. On January 19, 2021, Pathways to Independence joined Social Interest Group and now trades as SIG Pathways.

Directors and Charity trustees

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

Chair
Karl Marlowe

Other Trustees
Dylan Kerr
Stuart Jenkin
Jeff Loo (left 19th March 2025)
Claire Barton
Cathy Kane (appointed 28th November 2024)
Kobi Boakye (appointed 28th November 2024)

Company Secretary
Michael Rutherford (left 5th September 2025)
Ian Hanham (appointed 5th September 2025)

Senior Leadership Team
Group Chief Executive
Gill Arukpe (left 30th April 2025)
Cathy Kane (Interim appointed 17th February 2025)

Director of Finance & Resources
Michael Rutherford (left 5th September 2025)
Ian Hanham (Interim appointed 29th July 2025)

Director of People & Culture
Maria Speight

Director of Services & Support
Angela Henry
Paul Addicott

Director of Development, Marketing & Communications
Greg Tythe

Director of External Affairs & Impact
Adam Moll

Director of Housing & Maintenance
Matthew Costin

Director of Compliance, Risk & Internal Audit
Jenny Ralls

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1 Waterloo Gardens
Milner Square
London
N1 1TY

Auditors
Buzzacott Audit LLP
130 Wood St
London
EC2V 6DL

Bankers
Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

Solicitors
Russell-Cooke LLP
2 Putney Hill
London
SW15 6AB

DWF LLP
1 Scott Place
2 Hardman Street
Manchester
M3 3AA

Company registration number 01859070
Charity registration number 292579
www.socialinterestgroup.org.uk
enquiries@socialinterestgroup.org.uk

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

Objectives

Purposes and Aims

The objects of SIG Pathways to Independence, as set out in the Articles of Association, are for the public benefit:

- Provide support and relief, including rehabilitation from the causes and effects of poverty, homelessness, illness and criminal behaviour for persons aged 16 and over in the county of Kent and the surrounding area by providing or assisting in the provision of accommodation, education, training for employment, advice and counselling and other supportive facilities for such persons.

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

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

Activities

SIG Pathways works with single people experiencing homelessness, leaving prison and those forced to sleep rough who are marginalised due to social and health reasons and inequalities of access to a home, employment and health care services and have multiple complex social and care issues that need support. They may be recovering from substance or alcohol use and experiencing mental health problems. All of the clients we work with have been or are in the criminal justice system, and may have been homeless and spent time rough sleeping. SIG Pathways has served marginalised and socially excluded people in communities across Kent and Medway for forty years. It has a track record of improving the lives of service residents, in turn reducing recidivism, return to the streets, and substance and alcohol use. Our support significantly enhances people's opportunities in life and allows them to develop fulfilling and settled lives in their local community.

Our bespoke Theory of Change (TOC) and personalised support work addresses the individual needs of residents in terms of any life or skill deficiency or personal issue that affects a person's life in a way that inhibits their ability to maintain independent accommodation. Using TOC, a psychologically informed environment, and homeless and offending STAR, a resident's journey is measured at least every three months during their stay through regular key-work sessions with an allocated Support Coach. Life skill activities, group work, brokerage, and other support and care services are provided during their stay. SIG Pathways provides a peer mentoring service, temporary accommodation in Maidstone, a rough sleeping Initiative (RSI) project in Medway, and supported accommodation for single people and people leaving prison who are homeless.

Pathways to Independence Ltd
Trustee report
For the year ended 31 March 2025

Chief Executive Statement

As we conclude the financial year, I feel immense pride and gratitude reflecting on SIG Pathways to Independence's journey. This year is particularly special for us, marking our 40th anniversary and a significant leadership transition. In April 2025, we bid farewell to Gill Arukpe MBE, visionary founder of Social Interest Group (SIG), of which SIG Pathways is a subsidiary. We extend our heartfelt thanks to Gill on behalf of the staff, trustees, and the individuals whose lives SIG has positively impacted. Her legacy will continue to inspire us into the future. We wish her every success in this new chapter of her journey.

I am honoured to step into the role of Interim CEO as we embark on the first year of our ambitious five-year strategy. The UK social care, criminal justice, and voluntary sectors face chronic underfunding, inflationary pressures, workforce shortages, and increasingly complex needs. With new government legislation poised to reshape how our services are commissioned, monitored, delivered and accessed, we expect further instability. Yet, despite these pressures, SIG Pathways remains a beacon of innovation, compassion, and resilience.

Across the year, SIG Pathways successfully supported 192 individuals. Our residential services achieved an impressive 78% success rate in securing positive move-on outcomes to independent or step-down accommodation. We take pride in the fact that 99% of individuals accessing our services remained out of hospital throughout their time with us, and a remarkable 95% did so without any recalls or new convictions.

These impressive figures testify to our trauma-informed, person-centred approach and our staff's passion, persistence, and endeavours to drive our mission. We empower individuals to reshape their identities, reclaim stability, and rebuild their lives with dignity and purpose. We are proud to say we are effectively keeping people out of prison, out of hospital, and off the streets. We have strengthened our evaluation frameworks and continue to invest in our people. Ensuring our employees feel valued, safe, heard, and supported is central to our continued success as we move forward with renewed purpose and ambition.

