



**Social
Interest
Group**

Annual Report

**Trustees' Report & Consolidated
Financial Statements**

Year ended 31 March 2025

Charity no. 1158402
Company no. 09122052

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

Social Interest was incorporated as a company limited by guarantee on the 8th of July 2014. It became a charity registered with the Charity Commission on the 1st of September 2014. It changed its name to Social Interest Group on the 1st of October 2014. Social Interest Group (SIG) is referred to as the Charity throughout this document.

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
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N1 1TY

Auditors

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130 Wood St
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EC2V 6DL

Bankers

Lloyds Bank plc
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London
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Solicitors

Russell Cooke LLP
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Company registration number 09122052

Charity registration number 1158402

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The trustees present their report and the audited financial statements for the year ended 31st of 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 Activities

Purposes and Aims

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

- To relieve people in need, including but not limited to those with mental health problems, substance use disorders, alcohol use or other dependence, people in the criminal justice system, people experiencing homelessness, people experiencing social isolation, people with disabilities (whether physical or mental) or chronically sick, and to assist and relieve such persons' family, dependents and other carers who are in need as a result of that person's problems;
- To promote and improve the efficiency and effectiveness of its charitable subsidiaries in fulfilling their charitable objectives;
- To further such other exclusively charitable purposes according to the law of England and Wales as the trustees, in their absolute discretion from time to time, determine.

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

The trustees have referred to the 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.

Penrose Options

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

SIG Penrose specialises in working with people who struggle with other services as they present personal or public safety risks. SIG Penrose provides practical social support and health care solutions, supported housing in residential accommodation, resource centres, floating support, community gardens and Housing First services. SIG Penrose also provides specialist rehabilitation and technical and therapeutic support that aids recovery, reduces reoffending and changes behaviour. SIG Penrose'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.

Equinox Care

Equinox Care was established in 1986, incorporated as Drink Crisis Centre on the 23rd of March 1987, opened its first service in 1990 and changed its name to Equinox Care on the 13th of April 1999. It traded as Equinox and joined the Group on the 1st of October 2014. Equinox Care now trades as SIG Equinox and provides personalised residential and community-based health and social care services for people furthest away from living independent lives, often with challenging behaviours, forensic mental illness and mental health disorders, general mental health problems, histories in the criminal justice system, substance and alcohol use, lengthy periods of homelessness and excluded from education and employment.

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

SIG Equinox's Aspinden Care Home, based in London, accepts referrals from across England and provides a residential service for treatment-resistant adults using alcohol. We support adults who often cannot access other care homes due to their alcohol use and their associated behaviours. We use the Blue Light system and harm minimisation model to ensure the safety of the residents and staff.

SIG Equinox currently operates across London and in Brighton and has ambitions to grow.

Pathways to Independence

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

Milner Gibson

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

SIG Housing Trust

On registration as a charity, SIG Investments (SIGI), the principal activity was set up to buy or lease property on behalf of the group and then lease it to group members at an affordable social rent. SIG Investment was established in 2014. It has an independent Board of Trustees from the parent company, SIG. In 2023, SIG Investment consulted its residents regarding its name and branding. It was agreed that a rebrand was required. As a result, the registration was amended, and the name was changed at Companies House and the Charity Commission to SIG Housing Trust (SIG HT). Since then, the SIG HT Board has developed a property strategy that

includes a housing development and social housing management programme for residents supported by the group. The strategy for SIG HT is currently proactively trying to register as a social landlord. SIG HT consulted residents across the group who said they need access to permanent social housing as they move on from supported housing or directly when they leave inpatient hospital care or prison. SIG HT aims to create self-contained social housing units to improve the housing quality available for adults moving on from supported housing, prison, hospital and street homelessness.

Safe Ground

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

Chair Foreword

As Chair, I have the pleasure of introducing this year's Annual Audited Accounts for Social Interest Group (SIG). These not only reflect the robustness of our financial stewardship and operational transparency but also capture the impact of the work done by dedicated staff to make a difference for the communities we serve.

I have been chairing SIG for more than eight years, but this year is special, as it marks a significant milestone in SIG's journey—our *tenth anniversary*. It is a time to reflect on our achievements and evolution, and reaffirm our commitment to our values: Ambition, Empowerment, Transparency and Inclusivity. It is also a year of transition, as we bid a heartfelt farewell to our founding Chief Executive, Gill Arukpe MBE. Gill's visionary leadership has shaped SIG into the organisation it is today. On behalf of the Board, I extend our deepest gratitude to Gill and wish her every success in her future.

This is a very challenging time for our sector, with reduced funding, increased pay awards, cost-of-living pressure, and stretched resources. As we welcome new leadership and embark on the first year of our ambitious five-year strategy, we do so with clarity of purpose and a sense of urgency. The social care, criminal justice, and voluntary sectors continue to face systemic challenges— workforce shortages and increasing complexity of need. Yet, SIG remains able to deliver its mission, demonstrating resilience and adaptability.

The outcomes highlighted in this report are a testament to the necessity of our trauma-informed, person-centred approach. We support thousands across our services with pioneering new service models in women's support and forensic mental health. The report is not just numbers—they represent lives transformed, families reunited, and futures reclaimed.

As trustees, we are committed to ensuring that SIG remains financially robust, strategically agile, and ethically grounded. We are proud of the organisation's continued investment in its people, its commitment to evidence-based practice, and its drive to influence policy and practice at a national level. Looking ahead, we remain focused on a shared vision. The road ahead will be challenging, but we are confident in the strength of our leadership, the dedication of our staff, and the resilience of those we serve.

Thank you to all our partners, funders, colleagues, residents and participants. Together, we will continue to build a more compassionate, equitable future.



Dr Karl Marlowe

Chair, SIG Board of Trustees

Chief Executive's Statement

As we conclude the financial year, I feel immense pride and gratitude reflecting on Social Interest Group's (SIG) remarkable journey. This year is particularly special for us, marking our 10th anniversary and a significant leadership transition. In March 2025, we bid farewell to Gill Arukpe MBE, our visionary founder, who dedicated over a decade to our mission. We extend our heartfelt thanks to Gill on behalf of our staff, trustees, and the 96,000 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 remains a beacon of innovation, compassion, and resilience.

