



Social
Interest
Group

Penrose

Penrose Options

Annual Report

Trustees' Report & Consolidated
Financial Statements

Year ended 31 March 2025

Charity no. 1151455
Company no 08466743

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

Penrose Housing Association was set up as an Industrial & Provident Society in 1969. 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. Trading as Penrose, it joined Social Interest Group (SIG) as a wholly owned subsidiary on the 1st of October 2014.

Directors and Charity Trustees

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

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

Registered Office

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 08466743

Charity registration number 1151455

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The trustees present their report and the audited financial statements for the year ended 31 March 2025.

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 Purpose

Purposes and Aims

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

- To assist, relieve and rehabilitate any person who is in need because of substance use or dependency, mental health problems and disorders, those experiencing learning difficulties and challenging behaviour, involvement in the criminal justice system, or a lack of appropriate housing, economic challenges, older people and those with disabilities, and to assist and relieve such persons' family, dependents and other carers who are in need as a result of that person's problems;
 - a) Providing support through housing, accommodation, or services. including but not limited to medical, social, welfare, rehabilitative, resettlement and care services
 - b) Providing education, training, employment, mentoring and other similar services
- 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 charity's aims, objectives, and activities annually. 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 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 Penrose services are as far-reaching as our resident and participant profiles. We provide practical social support and health care solutions, supported housing in residential accommodation, resource centres, floating support, community gardens and Housing First services. Our specialist rehabilitation and resettlement, technical and therapeutic support, aid recovery, reduce reoffending, and change behaviour.

In Luton, we provide floating support and social services that prevent people from becoming homeless or help secure accommodation should they need it, and specialist services, working with women who have been sexually exploited and may have substance and alcohol issues. SIG Penrose's flagship service, Penrose Drive (an Independent Approved Premises), supports men who have served long sentences and require a level of supervision on release from prison. We currently operate across London, Bedfordshire and Luton and have the ambition to grow.

Chief Executive's Statement

As we conclude the financial year, I feel immense pride and gratitude reflecting on SIG Penrose's remarkable journey. This year is particularly special for us, marking a significant leadership transition. In March 2025, we bid farewell to Gill Arukpe MBE, visionary founder of Social Interest Group (SIG), of which SIG Penrose 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 Penrose remains a beacon of innovation, compassion, and resilience.

Across the year, SIG Penrose proudly supported 3,889 individuals across our services. Our residential services achieved a 66% success rate in securing positive move-on outcomes to independent or step-down accommodation. We take pride in the fact that four out of every five individuals in our forensic mental health services have successfully remained out of hospital throughout their time with us. Our intensive mental health services have proven their value at a cost of just £316 per room per day, significantly lower than the average £521 per day for a mental health ward bed. This translates to savings of £1,435 per person per week; an impressive £74,907 per person per year. Our STEPS hospital discharge service effectively bridges critical gaps between mental health and housing support pathways, achieving a nationally important 35% reduction in patient bed-blocking. This results in substantial savings of £368 per bed per night, translating to £134,320 per bed each year.

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 take pride in growing our women's services. We launched a new refuge in London this year and plan another in Luton in early 2025, further strengthening our commitment to supporting women in need nationwide. 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 Penrose, building on our impacts 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 Penrose, 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 Penrose into this next chapter, and I am genuinely excited about what we can achieve together.



Cathy Kane, Interim Group Chief Executive

9th October 2025

A Year in Numbers



89%

Positive move-on across all services.

29%

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 Penrose's impactful services supported 3,889 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 Penrose 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.

Transforming Support for Women in Crisis

We took significant steps to address the issue of sexual exploitation of women through the Rough Sleeping Complex Needs pathway, in partnership with Luton Borough Council. Our pilot service, funded by the Single Homelessness Accommodation Programme (SHAP), features 11 self-contained flats, a welcoming sit-up space for those in crisis, private areas for supportive conversations, and a specialist housing lead at Penrose's tenancy sustainment service, Synergy Universal, to enhance our support.