Our new five-year strategy marks a pivotal moment for SIG Pathways, building on forty years of impact while setting a bold course for the years ahead. Our focus remains on delivering high-quality, inclusive services that effectively respond to the needs of the people and communities we serve, amidst a changing world. We know that the challenges facing our sector will not ease, but we firmly believe that meaningful change is not only possible but achievable. We witness this every day through the resilience of those we support, the dedication of our staff, and the strength of our partnerships. Together, we will continue to advocate for a more compassionate, equitable system that empowers people to thrive and achieve positive life outcomes.

On behalf of all at SIG Pathways, I would like to thank everyone who has been part of our journey. Whether you are a colleague, partner, funder, or someone who has accessed our services, your belief fuels our mission and everything we do. I am honoured to lead SIG Pathways into this next chapter, and I am genuinely excited about what we can achieve together.

CKane

Cathy Kane, Interim Group Chief Executive
9th October 2025

A Year in Numbers

69%

Positive move-on across all services.

5%

Prison returns.

1%

Hospital returns.

“Advice, information, and guidance received from staff empowered me in doing things for myself and not having to wait on staff to do them for me, promoting my independence.”

“I was very respected and treated well like I was at home, given advice that I never got from anywhere else. Even when I didn’t follow the right advice, even when I was arrested, they never gave up on me.”

“New Hope is the best hostel I have ever lived. I have learned how to cook, manage my money, manage my medication, as well as my anger. I have reflected on the past incidents. My approach in similar situations is now different.”

Testimonials

“Just knowing someone was downstairs, able to come down for a chat if I was lonely.”

“I have to thank the service and staff who have been very kind and helpful to the residents. I am very happy after receiving support, which led me to develop many skills and I am now living independently.”

Strategic Report

In the face of a worsening cost-of-living crisis this year, SIG Pathways to Independence's impactful services supported 192 people experiencing isolation and difficult choices over their basic needs. Before coming to us, many faced challenging circumstances and may not have received the empathy or trauma-informed care they deserve. SIG Pathways to Independence is committed to the vision of integrated community services. Our extensive experience enabled us to retain all our contracts, meeting the growing demand for psychologically informed, person-centred care that empowers individuals to thrive.

Forty Years Tackling Homelessness in Kent

SIG Pathways to Independence marked its 40th anniversary with a special anniversary event. As we look back on our journey from the humble beginnings of the Homeless Offenders Project Enterprises (HOPE) to a force for change in Kent, we are a dedicated partner in supporting Medway Council's strategy for addressing homelessness and rough sleeping. Since joining Social Interest Group in January 2020, we have significantly strengthened our impact and broadened our services and approaches, achieving remarkable success.

Our award-winning outreach initiatives have redefined engagement with some of the most hard-to-reach individuals in our community. Our collaboration with the Forward Trust at Medway Maritime Hospital is a shining example, earning admiration from commissioners and partner agencies. Additionally, our Peer-to-Peer Project, funded by Medway Council Public Health, has empowered countless individuals through the power of shared experience since 2021.

Awards for Transforming Housing Conversations in Kent

SIG Pathways earned recognition for its impactful approach to participatory democracy, successfully driving policy changes. Staff and service residents were celebrated at Medway Council's *Make a Difference Awards* for their contributions to Medway's Homelessness and Rough Sleeping Strategy. The SIG Pathways Medway Team attended the event alongside Medway Council's Housing Team and Arts and Homelessness International, acknowledging their collaborative work on the compelling legislative theatre performance earlier this year.

This powerful play brought the realities of homelessness to life, engaging local residents, sector partners, and policymakers in Medway, including the council's Policy Team. Its purpose was to reveal systemic barriers and inspire more effective, compassionate solutions. The ceremony honoured Medway Council Employees who exemplify exceptional service, enhancing the significance of this recognition.

In September, at the prestigious Kent Housing Group Excellence Awards, which showcases the impactful work being done across Kent in the housing sector, SIG Pathway's Peer to Peer Project team, in collaboration with Medway Council and Arts International, was honoured with the *Innovator of the Year Award*, marking the second time the team has been recognised for its compelling legislative theatre production.

Three Years of Excellence for Medway Accommodation Services

SIG Pathways accommodation services, commissioned by Medway Council, have proudly achieved 'A' grades for the third consecutive year within the Medway Quality Assessment Framework (QAF). This year, we earned A Grades in 'Assessment, Support and Risk' and 'Access, Diversity and Inclusion'. These outstanding results highlight our team's dedication and exceptional support, and the comprehensive policies and procedures we have established. We view this recognition as an affirmation of our commitment and are eager to continue enhancing our high-quality, supported accommodation services for the Medway community.

Thank You

This report and all the work SIG Pathways completed over the last year would not have been possible without the considerable and ongoing contributions of all our multiple partners, allies, supporters, commissioners and funders. 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.