This Impact Report highlights the extraordinary outcomes we have achieved this year. We proudly supported 4,489 individuals across our services, and facilitated 38,937 family visits at our Visitor Centre at HMP Altcourse. Our residential services achieved a 70% success rate in securing positive move-on outcomes to independent or step-down accommodation. Additionally, 78% of participants in our criminal justice programmes successfully completed their courses without recalls or new convictions. Every £1 invested in our Fathers Inside parenting programme generates an impressive annual saving of £5.49 for the public purse by notably reducing crime and prison costs.

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, which translates 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, building on a decade 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.

**Social Interest Group
Trustee Report
Year ended 31 March 2025**

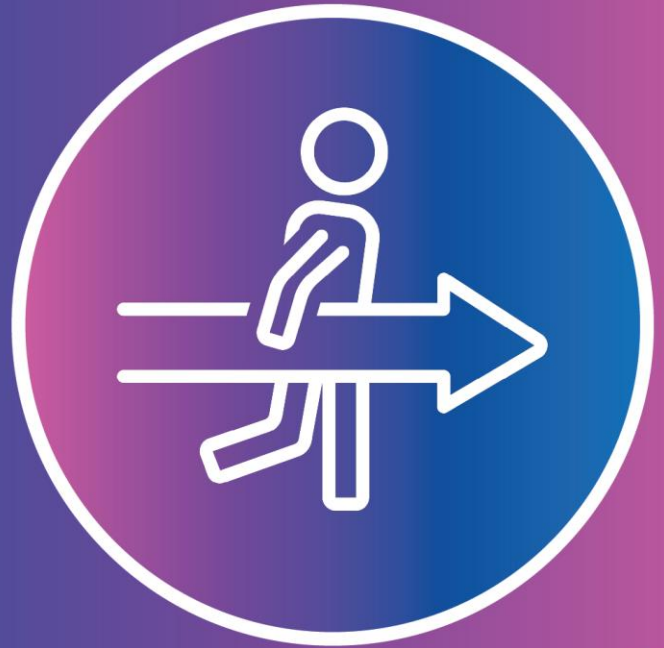
On behalf of all at SIG, I would like to thank everyone who has been part of our journey. Whether you are a colleague, partner, funder, or someone who has accessed our services, your belief fuels our mission and everything we do. I am honoured to lead SIG into this next chapter, and I am genuinely excited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

A handwritten signature in dark ink, appearing to read 'C Kane'.

Cathy Kane, Interim Group Chief Executive

10th October 2025

A Year in Numbers



88%

Positive move-on across all services.

22%

Prison returns across services involved with the Criminal Justice System.

1%

Hospital returns.



Social
Interest
Group



2,792

People living independently.

4,489

People supported.

7,969

Hours of meaningful activities.

38,937

Family visits at HMP Altcourse.

“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

Vision

Healthier, safer, and more inclusive communities

Mission

Empowering independence through trauma-informed solutions and dynamic partnerships that keep people out of prison, out of hospital, and off the streets.

Social Value

In the face of a worsening cost-of-living crisis this year, SIG's impactful services supported those experiencing isolation and challenging circumstances. SIG is committed to the vision of integrated community services. Our extensive experience enabled us to meet the growing demand for psychologically informed, person-centred care that empowers individuals to thrive.

- 94.3% of residents across all our mental health services completed their stay without an unplanned return to hospital due to their mental health.
- 78.6% of residents in our *forensic* mental health services completed their stay without an unplanned return to hospital due to their mental health.
- 78.5% of the people we worked with across our criminal justice services completed our package of support without being recalled or convicted of a new offence.

Resident and Participant Feedback

- 90.0% of surveyed service residents and participants agreed or strongly agreed they were treated with dignity and respect during their time with us.
- 80% of people exiting our residential services said they felt more confident about living independently.
- 86.9% of people exiting our services felt satisfied or very satisfied with the levels of support they received.
- 79.5% said they would recommend our services to someone experiencing similar circumstances.

Cost Benefit

Our most intensive mental health services, which help to keep people out of hospital, cost an average of £316 per room per day, compared with an average of £521 per day for a bed on a mental health ward. That equates to savings of £1,435 per person per week or £74,907 per person per year.

Every £1 invested in our Fathers Inside parenting programme returns an annual projected saving to the public purse of £5.49 on crime and prison costs. For every programme delivered, this equates to annual savings of £108,702. These savings are based on MoJ Justice Data Lab analysis, which compared reoffending rates between Fathers Inside graduates and a matched control group.

Our STEPS hospital discharge service in Bedfordshire has reduced the Clinically Ready for Discharge (CRFD) rate by 35%, resulting in savings of £368 per bed, per night, or £134,320 per bed, per year.

Investing in Growth

Harnessing the Power of a Group Psychological Lead

SIG is committed to bridging the existing gaps in NHS services to reduce waiting times, using holistic practices to lessen the risks of poor health, self-harm, and suicide. This year, as a crucial element of our Theory of Change, we introduced a Group Psychological Lead to strengthen our services and increase our impact. This position is instrumental in providing staff with the requisite training and resources to provide safe and effective services while continuously improving quality and standards. As we advance our training initiatives, we seek to dispel institutional fears, ensuring that our services are grounded in a trauma-informed approach that is sensitive to the needs of service residents and participants.

Unlocking Potential Beyond Numbers

Over the past year, we have further strengthened our services through comprehensive audits and learning processes. Recognising the complex and unique safeguarding situations we face, we have made substantial investments to enhance our data protection practices. Additionally, we have effectively aligned our procedures with the NHS Patient Safety Incident Response Framework, setting a standard for best practices. We have also expanded our audit and compliance team, reinforcing our culture of accountability. We actively reduce risks through targeted training, expert advice, and practical information. Our colleagues are empowered to serve as the first line of defence against potential issues and as ambassadors for our commitment to service excellence and ethical conduct.

Innovative investments in Local Mental Healthcare Services

In September, we officially launched a new community rehabilitation service in Lewisham under SIG Penrose, in partnership with the South London and Maudsley NHS Foundation Trust (SLAM). The SLAM Community Rehabilitation Service is a key part of the South London Mental Health and Community Partnership (SLP) Complex Care Programme. Our 24-hour supported living model offers integrated rehabilitative support to individuals transitioning from inpatient wards to the community, providing a less restrictive alternative to traditional inpatient rehabilitation.