Allowing a maximum stay of two years for women who have struggled to find safe, stable accommodation with few options left provides safety, stability and care. Here, we can actively address a range of needs, including mental health, self-care, overcoming substance dependencies, exiting sex work, and accessing educational and employment opportunities. Our collaborative approach includes a monthly Consideration Panel, led by Luton's Rough Sleeping Coordination Manager, ensuring women access essential mental health and adult social care services and support from the Sexually Exploited Women's Service.

Steps to Faster Discharges: Supporting NHS Out-of-Hospital Strategy

In 2023-24, Delayed Transfer of Care, or "bed blocking," cost the NHS £1.7 billion. To address this issue, our innovative STEPS model partners with the East London Foundation NHS Trust and Luton Borough Council, enabling people to move on quickly into safe accommodation with the necessary support. Investing in Penrose STEPS reduces readmissions, frees up vital bed spaces, improves patient outcomes, and achieves long-term savings in health and social care costs, reducing the average length of patient stay by 16 days and saving the local NHS Trust £976,000 this year.

While Mental Health Services focus on clinical readiness and Housing Services on accommodation, STEPS uniquely integrates these services to enhance pathways for both. The service addresses previously overlooked barriers to successful discharges by working directly with patients and collaborating with ward assessment and hospital discharge teams, care coordinators, social workers, community mental health, housing, and local landlords to create individualised support plans after discharge. Due to its impressive outcomes, we aim to expand STEPS into more regions across the UK to bridge the gaps between mental health and housing support. We are proud to have secured ongoing support from the Bedfordshire and Luton Community Foundation and a three-year funding commitment this year.

Floating Support that Changes Lives

Our Synergy Floating Support Model in Brent tackles the escalating homeless crisis head-on in partnership with Brent Council. By providing intensive assistance at our central hub and offering accessible drop-in services at seven community hubs, Synergy empowers individuals to self-refer and seek help. Drawing from a decade of success with our Synergy Luton service, we have tailored our approach to meet local community needs. Investing in our Synergy model prevents homelessness and generates significant savings for the UK economy—approximately £68 for every £1 invested, easing the burden on health and social care services.

Synergy Brent embraces the area's rich diversity, with service staff speaking 33 languages, creating an inclusive environment that focuses on reducing evictions and helping people sustain their tenancies. This year, the service assisted 1,300 individuals, providing an average of 12 months of dedicated

support. Our high-intensity, wrap-around model has established 23 referral pathways, ensuring a comprehensive, holistic experience. Participants engaged in 1,609 upskilling sessions, developing essential independent living skills, including financial management, confidence-building and IT proficiency. The results speak for themselves, with 98% of participants successfully transitioning to independent living.

From Bars to Goals: Unlocking Rehabilitation Success

We achieved outstanding outcomes at Penrose Drive Independent Approved Premises (IAP), significantly transforming the lives of those we support. In partnership with the Ministry of Justice, Penrose Drive delivers an impactful and flexible model that substantially enhances public protection and effectively reduces reoffending, serving South London and beyond. This year, we welcomed 197 new residents, successfully reintegrated 141 individuals into the community (71%), and consistently achieved our performance metrics above the national standard for all key performance indicators.

We were the only London AP that consistently achieved a 'green' rating under the National Approved Premises Performance, Quality and Effective Practice. After two successful years of collaboration with the Ministry of Justice and probation colleagues, SIG Penrose is well-positioned to address the growing demand for AP spaces in London.

Driving Community Change in Luton

We were delighted to see all three of our nominated SIG Penrose services recognised at this year's Luton Best Awards for their remarkable impact on the community. Now in its 15th year, the awards spotlight individuals and organisations committed to improving Luton. Penrose Bridge House service won the Care in the Community Award, recognising its commitment to supporting families facing the challenges of homelessness and supporting them toward sustainable independent living.

Our dedicated STEPS Support Worker was recognised as runner-up in the same category, highlighting their crucial role in reducing homelessness by ensuring stable and safe accommodation for individuals transitioning from mental health wards as they reintegrate into their communities. Penrose Roots, Community-Based Recovery Services, was awarded the Environmental Achievement of the Year Award for its creative and impactful approach to green social prescribing. Through initiatives centred on environmental conservation, therapeutic gardening, and sustainable food cultivation, Roots promotes wellness and healing while positively impacting the environment.