Transformation Journeys

David's Story

David, a former resident of SIG Pathways, has dedicated nearly two years to serving as a Peer Mentor under the SIG Pathways Peer to Peer Programme, funded by Medway Council. In this role, he has greatly impacted the lives of many individuals at risk of rough sleeping, with substance use as a main need. Over the past year, he has taken the lead in organising engaging weekly sports activities, which not only draw service residents but also attract participants from wider support services. These events consistently enjoy strong attendance, highlighting David's ability to build a sense of community and camaraderie among diverse groups.

One of David's most innovative approaches has been his groundbreaking outreach initiatives. Each week, he collaborates with the Forward Trust at Medway Maritime Hospital, where he has established a vital connection with individuals needing support. Through his outreach, David not only uses his own life experiences to inspire others but also actively helps those who are struggling to find their footing.

Recently, he took to the streets of Medway in his role as Peer Mentor, demonstrating a commitment to bringing compassion and understanding to marginalised populations. In his outreach efforts, David goes beyond simple interactions; he personally connects with individuals, sharing his own story to impart hope and offer practical support. His relatable experiences enable him to make a real difference, providing immediate assistance and the emotional support and encouragement many desperately need.

David's work exemplifies how lived experience can be a powerful catalyst for change in others' lives. He shows those he supports that transformation is not only possible but that assistance is readily available, illustrating that through empathy and shared understanding, individuals can overcome their challenges. This effort has garnered significant admiration from commissioners and various agencies, underscoring the importance of such partnerships in addressing homelessness.

Sarah's Story

I moved to Rochester with a partner, but after a year, our relationship broke down. I found myself on the street, where I met other people who became my friends, though I was the only woman among them. On the streets, I never felt secure, even when I was with others. Sometimes, when I was alone, especially on Friday or Saturday nights, that was when I felt most vulnerable.

Some of my friends were housed in accommodations, but I was not offered a place because I kept returning to my abusive boyfriend. I had been reducing my alcohol intake. Then, the week before Christmas, I bought four cans. After drinking two, I realised I didn't want any more, so I quit. I was then sick for about a week, but I kept going. SIG Pathways found me doing street counts during their outreach efforts. I had reached my breaking point; I knew I had to make a change. I told them I was ready to stop drinking. They realised I was serious and offered me accommodation.

While I was quite alcohol dependent at that time, Pathways was amazing. It's been quite a journey, but now I feel safe. SIG Pathways has given me the stability and time to get myself together. It's a high-support environment, so we must follow certain rules, and counselling is available to us. The counselling has really helped; my counsellor doesn't give advice but lets me figure things out through the questions she asks. I am going to community rehab next week, and once I complete that, I can apply for a home through Home Start and take it from there.

Lately, I've been attending my appointments and sitting in the garden reading. I visit my parents on weekends and see my son and his family. Their support is vital, and I am so grateful they are there for me. They are relieved that I am no longer on the streets because, in the past, when they received a phone call at night or someone knocked on the door in the evening, they feared something terrible had happened to me. Seeing me stable brings them peace of mind.

Now, I take life day by day. I get up in the morning and work through each day. Once I have my own place, I'd like to have a small job doing what I did before, working as a home helper or maybe in a charity shop. I consider myself one of the lucky ones.

Financial Review

SIG Pathways made an operating surplus of £36k (2023/24 - £73k) at the operating profit level before a past service surplus pension gain of £7k (2023/24 - £11k). This results in an unrestricted fund balance of £1,913k at 31st March 2025 (2023/24 - £1,877k k). In addition, it had a restricted fund balance of £30k (2023/24 - £30k).

The pensions reserve at the end of the year was £nil (2024 - £7k deficit) and relates to the past service deficit liability relating to the defined benefit and retirement Local Government Pension Schemes. SIG Pathways cannot influence the actuarial gains/losses or balance sheet liability, and losses and increased liability could be seen in the future. New legislation with effect from 23rd September 2020 allows Employers (known as Deferred employer) to enter into an agreement with the administering authority to defer the obligation to make the exit payment (enter into a Deferred Debt Agreement) and continue to make contributions at the secondary rate as determined by the actuarial valuation until the termination of the deferred debt agreement. This is available to us even if the last member leaves. We will be reviewing this to put in place.

The trustees consider the results acceptable given the wider economic environment, ongoing changes, and increased competition within the sector. Therefore, our focus must remain on developing new services, new funding models, and effective and financially efficient models of service delivery moving forward.

The principle funding sources remain Local Authority contracts for our resettlement and accommodation projects and rental income for our work, preventing homelessness and helping people experiencing homelessness. The trustees appreciate the funding from its funders, including those statutory commissioners for the work streams they support and the vital non-statutory funding received from individuals, trusts, and foundations.

Principal risks and uncertainties

SIG Pathways to Independence operates in a complex and high-risk environment, supporting individuals with significant needs and often traumatic histories. Our residents have complex backgrounds, often with multiple exclusion homelessness, experience of criminal justice systems and substance use. The organisation's risk management framework is designed to ensure that risks are identified, assessed, and managed in line with its 'parent', SIG's strategic objectives and risk appetite. It must also respond to local authority commissioners and community partners including statutory services.