Designed to support some of the most complex patients under SLAM's care, many of whom have experienced prolonged stays in restrictive inpatient settings, it provides up to nine months of intensive rehabilitation and access to education and employment opportunities. Our multidisciplinary team, including a psychiatrist, occupational therapist, and dual diagnosis worker, aims to reduce inpatient stays and improve patient quality of life. Additionally, we seek to enhance the overall health and adult social care systems serving the boroughs of Croydon, Lewisham, and Southwark.

Creating an Empowering and Inclusive Culture

We aim to create an equitable and supportive environment for everyone in our community. Our twenty-five volunteer Equity, Diversity, and Inclusion (EDI) Ambassadors, comprising back office and frontline service staff, are essential in promoting inclusivity across our services and daily operations. They connect with our staff base and Participant and Resident Involvement Group, effectively representing the perspectives of those who utilise our services, promoting collaboration and open dialogue across SIG's communities. This year's themes for resident meetings were developed during our pre-MP visits preparations at SIG Penrose New Hope forensic mental health service and SIG Equinox Mental Health Supported Housing Service in Lewisham. To engage the LGBTQIA+ community, we hosted one online meeting and three in-

person gatherings to address residents' needs and concerns and build momentum ahead of our Pride event in Kensington and Chelsea.

Ambassadors for Menopause and LGBTQIA+ led three workshops, providing valuable insights to improve our service delivery and support models. These workshops promote discussion to understand better work and service living environments, and many feature guest speakers from partner organisations and allies in health, justice and social care. Additionally, we rolled out the first of our monthly staff EDI Awareness Sessions in January to identify and mitigate unconscious biases.

We made significant progress in partnerships to support marginalised communities. In our EDI initiatives, we collaborated with ten agencies, including Stonewall Housing, Metropolitan Police, Kent Housing Group, Criminal Justice Alliance, and the Academy for Social Justice. Through SIG Penrose, which partners with over 144 local Luton agencies, we achieved a notable milestone this year by engaging with local services that support Luton Healthwatch during the Pride in Luton event in June. Furthermore, our involvement in the Denny Report Review held in November afforded us another opportunity to address health inequalities in Bedfordshire, Luton, and Milton Keynes.

Our Inclusivity Charter marks an important step in ensuring that SIG promotes psychological safety, empowering staff, residents, and participants to express themselves freely. We also successfully piloted the first roll-out phase of the British Sign Language Video Translation Service, which we plan to expand across SIG.

Influencing and Impact

Managing constant political change has become business as usual in recent times; however, last year felt particularly unsettled with the arrival of a new government and a raft of policies and legislation to shake up the sectors in which we operate. Much of the change is welcome. In particular, it was pleasing to see progress in the two areas where we have sought to influence the most: long overdue reform of the Mental Health Act and a more progressive approach to criminal justice policy through the Sentencing Review. For both causes, we have created platforms bringing together decision-makers alongside our residents, participants and sector partners, to make clear, evidence-based cases for why support can be far more impactful when delivered in community settings over archaic secure institutions ill-equipped to support recovery or rehabilitation.

As part of our advocacy efforts, we hosted several MPs in our services, where residents spoke powerfully about their journeys and how the systems they encountered had often let them down when they needed help the most. In both instances, we will continue to engage with decision-makers and the people we support to ensure that the changes implemented are practically workable and that lived experience has a meaningful role in continuing to drive improvements.

We were also proud to contribute to several vital campaigns, including Homeless Link's Ending Homelessness Together, Providers Unite's Day of Action for Social Care Reform, and the National Housing Federation's Save Our Supported Housing. We will continue to work with partners and umbrella bodies across health, social care, housing, and justice to ensure our sector's voice is heard.

Plans for the Future

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

Thank You

This report and all the work across the group 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

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 SIG's Penrose Havering Complex Needs Service, a critical turning point in his recovery.

At SIG 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.

Lucy's Story

Lucy came to SIG's Equinox Brighton Women's Service three years ago after experiencing severe domestic violence, homelessness, and active substance use, which led to her children being removed from her care. We focused on building a trusting relationship with her and created a tailored support plan using multi-agency services. As she gained emotional and physical stability, she committed to battling her substance use, which allowed her to reconnect with her children and positively impact her mental health. Lucy wanted to learn to read so she could share that experience with her youngest son.

We referred her to Step Change, where she successfully improved her literacy skills, strengthening her bond with her children. With stabilised finances, we could assist her with housing transition services. This year, her dedication earned her a SIG Recognition Award in the Inspirational People Category. As Lucy prepares to move into her own home, we are confident in her ability to thrive and immensely proud of her accomplishments.

Financial Review

The charity recovers the costs of the services that it provides to its subsidiary undertakings. The charity made a surplus of £196k (2023/24 - £176k). The group had net unrestricted incoming resources for the year of £532k (2023/24 - £813k). Unrestricted reserves stand at £4,072k at 31st March 2025 (2023/24 - £3,540k) with £34k in restricted reserves (2023/24 - £34k) and a liability of £2,537k (2023/24 - £2,914k) in the pension reserve for past service deficits comprising in Penrose £384k (2023/24 - £622k), Equinox £2,153k (2023/24 - £2,285k) and Pathways £nil (2023/24 - £7k).

SIG Penrose made a surplus of £413k (2023/24 - £665k) during the year. This results in an unrestricted fund balance of £3,133k at 31st March 2025 (2023/24 - £2,985k). In addition, it had a restricted fund balance of £3k (2023/24 - £3k).

SIG Equinox made a surplus of £194k (2023/24 - £100k) at the operating profit level. This results in an unrestricted fund balance in deficit of £2,151k at 31st March 2025 (2023/24 - £2,171k deficit). In addition, it had a restricted fund balance of £1k (2023/24 - £1k) after receipts of £2k (2023/24 - £5k) and expenditure of £2k (2021/22 - £5k).

SIG Pathways made a surplus of £36k (2023/24 - £76k) at the operating profit level before a past service surplus pension gain of £7k (2023/24 - £8k). This results in an unrestricted fund balance of £1,913k at 31st March 2025 (2023/24 - £1,877). In addition, it had a restricted fund balance of £30k (2023/24 - £30k).

SIG Safe Ground made a surplus of £105k (2023/24 - £33k) at the operating profit level. This results in an unrestricted fund balance of £200k at 31st March 2025 (2023/24 - £95). In addition, it had a restricted fund balance of £nil (2023/24 - £nil).