Expanding Compassion: A New Era of Floating Support

SIG Penrose Community Care and Support (PCCS), an intensive floating support service commissioned by Lambeth Council, specialises in supporting individuals with a wide range of complex challenges. We have established a reputation for delivering exceptional care that genuinely transforms lives. Our recent success story includes supporting a once-isolated local resident, helping them blossom into engaged students and active volunteers while rekindling connections with their family.

This year marks an exciting chapter in our journey as we embark on expansion plans for PCCS, which recently received a 5-star 'Excellent' rating - the highest achievable - after a rigorous inspection by Lambeth's Provider Assessment and Market Management Solution, which assesses the quality of adult social care providers. SIG Equinox Community Care and Support will replicate our successful floating support model, with plans to launch in Brighton and Hove in 2025.

Thank You

This report and all the work SIG Penrose 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. This year was made possible by the generous support of:

Bedford and Luton Community Foundation
London Luton Airport
John Lyon's Charity
East London Foundation NHS Trust
Garfield Weston Foundation
The National Lottery
29th May 1961 Charitable Trust

Transformation Journeys

Tom's Story

After losing his mother and experiencing a failed relationship, Tom's life spiralled out of control, leading him to rely on alcohol. He openly shared his journey through substance use, mental breakdown, and recovery, highlighting the profound impact of his mother's death at 14, a friend's tragic death from alcohol, and the downward trajectory of his marriage. After a suicide attempt in 2022, Tom was admitted to the hospital and placed in Penrose Havering Complex Needs Service, a critical turning point in his recovery. At Penrose Havering, Tom received support from a multi-disciplinary team, including keyworkers and the Havering Rough Sleeper Team. Initially reserved, he gradually reduced his drinking with encouragement from staff and re-engaged with his passion for music as a drummer. In July 2023, he took on the service representative and peer mentor role, demonstrating his commitment to helping others. Despite a relapse due to overwhelming responsibilities, Tom remained positive and embraced therapy and education, ultimately stopping drinking on September 4, 2024. His determination proved essential. After 22 months of support, Tom transitioned to independent living in a self-contained apartment. He left with a strong resolve to give back, illustrating that recovery is a journey rooted in personal commitment and community support.

Freddie's Story

Freddie arrived at Penrose Drive Independent Approved Premises after a six-year prison sentence, fully committed to rebuilding his life and making significant changes. From day one, he demonstrated a commitment to rehabilitation, engaging actively with staff, taking full responsibility for his past, and establishing clear goals for his future. Thanks to the support of Social Interest Group's Employability Programme, Freddie secured a job in the catering industry - a role that proved invaluable, providing him with hands-on experience and reigniting his sense of purpose and structure. Colleagues and supervisors have praised his impressive attitude, work ethic, and consistency. In addition to his catering work, Freddie took on a job at Fitness First, successfully balancing two roles with professionalism and maturity. His remarkable dedication underscores his determination to seize opportunities, and that change is indeed possible. Freddie's journey highlights the transformative power of supported accommodation, structured guidance, and access to employment for prison leavers. He is now living independently and contributing positively to society. His actions since his release reflect personal growth, resilience, and a strong desire to leave his past behind.

Financial Review

SIG Penrose made a surplus of £344k (2023/24 - £501k) during the year. This results in an unrestricted fund balance of £3,133 k at 31st March 2025 (2023/24 - £2,985k). In addition, it had a restricted fund balance of £3k (2023/24 - £3k).

The pensions reserve at the end of the year was £384k, which relates to the past service deficit liability relating to the defined benefit of the Social Housing Pension Scheme. The triennial valuations have resulted in member organisations being charged a levy to bring the scheme back into surplus. These triennial valuation deficit contributions are reflected in the SoFA and provisions of SIG Penrose. The charity closed its participation in this pension scheme but remains liable for an element of the deficit.

Given the wider economic environment, ongoing changes, and increased competition within the sector, the Trustees consider the results regarding revenue levels acceptable. Therefore, it is essential that moving forward, our focus remains on developing new services, new funding models, and effective and financially efficient models of service delivery, whilst addressing the issues causing the deficit.

