

UNIPOL STUDENT HOMES

England & Wales · Charity number 1063492

Details

Other names UNIPOL STUDENT HOMES LIMITED, UNIPOL

Status Registered

Legal form Charitable company

Company number [03401440](#)

Registered 1997-07-17

Register [View on the Charity Commission register](#)

Contact

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Leeds
LS2 3ED

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Activities

Objects: THE ADVANCEMENT OF EDUCATION BY PROVIDING AND MANAGING ACCOMMODATION AND RELATED SERVICES FOR EDUCATIONAL INSTITUTIONS THEIR STUDENTS AND OTHER PERSONS ASSOCIATED WITH EDUCATIONAL INSTITUTIONS AND TO DEVELOP AND FOSTER EXCELLENCE AND EXPERTISE IN THIS FIELD

Activities: The Company's objectives are the advancement of education by providing and managing accommodation and related services for educational institutions, their students and other persons associated with educational institutions, and to develop and foster excellence and expertise in this field.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, Accommodation/housing
- **Who:** Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£24,050,223	£24,373,000	£3,716,140	78
2024-07-31	£23,009,687	£23,330,472	£4,038,918	88
2023-07-31	£16,358,889	£17,621,680	£4,353,513	81
2022-07-31	£15,658,091	£15,442,096	£5,615,942	81
2021-07-31	£13,340,683	£13,000,901	£5,399,947	72

Trustees

Name	Role	Appointed
Catherine Cho		2019-07-01
Chris James Warrington		2017-12-19
Douglas Muzawazi		2025-06-16
Eden Hope Morris		2025-08-28
Faisal Nihad Saleh Al-Sammarraie		2025-08-13
Islam Mohamed Elserougi		2025-08-15
Jacqui Marie Short		2020-02-07
Jennifer Share		2019-09-27
Joanne Jones		2025-06-26
MR ANDY WELSH		2010-09-10
Meri Braziel		2016-03-17
Prof Paul Michael Marshall		2026-05-01
Steven Michael Gilley		2022-11-01
Susan Amanda Jane Green		2024-01-04
Victoria Jane Johnson		2020-04-08
Yalian Liu		2025-08-28

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England & Wales - Charity number 1063492

Accounts

Charity registration: 1063492
Company registration: 3401440

UNIPOL STUDENT HOMES

(a company limited by guarantee)

Annual Report and Group

Financial Statements

Year Ended 31 July 2025

UNIPOL STUDENT HOMES

ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS 2024

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UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

BOARD

The Board comprises the following representatives:

The University of Leeds

Mrs Sue Green

Mr Christopher Warrington

Ms Catherine Cho

Contactable at University of Leeds, Leeds LS2 9JT

Leeds Beckett University

Ms Victoria Johnson

Ms Joanne Norry (Resigned 07/03/2025)

Ms Jo Jones (appointed 26/06/2025)

Contactable at Leeds Beckett University, Calverley Street, Leeds, LS1 3HE

Leeds University Union

Mr Felix Emotu (resigned 30/06/2025)

Ms Lucy Hart (appointed 12/12/2024 and resigned 30/06/2025)

Ms Freshta Amiry (resigned 08/10/2024)

Ms Susan Stone (resigned 05/03/2025)

Mr Douglas Muzawazi (appointed 16/06/2025)

Contactable at Leeds University Union, PO Box 157, Leeds LS1 1UH.

Leeds Beckett University Students' Union

Mr Harish Jayaseelan (resigned 30/06/2025)

Lokesh Sharma (resigned 06/06/2025)

Ms Jacqui Short

Contactable at Leeds Beckett University Students' Union, Calverley Street, Leeds LS1 3HE.

Bradford College

Vacant

Co-Opted Directors

Chair of Unipol

Ian Robertson Head of Residential Accommodation at the University of Leeds until 13/10/2023 now Associate Director of Facilities at the University of Bradford – until 31/01/2025

Stephen Willis Joint Managing Director Kexgill Group (appointed 01/02/2025)

Deputy Chair (Partnerships) of Unipol

Vacant

Deputy Chair (Finance) of Unipol

Ms Jennifer Share

Deputy Chair (Properties and Portfolio) of Unipol

Mr Andrew William Welsh

Ms Meri Braziel

Mr Stephen Denton (resigned 30/09/2025)

Mr Steven Gilley

Contactable at Unipol Student Homes, 155/157 Woodhouse Lane, Leeds, LS2 3ED

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LEGAL AND ADMINISTRATIVE INFORMATION

Secretary

Ms V Tolmie-Loverseed

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

Charity registration number 1063492
Company registration number 3401440
Registered address 155/157 Woodhouse Lane, Leeds, LS2 3ED