At the end of the financial period, the charity had unrestricted general reserves of £839k (2023/24 - £643k).

Milner Gibson did not trade during the year, but started trading after the year end with the other Group companies providing concierge services.

SIG Housing Trust made a surplus of £22k (2023/24 - £21k) at the operating profit level.

The pensions reserve relates to the past service deficit liability relating to the defined benefit Social Housing Pension Scheme. The triennial valuations in 2008, 2011, 2014, 2017 and 2020 resulted in member organisations being charged a levy to bring the scheme back into surplus. These triennial valuation deficit contributions are reflected in Penrose and Equinox's liabilities. These charities closed their participation in this pension scheme but remain liable for an element of the deficit.

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 principal funding sources remain Local Authority block contracts, mainly for our resettlement projects, alongside funding from ICBs and NHS Trusts towards our work with people recovering or living with mental ill health and personality disorders, and our work with preventing homelessness and 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 operates in a complex and high-risk environment, supporting individuals with significant needs and often traumatic histories. The organisation's risk management framework is designed

to ensure that risks are identified, assessed, and managed in line with its strategic objectives and risk appetite.

We review our risk appetite annually with the board in the context of the incoming financial year. Our risk register is a living document with strategic risk reviewed annually in light of the 5 year strategic plan and risks being actively mitigated 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, aligned with the organisation's risk appetite statements and strategic priorities.

Another significant risk is the pension deficit contributions made to TPT and to the KCC to fund the shortfall in the pension liability of the schemes. The risk is regularly reviewed to ensure that contributions are affordable and do not significantly burden the group.

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 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.	Strategies: 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

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. Reserves are also held to cover risks SIG and the group face, including loss of contract income. The trustees evaluated the commitment to future expenditure against likely future income streams and believe that a regular review of reserve

levels is appropriate. All SIG charities aim to make a small surplus for retention and reinvestment purposes, which increases the free reserves. The trustees reviewed the reserves policy in light of the relevant guidance on the established level of reserves (those funds that are freely available) that the charity and group ought to have at any given time.

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 (excluding the Pension Reserve) target should be approximately £792k, and for the group, £1.9m. The charity needs to maintain sufficient funds to cover any potential loss in income and short-term cash flow, have approximately three months of expenditure available at all times, and cover costs in the event of the charity winding up. The unrestricted free reserves of the charity are £839k (£643k at 31st March 2024). The group has unrestricted free reserves, excluding the Pension reserve of £4,072 at 31 March 2025 (£3,540k at 31st March 2024). Actions to strengthen the financial position in the future include diversification of funding, including the growth of the business development team to secure additional funds through fundraising, securing and opening several new projects, and the closure of financially unviable projects. In addition, there are concerted management efforts to increase occupancy, reduce void rates, and minimise the use of expensive agency staff.

After making enquiries, the Board of Trustees has a reasonable expectation that the group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. The group has financial resources, together with long-term cash-generating assets. Consequently, the Board of Trustees believes that the group is well-placed to manage its business risks successfully. For this reason, they continue to adopt the going concern basis in preparing the group's financial statements. The Pension deficit is large, but there is a robust repayment plan to reduce this over time. There are no material uncertainties related to events or conditions that may cause significant doubt about the ability of the group to continue as a going concern, which have been identified by key management personnel after taking into account the relevant facts and circumstances.

Structure, governance and management

The charity is a company limited by guarantee without a share capital (Number 09122052) and is registered as a charity with the Charity Commission (Number 1158402). Its governing instruments are its Articles of Association dated 8 July 2014. All non-executive trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 to the accounts.

Appointment of trustees

The trustees are listed on page 3. They hold office for an initial period of three years with the possibility of a second term of three years plus; in exceptional circumstances, where the trustee has specific skills, the board can extend this. The board consists of no fewer than three and no more than nine persons appointed by the members and the executive trustees. No person under the age of 18 may be appointed as a trustee. Trustees are recruited by the Nominations Committee using specialist recruitment agents and by advertisement. A rigorous interview process takes place, which includes residents and participants. Candidates attend 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

The charity is the parent undertaking of Social Interest Group. 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, SIG Pathways to Independence, SIG Safe Ground, and Milner Gibson Limited.

Remuneration policy for key management personnel

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

Policy for employment of disabled persons

In April 2019, we became a Disability Confident Employer.

The charity's policy is not to discriminate against persons covered by the Disability Discrimination Act 1995 for reasons of their disability, whether in or applying for employment or in the delivery of services. The key areas of our policy cover recruitment and employment (disabled applicants not being considered any less favourably on the grounds of their disability), service delivery (disabled applicants and residents and participants not being treated less favourably on account of their disability) and information (ensuring information is accessible to all).

Employee information

The charity 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 the year in an extremely challenging climate. 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, we greatly value the contributions of our volunteers, who play a vital role in achieving our mission. In the financial year ending 31 March 2024, we engaged five volunteers who collectively contributed 1,352 hours of service. 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 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, 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 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. The total number of such guarantees at year-end was five (2022: five). The non-executive trustees are members of the charity; the executive trustee is not a member and has no beneficial interest in it.

The trustees' annual report, which includes the strategic report, was approved by the board of trustees on 10th October 2025 and signed on their behalf.



Karl Marlowe
Chair

Independent auditor's report

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the parent charity and determined that the most significant frameworks which are directly 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.

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

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

Social Interest Group
Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31 March 2025

Statement of Financial Activities

	Note	Unrestricted £'000	Restricted £'000	Pension reserve £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	Pension reserve £'000	2024 Total £'000
Income from:									
Donations and legacies		110	-	-	110	56	-	-	56
Charitable activities	2	30,722	176	-	30,898	27,736	228	-	27,964
Investment Income		25	-	-	25	14	-	250	264
Total income		30,857	176	-	31,033	27,806	228	250	28,284
Expenditure on:									
Charitable activities		(29,934)	(176)	(162)	(30,272)	(26,993)	(228)	-	(27,221)
Total expenditure	3a	(29,955)	(176)	-	(30,131)	(26,993)	(228)	-	(27,221)
Net income for the year	4	923	-	(162)	761	813	-	250	1,063
Transfer between funds		(391)		391	-	-	-	-	-
Other recognised gains and losses									
Actuarial gains / (losses) on defined benefit pension schemes	16	-	-	148	148	-	-	(595)	(595)
Net movement in funds		532	-	377	909	813	-	(345)	468
Reconciliation of funds:									
Total funds brought forward		3,540	34	(2,914)	660	2,727	34	(2,569)	192
Total funds carried forward	18a	4,072	34	(2,537)	1,569	3,540	34	(2,914)	660

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 18a to the financial statements.