The principle funding sources remain Local Authority block contracts, largely for our resettlement projects, alongside funding from Clinical Commissioning Groups and NHS Trusts for our work with people recovering from or living with mental ill health or personality disorders, our work with preventing homelessness, and our work with people experiencing homelessness.

The trustees appreciate the funding from their funders, including statutory commissioners, for the work streams they support and the vital non-statutory funding from individuals, trusts, and foundations.

Principal risks and uncertainties

SIG Penrose operates in a complex and high-risk environment, supporting individuals with significant needs and often traumatic histories. Many of our services interact closely with the criminal justice system and forensic mental health arm specifically. 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 large scale commissioners; the National Health Service and Ministry of Justice, and the regulator covering Penrose Community Care and Support, the CQC.

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 Penrose, 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, rising operational costs, and challenges in property procurement.	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.

Another significant risk is the pension deficit contributions made to TPT to fund the scheme's pension liabilities shortfall. The risk is regularly reviewed to ensure that any contributions are affordable and do not significantly burden the charity.

Reserves policy and going concern

Reserves are needed to innovate solutions for our stakeholders (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 a regular review of reserve levels is appropriate. SIG Penrose aims to make a small surplus for retention and reinvestment purposes, increasing free reserves. Following a review of the reserves required, the reserves target has reduced to £842k, an decrease of £175k. The actual free reserves, excluding the past service pension liability, as at 31st March 2025, are £3,133k (23/24 - £2,985k). It is held at this higher level because of the pension liability. The Trustees will continue to review the reserves policy and position.

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 and securing and opening several new projects, as well as the closure of projects that were not financially viable. 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 SIG Penrose has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. SIG Penrose has financial resources and long-term cash-generating assets. Consequently, the board of trustees believes that SIG Penrose is well-placed to manage its business risks successfully. For this reason, they continue to adopt the going concern basis when preparing SIG Penrose'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 SIG Penrose to continue as a going concern, which has been identified by key management personnel after considering the relevant facts and circumstances.

Plans for the Future

SIG Penrose 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 Penrose to lead with integrity, inclusion, and impact in the years ahead.

Structure, governance and management

Penrose Options, trading as SIG Penrose, is a company limited by guarantee not having a share capital (Number 08466743) and is registered as a charity with the Charity Commission (Number 1151455).

Penrose Options governing instruments are its Articles of Association dated 28th of March 2013, and amended on 1st of November 2018. The sole member of SIG Penrose is Social Interest Group, effective from 1st of October 2014. As of 1st of November 2018, the non-executive Trustees of Social Interest Group were appointed as the trustees of Penrose Options.

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 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 board meetings and visit projects before being confirmed for a 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 Penrose 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 Safe Ground, SIG Housing Trust and SIG Pathways to Independence.

Remuneration policy for key management personnel

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

Policy for the 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 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 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 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 the year in a highly challenging climate. 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 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 the charity's financial position with reasonable accuracy at all times and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the charity's and the Group's assets and 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 financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the charity's assets in the event of winding up. At year-end, there were five such guarantees (2023: five).

The non-executive trustees are members of the charity, the executive trustee is not a member of the charity and has no beneficial interest in it.

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



Dr Karl Marlowe

Chair

Independent auditor's report

Opinion

We have audited the financial statements of Penrose Options (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.

Independent Auditor's report to the members of Penrose Options

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, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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 16, 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.

Independent Auditor's report to the members of Penrose Options

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 regulations.
- 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.

Independent Auditor's report to the members of Penrose Options

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.



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

15 October 2025

Penrose Options
Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31 March 2025
Statement of Financial Activities