The risk register is a living document with risks being actively mitigated and reviewed at leadership level on a monthly basis. Leadership risk is informed by incidents, complaints, safety reviews, stakeholder feedback and escalated from services and central departments where required. Movement on this register, such as addition of new risks, closure following mitigation, and any changes in impact and likelihood are overseen by the leadership team including CEO on a monthly basis, and quarterly by board, primarily at the Finance, Risk and Audit Committee. Major projects and mobilisations have their own risk log and remains a key responsibility of the project team, with support and oversight from both the leadership team and board.

The following outlines the principal risks and uncertainties currently facing SIG Pathways to Independence, aligned with SIG's risk appetite statements and strategic priorities.

Risk	**Risk Description**	**Mitigation**
Financial Sustainability	The organisation faces financial risks due to funding volatility and rising operational costs.	Dynamic monthly budgeting, engagement with funders, and strategic partnerships to ensure financial resilience.
Operational Delivery and Service Continuity	Risks include workforce challenges, policies and procedures requiring full review, and system inefficiencies that may affect service quality and resourcing.	Improved recruitment, policy updates, and investment in systems and leadership development.
Reputational Risk	Potential reputational damage from lack of updated regulatory scrutiny, incidents, or public perception.	Quality assurance, incident protocols, and proactive stakeholder communication.
Harm to Individuals	Risk of harm to participants, staff or the public due to the nature of services provided.	Safety protocols, training, and monitoring systems to manage and reduce risks.
Regulatory and Legislative Compliance	Risks of non-compliance with evolving legal and regulatory requirements.	Policy reviews, training, and legal oversight to ensure compliance.
Governance and Strategic Oversight	Risks related to leadership transitions and board capacity.	Succession planning, recruitment, and enhanced governance reporting.
Technology and Data Integrity	Risks from cybersecurity threats, fragmented systems, and data quality issues.	Security testing, a new IT strategy, and data governance improvements.

Reserves policy and going concern

The trustees reviewed the reserves policy in light of the relevant guidance on the established level of reserves (those funds that are freely available) that the charity ought to have at any given time. Reserves are needed to bridge the funding gap between service spending and cover the impact of increased demand for its services on working capital and unforeseen budget variances. Reserves are also held to cover risks SIG Pathways to Independence faces, 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 that the free reserves target should be approximately £150k, the same level as last year. The charity needs to maintain sufficient funds to cover any potential loss in contract income and short-term cash flow, to have approximately three months of expenditure available at all times, and to cover costs if the charity winds up. The unrestricted free reserves, excluding the past service pension plan, are £1,913k at 31st March 2025 (£1,877k at 31st March 2024). This comprises the designated fund and the property revaluation reserve.

The trustees will continue to review the reserves policy and position.

The trustees are in the process of considering options to maintain the charity's continued viability and do not consider that there are any material uncertainties about the charity's ability to continue as a going concern for the immediate future.

Plans for the Future

SIG Pathways remains committed to delivering safe, effective services that foster inclusive, empowered communities. As we look to the future, we will continue to invest in our people, systems, and partnerships to ensure our services remain responsive, resilient, and reflective of the people we support.

Investing in People: We will enhance staff development through targeted training, wellbeing initiatives, and retention strategies that build a skilled and supportive workforce. Embedding our Audit Framework and cultivating a positive safety culture will reinforce operational integrity and promote a shared commitment to safety across all services.

Expanding Inclusion and Engagement: Our focus will be on broadening our volunteering offer, growing our inclusivity programme, and advancing our technological capabilities to improve service accessibility and responsiveness. These initiatives will deepen community engagement and ensure our services meet the diverse needs of those we support.

Elevating Housing Standards: Through the delivery of the SIG Housing Trust strategy, we will uphold and develop the *SIG Home & Support Standards*, ensuring access to stable, high-quality housing options that promote independence and wellbeing.

Secure Financial Sustainability: Financial resilience remains a core priority. We will focus on contract retention and strategic growth, diversify income through fundraising, donations, and commercial activity, and minimise void loss. Streamlining group procurement will further enhance value for money and operational efficiency.

Together, these strategic actions will strengthen our foundation and position SIG Pathways to lead with integrity, inclusion, and impact in the years ahead.

Structure, governance and management

SIG Pathways is a charitable company limited by guarantee, governed by its Articles of Association. Its members are the trustees named on page three, and in the event of the company winding up, their liability is limited to £1 per member.

Social Interest Group is the sole member of SIG Pathways to Independence, and the non-executive trustees of Social Interest Group are appointed as the trustees.

All the trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Appointment of trustees

The trustees are listed on page three. 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 board meetings and visit projects before being confirmed for the post by the Chair.

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 that will facilitate the undertaking of their role. All trustees have participated in Safeguarding training.

Related parties and relationships with other organisations

SIG Pathways is a member of Social Interest Group, of which it is a subsidiary. It provides all support functions, senior management and strategic guidance. All Social Interest Group companies support the charity's charitable objectives: SIG Equinox Care, SIG Penrose Options, SIG Investments and SIG Pathways to Independence.

Remuneration policy for key management personnel

Social Interest Group non-executive trustees set the Group Chief Executive’s remuneration. All other staff are remunerated according to 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.