EXECUTIVES OF UNIPOL STUDENT HOMES

Paddy Jackman (until 16/08/2024)	Chief Executive Officer
Sam Bailey-Watts (31/3/2025 to 27/5/2025)	Group Executive Director
(from 28/5/2025)	Chief Executive Officer
Nichola Verity(to 18/8/2024)	Deputy Chief Executive
(from 19/8/24 to 27/5/2025)	Interim Chief Executive
(from 28/5/2025)	Deputy Chief Executive
Victoria Tolmie-Loverseed	
(until 31/8/24)	Standards Director and Company Secretary
(from 1/9/24 to 31/3/2025)	Interim Deputy Chief Executive and Company Secretary
(from 1/4/25)	Standards Director and Company Secretary
Elizabeth Smith	Finance Director
Thomas Hill	Operations Director
Nicola Brown	Hub Services Director
Sally Ramsey (from 30/9/24)	Sales and Marketing Director
Andrew Livesey	IT and Publications Director
Antony Vyse	Developments and Compliance Director

BANKERS

National Westminster Bank plc	Svenska Handelsbanken AB
Leeds Commercial Office	5th Floor
4 th Floor	3 The Embankment
2 Whitehall Quay	Sovereign Street
Leeds	Leeds
LS1 4HR	LS1 4BJ

SOLICITORS

Lupton Fawcett	Pinsents	Hatch Legal	Walker Morris
Stamford House	1 Park Row	12 Park House	33 Wellington Street
Piccadilly	Leeds	11 Park Row	Leeds
York	LS1 5AB	Leeds	LS1 4DL
YO1 9PP		LS1 5HB	

UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

AUDITOR

BHP LLP
First Floor, Mayesbrook House
Lawnswood Business Park
Redvers Close
Leeds
LS16 6QY

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

The annual report and the audited financial statements are for the year ended 31st July 2025 in the 50th year of operation of Unipol Student Homes as a registered charity (two years after it was founded initially as part of the University of Leeds in 1973). On 1st August 1997 Unipol was incorporated as a charitable company limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Its current [Forward Look 2023 - 2026](#) was adopted by trustees in September 2022 and this sets out the main strategic direction of the organisation for the next three years and it makes sense to review the year with reference to the Forward Look.

Values

The values of the charity have always been important and have always been placed at the centre of its operations and aspirations. The values are a touchstone by which Unipol can assess what it is doing and why.

As part of the *Forward Look* discussion, trustees reviewed the charity's seven core values and identified four themes which place additional emphasis on these values:

- *Standards*: the charity sets high standards which match its values
- *Responsibility*: both now and in the longer term
- *Student focussed*: caring about its services, trusted and reassuring
- *Leadership*: using its expertise to create impact in the sector and innovate.

Unipol's values have been used to define Unipol as an organisation that is different from any other. During the pandemic the charity based its actions on these values and messaged its culture to those it worked with and for. Unipol's values underpin everything it does and they remain at the core of the charity's actions. Those values are:

To be trusted - as a source of help and advice to both students and landlords who want to rent and provide good quality student accommodation that contributes to a great student experience.

To be impartial experts - giving student consumers information and advice, based on 48 years' experience in the sector, which empowers them to make good housing choices and get the best deal available. Establishing, promoting and publicising best practice in student accommodation, encouraging innovation and cooperation between providers, institutions, local and national Government to work together to the benefit of student tenants.

To provide value for money - providing a first class service to our users which uses the latest technology to allow on-line global accessibility; recognising the importance of meeting differing students' needs and providing value for money and choice throughout the housing process.

To promote safety and wellbeing - setting and checking standards to make student accommodation as safe and secure as possible to give peace of mind to all concerned and providing a good quality living environment that is so important in the learning process.

To promote community - whilst promoting individuality the charity encourages positive attitudes to equality, cultural diversity and the internationalism inherent in undertaking study in higher education.

To be ethical - valuing our human resources, investing in training and sector expertise and ensuring we pay our employees the real living wage. Providing information for our tenants on how to use less energy in a comfortable living environment and using local suppliers and trades wherever possible.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

To be transparent and accountable - being answerable as a charity to our Board of trustees and to our users and making the charity's agenda and operations as clear and open as possible.

Purposes, Activities and Public Benefit

The charity's objects are the advancement of education by providing and managing accommodation and related services for educational institutions, their students and other persons associated with educational institutions and to develop and foster excellence and expertise in this field. Students (and the institutions being supported) rate their living experience and the acquisition of life skills and personal development as a very important aspect of their overall education.