		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
	Note								
Income from:									
Charitable Activities	2	20,695	174	-	20,869	17,475	224	-	17,699
Donations and legacies	2	4	-	-	4	4	-	-	4
Investment income	3	6	-			-	-	164	164
Total income		<u>20,705</u>	<u>174</u>		<u>20,879</u>	<u>17,479</u>	<u>224</u>	<u>164</u>	<u>17,867</u>
Expenditure on:									
Charitable activities	4	(20,353)	(174)	(35)	(20,562)()	(16,978)	(224)	-	(17,202)
Total expenditure		<u>(20353)</u>	<u>(174)</u>	<u>(35)</u>	<u>(20,562)</u>	<u>(16,978)</u>	<u>(224)</u>	<u>-</u>	<u>(17,202)</u>
NET INCOME	5	352	-	(35)	317	501	-	164	665
Transfer between funds		(204))		204	-	-	-	-	-
Other recognised gains and losses									
Actuarial losses on defined benefit pension schemes		-	-	69	69	-	-	(212)	(212)
Net movement in funds		<u>148</u>	<u>-</u>	<u>238</u>	<u>386</u>	<u>501</u>	<u>-</u>	<u>(48)</u>	<u>453</u>
Reconciliation of funds									
Total funds brought forward		2,985	3	(622)	2,366	2,484	3	(574)	1,913
Total funds carried forward	15a	<u>3,133</u>	<u>3</u>	<u>(384)</u>	<u>2,752</u>	<u>2,985</u>	<u>3</u>	<u>(622)</u>	<u>2,366</u>

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 16a to the financial statements.

Penrose Options
Balance Sheet
For the year ended 31 March 2025

Balance Sheet

	Note	£'000	2025 £'000	£'000	2024 £'000
Fixed assets					
Tangible assets	10		2,607		287
Current assets					
Debtors	11	4,760		4,152	
Cash at bank and in hand		990		1,049	
		<u>5,750</u>		<u>5,201</u>	
Liabilities					
Creditors: amounts falling due within one year	12	(3,134)		(2,500)	
Net current assets			<u>2,616</u>		<u>2,701</u>
Total assets less current liabilities			<u>5,223</u>		<u>2,988</u>
Creditors: amounts falling due after one year			(2,087)		-
Net assets excluding pension scheme provision			<u>3,136</u>		<u>2,988</u>
Defined benefit pension scheme provision			(384)		(622)
NET ASSETS			<u>2,752</u>		<u>2,366</u>
FUNDS					
Restricted funds			3		3
Unrestricted funds					
General funds		3,133		2,985	
Pension reserve		(384)		(622)	
Total Unrestricted funds			<u>2,749</u>		<u>2,363</u>
TOTAL FUNDS	15a		<u>2,752</u>		<u>2,366</u>

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



Karl Marlowe
Chair

Penrose Options: A company limited by guarantee, Company Registration Number **08466743** (England and Wales)

Penrose Options
Cash Flow Statements
For the year ended 31 March 2025

Cash Flow Statements

		£'000	2025 £'000	£'000	2024 £'000
	Note				
Cash flows from operating activities:					
Net income for the reporting period (as per the statement of financial activities)		386		453	
Depreciation charges		138		82	
Movement in long-term pension deficit liability		(238)		48	
(Increase) in debtors		(608)		(440)	
Increase in creditors		445		302	
Net cash provided by operating activities			123		445
Cash flows from investing activities:					
Purchase of fixed assets		(2,458)		(101)	
Net cash used in investing activities			(2,458)		(101)
Cashflows from financing activities					
Repayments of borrowing		(24)		-	
Cash inflows from new borrowing		2,300		-	
			2,276		-
Change in cash and cash equivalents in the year	13a		(59)		344
Cash and cash equivalents at the beginning of the year			1,049		705
Cash and cash equivalents at the end of the year			990		1,049

Notes to the Financial Statements

1 Accounting Policies

a) Statutory information

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

b) Basis of preparation

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

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

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

c) Public benefit entity

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

d) Going concern

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

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

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

Penrose Options
Notes to the Financial Statements
For the year ended 31 March 2025

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 Penrose'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:

- Fixtures, fittings and office equipment 25% straight line
- Leasehold improvements Straight line over the term of the lease
- Motor Vehicles 25% 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. Dilapidation provisions are held in the balance sheet at the year end, based on the estimates of cost of returning the property to the landlord at the end of the lease.

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

SIG Penrose makes contributions into a defined benefit pension scheme, which is now closed to new SIG Penrose entrants, and a number of defined contribution schemes. For financial years ending on or before 28

Penrose Options
Notes to the Financial Statements
For the year ended 31 March 2025

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 2021. The liability figure from the valuation is rolled forward to the relevant accounting date and are used in conjunction with the charity's fair share of the Scheme's total assets to calculate the charity's net deficit or surplus at the accounting period start and end dates.

p) 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.