The charity’s policy is not to discriminate against persons covered by the Disability Discrimination Act 1995 because of their disability, whether in 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, 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 takes its investment in its staff's professional development seriously and aims to provide different learning opportunities. The charity aims to see staff develop and share learning so that value can be added and staff can contribute to our growth and success. We introduced a new core training programme based around the Care Certificate, which comprises 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 a highly challenging year. We confirm that the charity pays at least the London Living Wage to our employees working in London.

Statement on use of volunteers

At SIG Pathways, we greatly value the contributions of our volunteers, who play a vital role in achieving our mission. In the financial year ending 31 March 2025, we engaged six volunteer peer mentors who collectively contributed 3,155 hours of service and two volunteer counsellors who collectively offered 336 hours. Their efforts enhance our programs and help us maintain a strong connection with the community we serve.

In accordance with the Charities SORP (Statement of Recommended Practice), we recognise that while volunteers are not paid staff, their contributions are essential to our operations. We ensure that all volunteer activities are well-supported and that volunteers receive appropriate training and resources to perform their roles effectively. The impact of our volunteers is not reflected in our accounts.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for 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 an accurate 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 charity's 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 to prevent and detect fraud and other irregularities.

Insofar 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 maintaining the integrity of the corporate and financial information on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The member of the charity is guaranteed to contribute an amount not exceeding £1 to the charity's assets in the event of winding up. The total number of such guarantees at the year-end was one (2024: one). The non-executive trustees are not members of the Charity.

The trustees' annual report, which includes the strategic report, has been approved by the board of trustees on 9th October 2025 and signed on their behalf.

Dr Karl Marlowe

Chair

Independent auditor's report

Opinion

We have audited the financial statements of Pathways to Independence (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the parent charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements such as the Companies Act 2006, the Charities Act 2011, data protection legislation, the Care Standard Act and safeguarding regulation
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of representatives of management and the review of minutes of Trustee meetings.

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

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

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

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

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

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

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

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

A further description of our responsibilities is available 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.

Buzzacott Audit LLP

Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

15 October 2025

Pathways to Independence Ltd
Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31 March 2025

Statement of Financial Activities

	Note	Unrestricted funds £'000	Restricted funds £'000	Pension Reserve £'000	**2025 Total Funds £'000**	Unrestricted funds £'000	Restricted funds £'000	Pension Reserve £'000	2024 Total Funds £'000
Income from:									
Charitable Activities	3	2,318	-	-	**2,318**	2,057	-	-	**2,057**
Donations and legacies	2	3	-	-	**3**	2	-	-	**2**
Investment income		15	-	-	**15**	10	-	3	**13**
Total income		2,336	-	-	**2,336**	2,069	-	3	**2,072**
Expenditure on:									
Charitable activities	4	(2,300)	-	-	**(2,300)**	(1,996)	-	-	**(1,996)**
Total expenditure		(2,300)	-	-	**(2,300)**	(1,996)	-	-	**(1,996)**
NET INCOME	5	36	-	-	**36**	73	-	3	**76**
Other recognised gains and losses									
Actuarial gains on defined benefit pension schemes		-	-	7	**7**	-	-	8	**8**
Net movement in funds		36	-	7	**43**	73	-	11	**84**
Reconciliation of funds									
Total funds brought forward		1,877	30	(7)	**1,900**	1,804	30	(18)	**1,816**
Total funds carried forward	17a	1,913	30	-	**1,943**	1,877	30	(7)	**1,900**

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 17a to the financial statements.

Balance Sheet

	Note	£'000	2025 £'000	£'000	2024 £'000
Fixed assets					
Tangible assets	10		**1,217**		1,249
Current assets					
Debtors	11	**165**		297	
Cash at bank and in hand		**1,156**		641	
		1,321		938	
Liabilities					
Creditors: amounts falling due within one year	12	**(595)**		(257)	
Net current assets			**726**		681
Total Assets less current liabilities					1,930
Creditors: amounts falling due after one year			**-**		(23)
Net assets excluding pension scheme provision					1,907
Defined benefit pension scheme provision			**-**		(7)
NET ASSETS			**1,943**		1,900
FUNDS					
Restricted funds			**30**		30
Unrestricted funds					
General funds		**1,404**		1,336	
Pension reserve		**-**		(7)	
Designated funds		**97**		97	
Revaluation reserve		**412**		444	
Total Unrestricted funds			**1,913**		1,870
TOTAL FUNDS	17a		**1,943**		1,900

Approved by the trustees on 9th October 2025 and signed on their behalf by

Karl Marlowe
Chair
Pathways to Independence Ltd: A company limited by guarantee, Company Registration Number 01859070 (England and Wales)

Pathways to Independence Ltd
For the year ended 31 March 2025

Cash Flow Statement

	Note	£'000	2025 £'000	£'000	2024 £'000
Cash flows from operating activities:					
Net income for the reporting period (as per the statement of financial activities)		**43**		84	
Depreciation charges		**32**		31	
Movement in long-term pension deficit liability		**(7)**		(11)	
Decrease / (increase) in debtors		**132**		(187)	
Increase in creditors		**353**		8	
Net cash provided /(used in) by operating activities			**553**		(75)
Cash flows from investing activities:					
Purchase of fixed assets		**-**		(7)	
Net cash used in investing activities			**-**		(7)
Cashflows from financing activities					
Repayments of borrowing		**(38)**		(13)	
Net cash (used in) financing activities			**(38)**		(13)
Change in cash and cash equivalents in the year	18		**515**		(95)
Cash and cash equivalents at the beginning of the year			**641**		736
Cash and cash equivalents at the end of the year			**1,156**		641