Social Interest Group
Balance Sheet
For the year ended 31 March 2025

Balance Sheet

		The Group		The Charity	
	Note	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Fixed assets					
Tangible assets	9	4,404	2,162	105	104
Investments	10	-	-	20	20
		<u>4,404</u>	<u>2,162</u>	<u>125</u>	<u>124</u>
Current assets					
Debtors: Amounts falling due within one year	12	3,864	3,058	1,617	1,751
Debtors: Amounts falling due after one year	12	-	-	1,745	1,745
Cash at bank and in hand		2,932	2,665	89	177
		<u>6,796</u>	<u>5,723</u>	<u>3,451</u>	<u>3,673</u>
Liabilities					
Creditors: amounts falling due within one year	13	(5,007)	(4,288)	(2,737)	(3,154)
Net current assets		<u>1,789</u>	<u>1,435</u>	<u>714</u>	<u>519</u>
Total assets less current liabilities		<u>6,193</u>	<u>3,597</u>	<u>839</u>	<u>643</u>
Creditors: amounts falling due after one year	14	(2,087)	(23)	-	-
Net assets excluding pension liability		<u>4,106</u>	<u>3,574</u>	<u>839</u>	<u>643</u>
Defined benefit pension scheme provision	16	(2,537)	(2,914)	-	-
Total net assets		<u>1,569</u>	<u>660</u>	<u>839</u>	<u>643</u>
The funds of the charity					
Restricted income funds		34	34	-	-
Unrestricted income funds					
Pension Reserve		(2,537)	(2,914)	-	-
General Reserve		4,072	3,540	839	643
Total unrestricted funds		<u>1,535</u>	<u>626</u>	<u>839</u>	<u>643</u>
Total charity funds	18a	<u>1,569</u>	<u>660</u>	<u>839</u>	<u>643</u>

Approved by the trustees on 10th October 2025 and signed on their behalf by



Karl Marlowe
Chair

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

Social Interest Group
Cash Flow Statements
For the year ended 31 March 2024

Cash Flow Statements

	2025 £'000	2024 £'000
Cash flows from operating activities:		
Net income for the reporting period (as per the statement of financial activities)	909	468
Investment income	(25)	(14)
Loss on disposal of fixed assets	21	-
Depreciation charges	236	194
Movement in long-term pension deficit liability	(377)	345
(Increase)/decrease in debtors	(806)	(1,099)
Increase in creditors	507	293
	<hr/>	<hr/>
Net cash provided by operating activities	465	187
Cash flows from investing activities:		
Purchase of fixed assets	(2,499)	(140)
Investment income	25	14
	<hr/>	<hr/>
Net cash used in investing activities	(2,474)	(126)
Cashflows from financing activities		
Repayment of bank loans	(24)	(13)
Cash inflows from new borrowing	2,300	-
	<hr/>	<hr/>
Net cash used in financing activities	2,276	(13)
Change in cash and cash equivalents in the year	267	48
Cash and cash equivalents at the beginning of the year	2,665	2,617
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	2,932	2,665
	<hr/>	<hr/>

Notes to the Financial Statements

1. Accounting Policies

a) Statutory information

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

b) Basis of preparation

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

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

These financial statements consolidate the results of the Charity and its wholly-owned subsidiaries Milner Gibson, Equinox Care, Penrose Options, Pathways to Independence, Safe Ground and SIG Housing Trust on a line by line basis. Transactions and balances between the Charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the Charity and subsidiary companies are disclosed in the notes of the Charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Charity itself is not presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The net income for Social Interest Group was a surplus of £196k (23/24 surplus £176k).

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

c) Public benefit entity

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

d) Going concern

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

It has taken account of the current economic situation, (including the effect of the increase in employers national insurance, and the increases to London Living Wage and Living Wage) within an environment of constrained commissioner budgets. We have considered the impact of this for the Group's activities, including the effect on our residents, participants, staff and funders, and our steps to mitigate any adverse impact. The Board has also considered the ability of the Group to absorb the impact of the revaluation of pension deficit, and the potential loss of contracts as they fall due.

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

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.

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

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.

The Group is not involved in active fundraising, but does accept donations via Enthuse. No complaints have been received regarding fundraising activities.

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

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.

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.

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.

Expenditure on charitable activities

The expenditure on charitable activities relates to the support services provided to the Charity’s charitable subsidiaries in supporting our beneficiaries. A breakdown of the governance and support costs is provided.

The Group resources expended in directly providing the main services of Group companies are analysed as activities in the furtherance of the entities’ objects. A liability is recognised when a legal or constructive obligation is entered into by a Group company. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees’ annual report for more information about their contribution.

Leases

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

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

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

- Fixtures, fittings and office equipment – Between 25% and 33% straight line
- Freehold property – 2% straight line
- Leasehold property – Between 1% and 2% straight line
- Motor vehicles – Between 20% and 25% straight line

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

- Computer equipment and software – 25% straight line
- Leasehold improvements – Straight line over the term of the lease

Investment properties

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

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.

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.

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.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

Pensions

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

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the Group to account for the Scheme noted above as a defined benefit scheme. For accounting purposes, an actuarial valuation for the scheme was carried out with effective date of 31 March 2022. The liability figure from the valuation is rolled forward to the relevant accounting date and are used in conjunction with the Group's fair share of the Scheme's total assets to calculate the Group's net deficit or surplus at the accounting period start and end dates.

In addition, the Group, on the acquisition of Pathways To Independence Ltd, took over a further defined benefit pension scheme for current and former employees of Pathways who were part of the Kent County Council Pension Fund, which itself is part of the Local Government Pension Scheme. The pension scheme is closed to new members. It is a funded scheme and the assets are held separately from those of the Group in separate Trustee administered funds.

Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations.

The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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

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

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

Provisions

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

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

2 Income

Charitable activities – supporting vulnerable people

The Group's charitable activities are to relieve people in need, including but not limited to those with mental health illness, those currently living with substance use or other addictive behaviour patterns, people experiencing homelessness, people and households on low incomes, people with experience of the criminal justice system, older, disabled (whether physically or mentally) or chronically sick. This is achieved by providing support in the form of housing, or accommodation, or services, including but not limited to medical, social, welfare, rehabilitative, resettlement, care services, education, training, employment, mentoring and other similar services.