2 Donations

	Unrestricted funds 2025 £'000	Unrestricted funds 2024 £'000
Donation and gifts	4	4

Penrose is not involved in active fund raising, but do accept donations via Enthuse. No complaints have been received regarding fundraising activities.

3 Charitable activities – supporting vulnerable people

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

Penrose Options
Notes to the Financial Statements
For the year ended 31 March 2025

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)	11,296	-	2,670	13,966	11,512
Recruitment & training	-	-	244	244	217
Subsistence & travel	52	-	17	69	61
Premises Costs	2,912	-	77	2,989	2,600
Office running costs	482	-	107	589	433
Insurance	-	-	178	178	141
Information technology	-	-	342	342	340
Legal & Professional	-	-	149	149	127
Depreciation	164	-	-	164	113
Audit fees	-	20	-	20	45
Other Costs	1,810	27	15	1,852	1,613
Total expenditure 2025	<u>16,716</u>	<u>47</u>	<u>3,799</u>	<u>20562</u>	
Total expenditure 2024	<u>13,549</u>	<u>232</u>	<u>3,421</u>		<u>17,202</u>

Penrose Options
Notes to the Financial Statements
For the year ended 31 March 2025

4b Analysis of expenditure (previous year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	2024 Total £'000
Staff costs (Note 6)	9,255	-	2,257	11,512
Recruitment & training	-	-	217	217
Subsistence & travel	47	-	14	61
Premises Costs	2,519	-	81	2,600
Office running costs	238	-	195	433
Insurance	-	-	141	141
Information technology	-	-	340	340
Legal & Professional	-	-	127	127
Depreciation	82	-	31	113
Audit fees	-	45	-	45
Other Costs	1,408	187	18	1,613
Total expenditure 2024	<u>13,549</u>	<u>232</u>	<u>3,421</u>	<u>17,202</u>

Penrose Options
Notes to the Financial Statements
For the year ended 31 March 2025

5 Net income / (expenditure) for the year

This is stated after charging :

	2025 £'000	2024 £'000
Depreciation	138	82
Operating lease rentals:		
Property	2,738	2,519
Auditor's remuneration (including VAT):		
Audit	20	18

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

Staff costs were as follows

	2025 £'000	2024 £'000
Salaries and wages	10,315	7,909
Social security costs	950	733
Employer's contribution to defined contribution pension schemes	194	156
Operating costs of defined benefit pension schemes	8	8
Agency costs	2,499	2,706
	13,966	11,512

No employee earned more than £60,000 during the year (2024: 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. Redundancy costs of £Nil were paid in the year (2024: £8,000).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £). No charity trustee received payment for professional or other services supplied to the charity (2024: £None).

7 Staff numbers

	2025 £'000	2024 £'000
Operational	314.9	267.7
	314.9	267.7

8 Related party transactions

SIG Penrose was charged £3,850,873 for central office functions provided by the parent charity Social Interest Group (2024: £3,504,122).

SIG Penrose Options was owed by SIG (its parent Company) £2,215,398 at the year-end (2024: £2,562,074).

SIG Penrose Options owed £282,335 to SIG Equinox Care (a subsidiary of SIG) at the year-end (2023: was owed £6,872).

SIG Penrose Options was owed £215,228 by SIG Pathways (a subsidiary of SIG) at the year-end (2024: was owed £31,285).

SIG Penrose Options owed £20,000 Milner Gibson Limited (a subsidiary of SIG) at the year-end (2024: owed £20,000)

SIG Penrose Options owed £279,074 to SIG Housing Trust (a subsidiary of SIG) at the year-end (2024: owed £167,061)

SIG Penrose Options was owed by SIG Safe Ground (a subsidiary of SIG) £192,799 at the year-end (2024: £96,152).