Notes to the Financial Statements

1 Accounting Policies

a) Statutory information

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

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.
Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.
In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

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

d) Going concern

The Company continues to be profitable and with net assets. The Trustees have looked at the performance to 31st March 2025 and the post year end period. They have also taken into consideration the underlying cashflows expected over a period of at least twelve months from the date of signing this report. The Trustees consider that the outlook presents challenges and uncertainty in terms of Service Users and contract renewals. The Trustees have instigated measures to manage liquidity.
The Company continues to operate under contracts which are subject to renewal within the next 12 months. Analysis and budgeting has determined that the Company is in a healthy position, and continues to be profitable. In addition, with the Company part of the Social Interest Group, there are additional opportunities for the Company to explore.
Stress testing has emphasized the Company's ability to continue operating for the foreseeable future even with severe impacts on revenue generation and cost pressures from increases in National Insurance and Living Wage. Based on the above, the Trustees believe the company will continue to operate as a going concern.

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) 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.

g) 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.

h) Central support costs

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

i) Leases

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

j) Tangible fixed assets

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

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

Freehold property	50 years straight line
Leasehold property	50-100 years straight line
Office equipment	3 years straight line
Other fixed assets	3 years straight line
Fixtures and fittings	3 years straight line
Motor vehicles	5 years straight line

k) Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid. Judgement is made around the recoverability of debt and a provision is made based on the age and type of debt. Former resident arrears are provided for in full, whilst current resident arrears are provided for based on age and circumstances.

l) 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.

m) 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.

n) Financial instruments

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

o) Pensions

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.

2 Donations

	Unrestricted funds 2025 £'000	Unrestricted funds 2024 £'000
Donation and gifts	**3**	2

3 Charitable activities – supporting vulnerable people

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

4a Analysis of expenditure (current year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	**2025 Total £'000**	2024 Total £'000
Staff costs (Note 6)	797	-	431	**1,228**	1,003
Recruitment & training	-	-	38	**38**	32
Subsistence & travel	8	-	3	**11**	12
Premises Costs	332	-	12	**344**	360
Office running costs	140	-	17	**157**	104
Insurance	-	-	29	**29**	18
Information technology	-	-	55	**55**	43
Legal & Professional	-	-	24	**24**	16
Depreciation	32	-	-	**32**	34
Audit fees	-	6	-	**6**	6
Other Costs	373	-	3	**376**	368
Total expenditure 2025	1,682	6	612	**2,300**	
Total expenditure 2024	1,571	(5)	430		1,996

4b Analysis of expenditure (previous year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	2024 Total £'000
Staff costs (Note 6)	720	-	283	1,003
Recruitment & training	-	-	32	32
Subsistence & travel	10	-	2	12
Premises Costs	350	-	10	360
Office running costs	80	-	24	104
Insurance	-	-	18	18
Information technology	-	-	43	43
Legal & Professional	-	-	16	16
Depreciation	34	-	-	34
Audit fees	-	6	-	6
Other Costs	377	(11)	2	368
Total expenditure 2024	1,571	(5)	430	1,996

5 Net income / (expenditure) for the year

This is stated after charging :

	2025	2024
	£'000	£'000
Depreciation	**32**	34
Operating lease rentals:		
Property	**349**	350
Auditor's remuneration (including VAT):		
Audit	**6**	6

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

Staff costs were as follows

	2025	2024
	£'000	£'000
Salaries and wages	**801**	687
Social security costs	**78**	64
Employer's contribution to pension schemes	**36**	28
Agency costs	**313**	224
	1,228	1,003

No employee earned more than £60,000 during the year (2023: Nil).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £Nil (2024: £Nil). These were borne by the parent entity Social Interest Group. The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £Nil).

7 Staff numbers

	2025	2024
	£'000	£'000
Operational	**14**	17

8 Related party transactions

SIG Pathways was charged £621,158 for central office functions provided by the parent charity Social Interest Group (2024: £438,822). SIG Pathways was owed/owed the following amounts to fellow subsidiaries;
£85,980 was owed to SIG at the yearend (2024: owed £41,170).
£215,228 was owed to Penrose Options at the yearend (2024: owed £31,285).
£58,216 was owed to Safe Ground at the yearend (2024: owed £nil).
£1,803 was owed to Equinox at the yearend (2024: owed £nil).

9 Taxation

SIG Pathways is a registered charity and is exempt from Corporation Tax on its charitable income as it is spent on charitable purposes.
The Charity is part of Social Interest Group VAT registration. However, as virtually 100% of its income is exempt, the VAT on purchases is irrecoverable and therefore included in expenditure.