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

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

3a Analysis of expenditure (current year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	2025 Total £'000	2024 Total £'000
Staff costs (Note 5)	16,449	-	3,917	20,366	17,746
Recruitment & training	-	-	356	356	373
Subsistence & travel	81	-	25	106	99
Premises Costs	4,036	-	113	4,149	4,128
Office running costs	774	-	157	931	742
Insurance	-	-	261	261	218
Information technology	-	-	502	502	527
Legal & Professional	-	-	219	219	197
Depreciation	235	-	-	235	194
Audit fees	-	67	-	67	69
Other Costs	3,056	-	24	3,080	2,928
Total expenditure 2025	24,631	67	5,574	30,272	
Support costs	5,574	-	(5,574)	-	-
Governance costs	67	(67)	-	-	-
	30,272	-	-	30,272	
Total expenditure 2024	27,221	-	-		27,221

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

3b Analysis of expenditure (previous year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	2024 Total £'000
Staff costs (Note 5)	14,252	-	3,494	17,746
Recruitment & training	-	-	373	373
Subsistence & travel	78	-	21	99
Premises Costs	4,002	-	126	4,128
Office running costs	440	-	302	742
Insurance	-	-	218	218
Information technology	-	-	527	527
Legal & Professional	-	-	197	197
Depreciation	194	-	-	194
Audit fees	-	69	-	69
Other Costs	2,540	362	26	2,928
Total expenditure 2023	21,506	431	5,284	27,221
Support costs	5,284	-	(5,284)	-
Governance costs	431	(431)	-	-
	27,221	-	-	27,221

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

4 Net income / (expenditure) for the year
This is stated after charging :

	2025 £'000	2024 £'000
Depreciation	235	194
Operating lease rentals:		
Property	3,998	4,002
Auditor's remuneration (including VAT):		
Audit		
– Current year Group	20	18
– Current year Subsidiaries	53	51
	<u>53</u>	<u>51</u>

5 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	14,828	11,993
Redundancy and termination costs	198	-
Social security costs	1,376	1,147
Employer's contribution to defined contribution pension schemes	323	272
Operating costs of defined benefit pension schemes	22	21
Agency costs	3,619	4,313
	<u>20,366</u>	<u>17,746</u>

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

	2025 No.	2024 No.
£60,001 - £70,000	1	2
£70,001 - £80,000	6	3
£110,001 - £120,000	1	1
£120,001 - £130,000	-	1
£290,001 - £300,000	1	-

The Non-Executive Trustees (directors for company law purposes) received no remuneration during the year. During the year non- executive trustees were reimbursed travel expenses incurred in the performance of their duties of £636 (2024: £720). The Executive Trustee (a director for company law purposes), as permitted by the Articles of Association, received during the year £295,171 (2023/24 - £128,750).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £982,979 (2024: £769,067). The key management personnel comprise the Trustees, the Group Chief Executive, Director of Finance & Resources, Directors of Operations, Director of People & Culture, Director of Compliance, Internal Audit and Risk, Director of External Affairs, Director of Housing & Maintenance and the Director of Development , Marketing & Communications.

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 530 (2024: 465).

2025 No.	2024 No.
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Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

Operational staff	486	422
Management and support staff	44	43
	<u>530</u>	<u>465</u>

7 Related party transactions

The Charity made charges to its subsidiaries to recover the cost of providing support services: Penrose £3,850,873 (2024: £3,504,122), Equinox £1,193,797 (2024: £1,370,875), Pathways £621,158 (2024: £438,822), SIG Housing Trust £10,728 (2024: £10,728) and SIG Safe Ground £99,570 (2024: £240,355). At year end the Charity owed £2,215,399 to Penrose Options (2024: £2,562,074), was owed £2,215,016 from Equinox Care (2024: was owed £2,404,574), was owed £85,981 to Pathways (2024: owed £41,711), was owed £430,000 from SIG Housing Trust as a loan (2024 was owed £430,000) and is owed by SIG Housing Trust £227,203 (2024: was owed £146,409) and was owed £46,309 (2024: £200,923) from Safe Ground.

Gill Arukpe was a director of Milner Gibson Limited; Michael Rutherford was the Company Secretary of all group companies. They were employed by Social Interest Group, as (from 17th February 2025) is Cathy Kane, a director of all group companies. .

8 Taxation

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

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

9 Tangible fixed assets - Group

	Computer equipment £'000	Fixtures & fittings £'000	Lease improvements £'000	Motor Vehicles £'000	Freehold Property £'000	Total £'000
Cost						
At the start of the year	273	602	972	51	1,600	3,498
Additions in year	40	21	39	-	2,399	2,499
Disposals in year	-	(33)	(45)	-	-	(78)
At the end of the year	<u>313</u>	<u>590</u>	<u>966</u>	<u>51</u>	<u>3,999</u>	<u>5,919</u>
Depreciation						
At the start of the year	229	505	502	37	63	1,336
Charge for the year	22	41	114	7	52	236
Released in year	-	(33)	(24)	-	-	(57)
At the end of the year	<u>251</u>	<u>513</u>	<u>592</u>	<u>44</u>	<u>115</u>	<u>1,515</u>
Net book value						
At the end of the year	<u>62</u>	<u>77</u>	<u>374</u>	<u>7</u>	<u>3,884</u>	<u>4,404</u>
At the start of the year	<u>44</u>	<u>97</u>	<u>470</u>	<u>14</u>	<u>1,537</u>	<u>2,162</u>

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

9 Tangible fixed assets - Charity

	Computer equipment £'000	Fixtures & fittings £'000	Lease improvements £'000	Motor Vehicles £'000	Total £'000
Cost					
At the start of the year	271	7	198	9	485
Additions in year	40	-	-	-	40
At the end of the year	<u>311</u>	<u>7</u>	<u>198</u>	<u>9</u>	<u>525</u>
Depreciation					
At the start of the year	227	7	138	9	381
Charge for the year	22	-	17	-	39
At the end of the year	<u>249</u>	<u>7</u>	<u>155</u>	<u>9</u>	<u>420</u>
Net book value					
At the end of the year	<u>62</u>	<u>-</u>	<u>43</u>	<u>-</u>	<u>105</u>
At the start of the year	<u>44</u>	<u>-</u>	<u>60</u>	<u>-</u>	<u>104</u>