Penrose Options
Notes to the Financial Statements
For the year ended 31 March 2025

9 Taxation

SIG Penrose 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 Buildings	Motor vehicles	Fixtures, fittings & Equipment	Leasehold improvements	Total
	£'000	£'000	£'000	£'000	£'000
Cost of valuation					
At the start of the year	-	28	302	345	675
Additions in year	2,399	-	20	39	2,458
At the end of the year	<u>2,399</u>	<u>28</u>	<u>322</u>	<u>384</u>	<u>3,133</u>
Depreciation					
At the start of the year	-	15	217	156	388
Charge for the year	26	6	35	71	138
At the end of the year	<u>26</u>	<u>21</u>	<u>252</u>	<u>227</u>	<u>526</u>
Net Book Value					
At the end of the year	<u>2,373</u>	<u>7</u>	<u>85</u>	<u>157</u>	<u>2,607</u>
At the start of the year	<u>-</u>	<u>13</u>	<u>85</u>	<u>189</u>	<u>287</u>

All of the above assets are used for charitable purposes.

11 Debtors

	2025 £'000	2024 £'000
Trade debtors	1,960	899
Staff loans	27	11
Amounts due from group undertakings	2,341	2,696
Other debtors	231	309
Prepayments	201	237
	<u>4,760</u>	<u>4,152</u>

12 Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Trade creditors	417	697
Bank loans	189	-
Taxation and social security	342	303
Pension contributions	102	66

Penrose Options
Notes to the Financial Statements
For the year ended 31 March 2025

Other creditors	279	236
Deferred income	476	176
Amounts due to Group undertakings	299	187
Accruals	1,030	835
	<u>3,134</u>	<u>2,500</u>

Deferred Income reconciliation

	2025 £'000	2024 £'000
Balance at 1 April 2024	176	174
Amount released to income	(145)	(126)
Amount deferred in year	445	128
Balance at 31 March 2025	<u>476</u>	<u>176</u>

13 Creditors: amounts falling due after one year

	2025 £'000	2024 £'000
Bank loans		
Within one to two years	189	-
Within two to five years	567	-
In 5 years or more	1,331	-
	<u>2,087</u>	<u>-</u>

The bank loans are secured by specific charges on the housing properties. The loans are repayable by monthly instalments over a 25 year term. At 31 March 2025, the company had no undrawn loan facilities. Interest is charged on the loan at 2.45% above the Reliance Banks published base rate.

14 Pension Schemes

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

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

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

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

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

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

Penrose Options
Notes to the Financial Statements
For the year ended 31 March 2025

SIG Penrose were notified in 2021 by the Trustee of the Scheme that it has performed a review of the changes made to the Scheme's benefits over the years and the result is that there is uncertainty surrounding some of these changes. The Trustee is seeking clarification from the Court on these items, and this process is ongoing with the Court's determination expected no earlier than Summer 2025. It is estimated that this could potentially increase the value of the full Scheme liabilities by £155m. We note that this estimate has been calculated as at 30 September 2022 on the Scheme's Technical Provisions basis. Until the Court direction is received, it is unknown whether the full (or any) increase in liabilities will apply and therefore, in line with the prior year, no adjustment has been made in these financial statements in respect of this.

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 No.	2024 No.
Active	1	3
Deferred	48	48
Pensioners	21	19

Financial assumptions

	2025 % pa	2024 % pa
Rate of discount	6.15	5.19
Price inflation (RPI)	3.09	3.14
Price inflation (CPI)	2.79	2.78
Earnings increases	3.79	3.78
Allowance for commutation of pension for cash at retirement	75%	75%

The discount rate has been increased by 0.3% from the base assumption used by the actuary in deriving the overall deficit position. This is due to the fact the discount rate does not reflect returns that can be achieved in other long term products that can be purchased by SIG Penrose.

Other material assumptions

	Years	Years
Life expectancies in retirement:		
Male currently aged 65	20.5	20.50
Female currently aged 65	23.0	23.00
Male currently aged 45	21.7	21.80
Female currently aged 45	24.5	24.40

	2025 £'000	2024 £'000
Fair value of plan assets	3,341	3,432
Present value of defined benefit obligation	(3,725)	(4,054)
Net defined liability to be recognised	(384)	(622)

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

	2025 £'000	2024 £'000
Opening fair value of employer assets	3,432	3,476
Interest income	178	171
Experience on plan assets	(270)	(272)
Contributions by the employer	204	194
Withdrawals by Employees	-	-
Benefits paid and expenses	(203)	(137)