10 Tangible fixed assets

	Freehold property £'000	Leasehold property £'000	Fixtures & fittings £'000	Office Equipment £'000	Motor Vehicles £'000	Other fixed assets £'000	Total £'000
Cost							
At the start of the year	1,150	179	46	123	12	133	**1,643**
At the end of the year	1,150	179	46	123	12	133	**1,643**
Depreciation							
At the start of the year	63	28	46	123	11	123	**394**
Charge for the year	23	5	-	-	1	3	**32**
At the end of the year	86	33	46	123	12	126	**426**
Net book value							
At the end of the year	**1,064**	**146**	**-**	**-**	**-**	**7**	**1,217**
At the start of the year	1,087	151	-	-	1	10	1,249

Pathways provides security of its freehold properties to SIG Penrose Options, who is also a member of the Social Interest Group.

11 Debtors

	2025	2024
	£'000	£'000
Trade debtors	79	185
Amounts due from Group undertakings	-	42
Pension contributions	3	3
Prepayments	41	28
Other debtors	42	5
Accrued Income	-	34
	165	297

12 Creditors: amounts falling due within one year

	2025	2024
	£'000	£'000
Bank loan	-	15
Trade creditors	60	56
Taxation and social security	10	8
Other creditors	35	75
Amounts due to Group undertakings	361	31
Accruals	129	72
	595	257

13 Creditors: amounts falling due after one year

	2025	2024
	£'000	£'000
Bank loans	-	23

14 Loans and overdrafts

	2025	2024
	£'000	£'000
Bank loans	-	38
Payable within one year	-	15
Payable after one year	-	23

The bank loan was secured by way of a first legal charge over a freehold property owned by the Charity. The loan was settled during the year.

15 Pension Schemes

Defined Contribution Schemes

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.

Kent County Council Pension Fund ("Scheme")

The charity operates a pension scheme providing benefits based on final pensionable pay for 1 employee and 8 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.

15 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 2025. 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 £18,187 (2024 - £16,930) and is shown under pension costs; defined benefit, in Note 6. The contributions of the company for the year were 29.1% (2024: 29.1%).

The Department for Work and Pensions (DWP) published an announcement on 5 June 2025 noting the plan to introduce new legislation in response to the Virgin Media vs NTL Trustees ruling. The legislation will allow affected pension schemes to retrospectively obtain written actuarial confirmation that historic changes to scheme rules met the required standards. The new legislation is hoped to provide clarity to affected schemes. No further information has been provided at this time.

We still await further information but at this time are hopeful there will be no impact on the LGPS.

The defined benefit scheme is now closed to new members and so under the projected unit method the current service cost would be expected to increase over time as members of the scheme approach retirement.

Number of active members in the scheme

	2025	2024
	No.	No.
Active	**1**	1
Deferred	**3**	3
Pensioners	**5**	5

Financial assumptions

	2025	2024
	% pa	% pa
Rate of discount	**5.75**	4.90
Earnings increases	**3.90**	2.95
Expected rate of increase of pensions in payment	**2.90**	3.95

Kent County Council Pension Fund ("Scheme")
Present values of defined benefit obligation, fair value of assets and defined benefit liability

Other material assumptions

Life expectancies in retirement:	**years**	years
Male currently aged 65	**20.7**	20.8
Female currently aged 65	**23.3**	23.3
Male currently aged 45	**22.0**	22.0
Female currently aged 45	**24.7**	24.7

	2025	2024
	£'000	£'000
Fair value of plan assets	**1,300**	1,277
Present value of defined benefit obligation	**1,177**	(1,284)
Effect of asset ceiling	**(123)**	
Net defined asset / (liability)	**-**	(7)

The surplus in 2024/25 is not considered recoverable, and therefore has not been recognised in the financial statements in accordance with FRS102.

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

	2025 £'000	2024 £'000
Opening fair value of employer assets	**1,277**	1,248
Interest income	**62**	60
Experience on plan assets	**(21)**	(13)
Contributions by the employer	**15**	14
Contributions by scheme members	**2**	2
Benefits paid and expenses	**(35)**	(33)
	1,300	1,278

15 Pension Schemes - Kent County Council Pension Fund ("Scheme") (continued)

The fair value of plan assets at the reporting period end was as follows:

	2025 £'000	2024 £'000
Debt Instruments	**387**	363
Equity Instruments	**807**	799
Property	**106**	115
	1,300	1,277

Reconciliation of opening and closing balances of defined benefit obligation

	2025 £'000	2024 £'000
Opening defined benefit obligation	**1,284**	1,266
Current service cost	**10**	10
Interest cost	**62**	60
Actuarial losses / (gains)	**(146)**	(21)
Benefits paid and expenses	**(35)**	(33)
Other	**2**	2
Closing defined benefit obligation	**1,177**	1,284

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

	2025 £'000	2024 £'000
Current service cost	**10**	10
Net interest expense	**-**	-
Other costs and income	**1**	1
Defined benefit costs recognised in the SOFA	**11**	11

Amounts taken to other comprehensive income

	2025 £'000	2024 £'000
Return on scheme assets excluding interest income	**(21)**	(13)
Actuarial changes related to obligations	**146**	21
Effect of asset ceiling	**(123)**	-
Other gains and losses	**-**	-
	2	8

16a Analysis of net assets between funds (current year)