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

10 Fixed assets investments and subsidiary undertakings

	2025 £'000	2024 £'000
At the start of the year	<u>20</u>	<u>20</u>
At the end of the year	<u>20</u>	<u>20</u>

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

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

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

Year ended 31 March	Equinox		Penrose		Pathways to Independence	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Total income	7,180	7,780	20,948	17,867	2,336	2,072
Total expenditure	<u>(6,986)</u>	<u>(7,680)</u>	<u>(20,535)</u>	<u>(17,202)</u>	<u>(2,300)</u>	<u>(1,996)</u>
Net income/(expenditure)	194	100	413	665	36	76
Pension adjustment	<u>(42)</u>	<u>(391)</u>	<u>(27)</u>	<u>(212)</u>	<u>7</u>	<u>8</u>
Net movement in funds	<u>152</u>	<u>(291)</u>	<u>386</u>	<u>453</u>	<u>43</u>	<u>84</u>

Year ended 31 March	Milner Gibson		SIG Housing Trust		Safe Ground	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Total income	-	-	380	376	659	560
Total expenditure	<u>-</u>	<u>-</u>	<u>(358)</u>	<u>(355)</u>	<u>(554)</u>	<u>(527)</u>
Net income/(expenditure)	-	-	22	21	105	33
Pension adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	<u>-</u>	<u>-</u>	<u>22</u>	<u>21</u>	<u>105</u>	<u>33</u>

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

Year ended 31 March	Equinox		Penrose		Pathways to Independence	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Assets	1,537	1,567	8,357	5,488	2,538	2,187
Liabilities	(3,687)	(3,737)	(5,221)	(2,500)	(594)	(280)
Pension Provision	(2,153)	(2,285)	(384)	(622)	-	(7)
Funds	<u>(4,303)</u>	<u>(4,455)</u>	<u>2,752</u>	<u>2,366</u>	<u>1,944</u>	<u>1,900</u>

Year ended 31 March	Milner Gibson		SIG Housing Trust		Safe Ground	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Assets	-	20	798	694	452	401
Liabilities	-	-	(659)	(577)	(252)	(306)
Funds	<u>-</u>	<u>20</u>	<u>139</u>	<u>117</u>	<u>200</u>	<u>95</u>

11 Parent charity

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

	2025 £'000	2024 £'000
Gross Income	5,847	5,592
Results for the period	<u>196</u>	<u>176</u>

12 Debtors

	Group		Charity	
	2025 £000	2024 £000	2025 £000	2024 £000
Trade Debtors	2,739	1,926	21	14
Staff loans	27	13	-	-
Amounts due from group undertakings	-	-	3,005	3,182
Other debtors	229	190	-	39
Prepayments	669	607	336	250
Accrued income	200	322	-	11
	<u>3,864</u>	<u>3,058</u>	<u>3,362</u>	<u>3,496</u>

£1,745,000 (2024: £1,745,000) of amounts due from group undertakings are receivable in more than 12 months.

13 Creditors: amounts falling due within one year

	Group		Charity	
	2025 £000	2024 £000	2025 £000	2024 £000
Bank Loans	189	15	-	-
Amount due under group undertakings	-	-	2,215	2,604
Trade creditors	868	1,365	124	398
Taxation and social security	392	299	27	23
Pension contributions	143	113	-	-

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

Other creditors	1,042	1,216	22	14
Deferred Income	552	176	-	-
Accruals	1,821	1,104	349	115
	<u>5,007</u>	<u>4,288</u>	<u>2,737</u>	<u>3,154</u>

Deferred Income

	Group		Charity	
	2025	2024	2025	2024
	£000	£000	£000	£000
Balance at 1 April 2024	176	174	-	-
Amount released to income	(145)	(126)	-	-
Amount deferred in year	521	128	-	-
Balance at 31 March 2025	<u>552</u>	<u>176</u>	<u>-</u>	<u>-</u>

14 Creditors: amounts falling due after more than one year

	Group	
	2025	2024
	£'000	£'000
Bank Loans	2,087	23
	<u>2,087</u>	<u>23</u>

15 Loans and overdrafts

	Group	
	2025	2024
	£'000	£'000
Bank Loans	2,276	38
	<u>2,276</u>	<u>38</u>
Payable within one year	189	15
Within one to two years	189	23
Within two to five years	567	-
In 5 years or more	1,331	-
	<u>2,276</u>	<u>38</u>

The housing loans are secured by specific charges on the housing properties of SIG Penrose and SIG Pathways. 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.

16 Pension Scheme

The Group is a member of 3 defined benefit schemes, SIG Penrose and SIG Equinox are member of The Pensions Trust – Social Housing Pension Scheme, whilst SIG Pathways is a member of the Kent LGPS scheme. Details of each scheme is given below.

Reconciliation to Balance Sheet amount

	2025	2024
	£'000	£'000
SIG Penrose	(384)	(622)
SIG Equinox	(2,153)	(2,285)
SIG Pathways	-	(7)
	<u>-</u>	<u>-</u>

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

Total	<u>(2,537)</u>	<u>(2,914)</u>
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The Pensions Trust - Social Housing Pension Scheme ("Scheme")

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

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

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

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

The last triennial valuation of the Scheme overall for funding purposes was carried out as at 30 September 2020. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026. The Scheme is classified as a 'last-man standing arrangement'. Therefore, the charities are potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Following consultation between the Pension Trustees and Employers, a new recovery plan to recover the overall scheme deficit has been agreed. This is based on a full share of liabilities approach. This is effective from 1 April 2019.

SIG Penrose and SIG Equinox 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.

Number of active members in the scheme	2025	2024
	No.	No.
Active	2	4
Deferred	131	135
Pensioners	<u>72</u>	<u>67</u>
	2025	2024
	%pa	%pa
Rate of discount	6.15	5.20
Price inflation (RPI)	3.09	3.15
Price inflation (CPI)	2.79	2.78
Earnings increases	3.79	3.78
Allowance for commutation of pension for cash at retirement	<u>75%</u>	<u>75%</u>

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

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 and SIG Equinox.