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3,341 3,432

Reconciliation of opening and closing balances of defined benefit obligation

	2025 £'000	2024 £'000
Opening defined benefit obligation	4,054	4,050
Expenses	8	7
Interest cost	205	194
Actuarial losses / (gains)	(339)	(60)
Benefits paid and expenses	(203)	(137)
Closing defined benefit obligation	<u>3,725</u>	<u>4,054</u>
Actual return on plan assets	<u>(172)</u>	<u>(101)</u>

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

	2025 £'000	2024 £'000
Actuarial gain on plan obligations	339	60
Actuarial loss on plan assets	(270)	(272)
Defined benefit costs recognised in the SOFA	<u>69</u>	<u>(212)</u>

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

	General unrestricted £'000	Pension Reserve £'000	Restricted £'000	Total funds £'000
Tangible fixed assets	2,607	-	-	2,607
Net current assets/(liabilities)	2,613	-	3	2,616
Creditors: amounts falling due after one year	(2,087)	-	-	(2,087)
Defined benefit pension provision	-	(384)	-	(384)
	<u>3,133</u>	<u>(384)</u>	<u>3</u>	<u>2,752</u>

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

	General unrestricted £'000	Pension Reserve £'000	Restricted £'000	Total funds £'000
Tangible fixed assets	287	-	-	287
Net current assets/(liabilities)	2,698	-	3	2,701
Defined benefit pension provision	-	(622)	-	(622)
	<u>2,985</u>	<u>(622)</u>	<u>3</u>	<u>2,366</u>

16a 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:					
Roots for Life	3	-	-	-	3

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Lottery - Roots	-	93	(93)	-	-
Roots Garden	-	16	(16)	-	-
Roots Connects	-	16	(16)	-	-
Roots Food for thought	-	32	(32)	-	-
RBKC refuge	-	4	(4)	-	-
Community response fund (Luton)	-	13	(13)	-	-
Total restricted funds	3	174	(174)	-	3
General funds	2,985	20,705	(20,361)	(196)	3,133
Pension reserve	(622)	69	(27)	196	(384)
Total funds including pension fund	2,366	20,948	(20,562)	-	2,752

16b 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:					
Roots	3	-	-	-	3
Lottery - Roots	-	193	(193)	-	-
Community Engagement	-	4	(4)	-	-
Community response fund (Luton)	-	27	(27)	-	-
Total restricted funds	3	224	(224)	-	3
General funds	2,484	17,479	(16,978)	-	2,985
Pension reserve	(574)	-	(48)	-	(622)
Total funds including pension fund	1,913	17,703	(17,250)	-	2,366

Transfers

During the year, Penrose makes contributions towards the pension deficit of the pension scheme. These are recognised in the year as they are incurred, and are transferred in the year to show the effect on the overall liability.

Purposes of restricted funds

- Lottery - Roots - The grant is used to fund the works of the Roots to Recovery project in Luton and Bedford
- Cost of living workshops - The workshops provide advice and guidance to help individuals to develop a personal toolkit of knowledge and skills as they prepare for independent living.
- Community response fund (Luton) - to fund an activities coordinator in a service.
- **Roots Garden**

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- Roots Connects
- Roots food for thought
- RBKC refuge

17 Analysis of changes in net debt

	At 1 April 2024	Cash flows	At 31 March 2025
Cash at bank and in hand	1,049	(59)	990
Loans falling due within one year	-	(189)	(189)
Loans falling due after more than one year	-	(2,087)	(2,087)
Total	<u>1,049</u>	<u>(2,335)</u>	<u>(1,286)</u>

18 Operating lease commitments

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

	2025 £'000	2024 £'000
Less than one year	2,268	2,196
One to five years	1,959	1,741
One to five years	<u>1,519</u>	<u>2,039</u>
	<u>5,746</u>	<u>5,976</u>

19 Guarantees and ultimate parent undertaking

Penrose Options, trading as SIG Penrose, is a company limited by guarantee not having a share capital. Social Interest Group became the sole member of Penrose Options on the 1st October 2014. Each member has guaranteed to pay £1 in the event that Penrose Options was wound up. Social Interest Group is the ultimate parent undertaking. Its charity registered number is 1158402. 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. 1151455 | Company no 08466743

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