	General unrestricted £'000	Pension Reserve £'000	Restricted £'000	**Total funds £'000**
Tangible fixed assets	1,217	-	-	**1,217**
Net current assets/(liabilities)	696	-	30	**726**
Long term liabilities	-	-	-	**-**
Defined benefit pension provision	-	-	-	**-**
	1,913	-	30	**1,943**

16b Analysis of net assets between funds (prior year)

	General unrestricted £'000	Pension Reserve £'000	Restricted £'000	**Total funds £'000**
Tangible fixed assets	1,249	-	-	**1,249**
Net current assets/(liabilities)	651	-	30	**681**
Long term liabilities	(23)	-	-	**(23)**
Defined benefit pension provision	-	(7)	-	**(7)**
	1,877	**(7)**	**30**	**1,900**

17a Movements in funds (current year)

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	At 1 April 2024 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	**At 31 March 2025 £'000**
Restricted Funds:					
Move on fund	30	-	-	-	**30**
Total restricted funds	30	-	-	-	**30**
General funds	1,336	2,336	(2,268)	-	**1,404**
Pension reserve	(7)	7			**-**

Revaluation reserve	444	-	(32)	-	**412**
Designated funds					
Development fund	25	-	-	-	**25**
Counselling	7	-	-	-	**7**
Legacy	39	-	-	-	**39**
Major repairs Sinking fund	26	-	-	-	**26**
Total designated funds	97	-	-	-	**97**
Total funds including pension fund	1,900	2,343	(2,300)	-	**1,943**

Purposes of restricted funds
Move on fund
This fund is used to provide support to residents who are moving on from our service. This can be a contribution towards a deposit or for white goods.

17a Movements in funds (current year) (continued)

Development fund

Trustees agree to hold a designated development fund to finance developments within the business plan in terms of the structure and resources of the organisation and any increase or change in services provided. In 2019/20 we incurred costs to cover external support on organisational development (including all client policies being reviewed), to help embed our Trauma Informed and Psychologically Informed Environment approach. Funds were also expended on a pension (defined benefit pension liability) and strategy review. We hope it will also help us to adapt to survive in the changing funding environment and improve our service provision for clients. The fund will be available for qualifying developing business needs in 2025/26.

Counselling

Development of added value services for clients such as counselling, anger management support, restorative justice and life and work-related skills. We have further counselling service planned across services during 2025/26.

Legacy

We received a very welcome but unexpected legacy of £50,000 in December 2017. We were given a name, but no other details as regards the donor. The trustees agreed that the funds be used for the direct benefit of clients, towards client related services, such as Education and Welfare. This might be for short courses, study or work equipment, travel to see relatives or basic toiletries or clothes.

Major repairs sinking fund

This fund is used for major works and decoration required at our properties. We have some works planned and will assess need across other services during 2025/26.

17b Movements in funds (prior year)

	At 1 April 2023 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	**At 31 March 2024 £'000**
Restricted Funds:					
Move on fund	30	-	-	-	30
Total restricted funds	30	-	-	-	30
General funds	1,263	2,069	(1,996)	-	1,336
Pension reserve	(18)	11	-	-	(7)
Revaluation reserve	444	-	-	-	444
Designated funds					
Development fund	25	-	-	-	25
Counselling	7	-	-	-	7
Legacy	39	-	-	-	39
Major repairs Sinking fund	26	-	-	-	26
Total designated funds	97	-	-	-	97
Total funds including pension fund	1,816	2,080	(1,996)	-	1,900

18 Analysis of changes in net debt

	At 1 April 2024 £'000	Cash flows £'000	**At 31 March 2025 £'000**
Cash at bank and in hand	641	515	**1,156**
Loans falling due within one year	(15)	15	**-**
Loans falling due after more than one year	(23)	23	**-**
	603	553	**1,156**

19 Operating lease commitments receivable as a lessor

Amounts receivable by the charity under non-cancellable operating leases for property are as follows for each of the following periods

	2025 £'000	2024 £'000
Less than one year	**60**	10
One to five years	**-**	3
	60	13

20 Operating lease commitments receivable as a lessee

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

	2025 £'000	2024 £'000
Less than one year	**320**	242
One to five years	**78**	132
Over five years	**25**	31
	423	405

21 Guarantees and ultimate parent undertaking

Pathways to Independence, trading as SIG Pathways, is a company limited by guarantee not having a share capital. Social Interest Group became the sole member of Pathways to Independence on the 19 January 2021. Each member has guaranteed to pay £1 in the event that Pathways to Independence was wound up. Social Interest Group is the ultimate parent undertaking. Its charity registered number is 158402. Its company registered number is 9122052. Its registered office is: 1 Waterloo Gardens, Milner Square, London N1 1TY.

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Social Interest Group (SIG) is a leading UK charity providing bespoke person-centred health and social care services through SIG Penrose, SIG Equinox, SIG Pathways to Independence, SIG Safe Ground, SIG Housing Trust and SIG Milner Gibson. Our mission is to empower independence through trauma-informed solutions and dynamic partnerships that keep people out of prison, out of hospital, and off the streets.

Charity no. 292579 | Company no. 01859070

Social Interest Group | Penrose | Equinox | Pathways to Independence | SIG Housing Trust | Safe Ground | Milner Gibson