Other material assumptions

Life expectancies in retirement:	Years	Years
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

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

	2025 £'000	2024 £'000
Fair value of plan assets	9,796	10,416
Present value of defined benefit obligation	(12,333)	(13,323)
Net defined liability to be recognised	<u>(2,537)</u>	<u>(2,907)</u>

Reconciliation of Opening and Closing Balances of Defined Benefit Obligation

	2025 £'000	2024 £'000
Opening fair value of employer assets	10,416	10,867
Interest Income	535	529
Experience on plan assets	(918)	(917)
Contributions by the employer	392	382
Benefits paid and expenses	(629)	(445)
Closing fair value of employer assets	<u>9,796</u>	<u>10,416</u>

Reconciliation of Opening and Closing Balances of Defined Benefit Obligation

	2025 £'000	2024 £'000
Opening defined benefit obligation	13,323	13,418
Expenses	21	20
Interest cost	676	644
Actuarial losses / (gains)	(1,058)	(314)
Benefits paid and expenses	(629)	(445)
Closing defined benefit obligation	<u>12,333</u>	<u>13,323</u>

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

	2025 £'000	2024 £'000
Actuarial gain on plan obligations	1,058	314
Actuarial gain / (loss) on plan assets	(918)	(917)
Defined benefit income / (costs) recognised in the SOFA	<u>140</u>	<u>(603)</u>

Social Interest Group
Notes to the Financial Statements
For the year ended 31 March 2025

Actual return on plan assets	<u>(820)</u>	<u>(746)</u>
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Retirement benefit schemes - Pathways

Defined contribution scheme

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

Defined benefit schemes

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

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 £16,930 (2023/24 - £11,890) and is shown under pension costs; defined benefit, in Note 5. The contributions of the company for the year were 19.50% and employees are 6.8% and 6.5%.

Number of active members in the scheme

	2025 No.	2024 No.
Active	1	1
Deferred	3	3
Pensioners	<u>5</u>	<u>5</u>

Other information

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

<i>Key assumptions</i>	2025 %	2024 %
Discount rate	5.75	4.90
Expected rate of increase of pensions in payment	3.90	3.95
Expected rate of salary increases	<u>2.90</u>	<u>2.95</u>

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	<u>24.7</u>	<u>24.7</u>

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	2025 £'000	2024 £'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 liability to be recognised	-	(7)

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	1,277

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
Defined benefit costs recognised in the SOFA	10	11

Amounts taken to other comprehensive income

2025 £'000	2024 £'000
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Return on scheme assets excluding interest income	(21)	(13)
Actuarial changes related to obligations	146	21
Effect of asset ceiling	(123)	-
	<u>2</u>	<u>8</u>

17a Analysis of net assets between funds (current year)

	General unrestricted	Pension Reserve	Restricted	Total funds	Charity unrestricted funds
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	4,404	-	-	4,404	105
Investments	-	-	-	-	20
Net current assets	1,679	-	34	1,713	714
Long Term liabilities	(2,087)	-	-	(2,087)	-
Defined benefit pension provision	-	(2,537)	-	(2,537)	-
Net assets at 31 March 2025	3,996	(2,537)	34	1,493	839

17b Analysis of net assets between funds (prior year)

	General unrestricted	Pension Reserve	Restricted	Total funds	Charity unrestricted funds
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	2,162	-	-	2,162	104
Investments	-	-	-	-	20
Net current assets	1,401	-	34	1,435	519
Long Term liabilities	(23)	-	-	(23)	-
Defined benefit pension provision	-	(2,914)	-	(2,914)	-
Net assets at 31 March 2024	3,540	(2,914)	34	660	643

18a Movements in funds (current year)

	At 1 April 2024 £'000	Income & gains £'000	Expenditure & losses £'000	Transfer s £'000	At 31 March 2025 £'000
Restricted funds:					
Roots for Life	3	-	-	-	3
Skills for Care	1	-	-	-	1
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)	-	-
CO-OP	-	2	(2)	-	-

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	-	-	-	-	
Move on fund	30	-	-	-	30
Total restricted funds	34	176	(176)	-	34
General funds	3,540	30,857	(29,955)	(370)	4,072
Pension reserve	(2,914)	7	-	370	(2,537)
Total funds including pension fund	660	31,040	(30,131)	-	1,569

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

18b Movements in funds (prior year)

	At 1 April 2023 £'000	Income & gains £'000	Expenditure & losses £'000	Transfer s £'000	At 31 March 2024 £'000
Restricted funds:					
Roots for Life	3	-	-	-	3
Skills for Care	1	-	-	-	1
Lottery - Roots	-	193	(193)	-	-
Cost of living workshops	-	4	(4)	-	-
Community response fund (Luton)	-	27	(27)	-	-
Community engagement	-	4	(4)	-	-
Move on fund	30	-	-	-	30
Total restricted funds	34	228	(228)	-	34
General funds	2,727	27,806	(26,993)	-	3,540
Pension reserve	(2,569)	-	(345)	-	(2,914)
Total funds including pension fund	192	28,034	(27,566)	-	660

Transfers

During the year, SIG Penrose and SIG Equinox 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

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

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

C. Lottery - Roots - The grant is used to fund the works of the Roots to Recovery project in Luton and Bedford.

D 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.

E Community response fund (Luton) - to fund an activities coordinator in a service.

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F. Community Engagement - NHS - ICB grant. This is grant funding from the Health Inequalities Small Grants Funding Programme to undertake community engagement or other similar work aiming to produce insight or reduce inequalities.

G. 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.

H. CO-OP. This grant was used to purchase silent disco equipment for Solace project.

19 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	2,665	267	2,932
Loans falling due within one year	(15)	(174)	(189)
Loans falling due after more than one year	(23)	(2,064)	(2,087)
	<u>2,627</u>	<u>(1,971)</u>	<u>656</u>

20a Operating lease commitments - Group

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

	2025 £'000	2024 £'000
Less than one year	2,532	3,405
One to five years	1,971	3,083
Over five years	1,455	3,519
	<u>5,958</u>	<u>10,007</u>

20b Operating lease commitments - Charity

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

	2025 £'000	2024 £'000
Less than one year	50	47
	<u>50</u>	<u>-</u>

21 Operating lease commitments receivable as a lessor - Group

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

	2025 £'000	2024 £'000
Less than one year	60	10
One to five years	-	3
	<u>60</u>	<u>13</u>

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22 Legal status of the charity

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

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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. 1158402 | Company no 09122052

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