Unipol was founded in Leeds by trustees with the vision of a charity offering dedicated expertise in student housing. From the outset the charity has worked nationally with education institutions and housing providers to give students better information and help on available housing options and to champion better housing standards which now takes place through local services based in Leeds, Nottingham and Bradford and nationally. Leeds continues to be a principal financial focus of the charity's activities with Nottingham, despite the challenging market, continuing to generate a substantive income stream. The charity also operates on a national stage in respect of student-related housing regulation, legislation and policies and seeks to improve choice, affordability and standards in student housing.

As a student housing charity of 50 years' standing and the largest not-for-profit student housing organisation in the UK, Unipol:

- Develops, takes into ownership and manages properties and lets them directly to students. As at the end of the financial year, Unipol is currently responsible for housing some 3,259 students plus around 245 student families. Of these, 2,575 students live in Leeds, 870 in Nottingham and 59 in Bradford. Its direct housing function sits at the heart of the charity's operations and is a beacon of good practice and innovation for others working in the sector.
- Runs local accreditation schemes in Leeds, Nottingham and Bradford, and operates two Government-approved Codes of Practice for larger student developments UK-wide. In Leeds, Unipol also runs the [Leeds Rental Standard](#) for Leeds City Council and in Nottingham (together with *Decent and Safe Homes* and Nottingham City Council) it runs the [Nottingham Standard](#).

Within these, Unipol sets professional standards for purpose-built student accommodation (PBSA) and its management. Owners and agents who are scheme members voluntarily commit themselves to meeting these standards. Unipol undertakes compliance checks in order to give students assurance and confidence about the quality of what they are signing up for when they rent a Code property. The accreditation schemes also give students a robust complaints process to use if things go wrong. Unipol currently accredits around 425,000 bed spaces.

- Runs three Housing Hubs which give students (and their parents/guardians) information and advice on finding a suitable home. The Hubs also provide a forum in which owners (including Unipol) can advertise their properties. Although Unipol charges a fee for services to owners, services for students are free. The Housing Hubs are part-funded by educational institutions and local authorities. Unipol also runs a *Rate Your Landlord* review site (jointly with Leeds University Union), which provides an effective platform for the student voice to influence housing choice in Leeds, York and Newcastle from mid 2025.
- Provides help and training, both locally to support landlords, and nationally to improve policy, management and the development of student accommodation. Unipol has in-house training facilities in both Nottingham and Leeds.
- Works with local and national governments to offer advice. The charity seeks to influence decision making to ensure student housing is appropriately considered when new or amended regulation and legislation is anticipated.

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TRUSTEES' REPORT

Overview of 2024-2025

Following on from the considerable disruption caused by the Coronavirus Pandemic and the ensuing cost of living crisis, 2024-2025 has been the start of a new phase in Unipol's growth and development.

Base rents this year increased by 6% overall in response to the continued high costs of energy. Whilst the charity seeks to provide affordable accommodation for students it is important that rents keep pace with the cost of managing the properties and enhancing the student support available.

The Unipol Mission

Because Unipol's own housing portfolio is so central to the activities of the charity, it is worth dwelling on how Unipol's values translate into housing values as a provider.

Unipol's stock has been acquired and shaped to meet the diverse needs of the student population. Unipol offers housing to all kind of students: undergraduates, postgraduates, international and UK students, first-years and returners, students under 18, couples, students with dependents and students with additional needs.

Unipol aims to give tenants a great housing experience, providing good value, promoting social and academic interaction and high-quality accommodation – a Unipol property should be a home from home. Unipol aims to offer the best deal possible to its tenants as a not for profit provider. Deposits are now only levied on longer-stay family tenants. This means the Unipol offer to students is that they simply pay rent with no other fees or hidden charges, no guarantors and with each student tenant getting an individual tenancy agreement: a far cry from many other accommodation providers.

Housing revenue normally goes to support investment in higher-quality properties and helps subsidise the advice and standards mission but in this year, with housing taking the weight of the economic challenges outlined, that internal subsidy has been lessened.

It has, however, been possible to maintain continuing investment into the portfolio because of reserves held for that purpose and the designated works reserve now stands at just under £811k, after expenditure, in this year.

Helping Students to Make the Best Decisions about their Housing

Unipol empowers consumers by providing accurate, transparent and comparable information, together with help and support to build both the knowledge and confidence to assist them in negotiating the housing market within which they operate and helping them decide what to rent.

Unipol's services to students are provided either on-line or in-person. Unipol also runs a number of successful web-based services in order to assist both students and landlords. The Housing Hubs continued to give good advice and provide relevant information to both students and landlords alike:

Unipol's online activity comprises the following websites and services, all of which are free to access:

- This year, the Unipol website had 150k users, there were 160k searches and 437k views. This shows an increase in searches of 3% while users remained roughly the same as last year. There was a decline in individual advert views of 38% and booking enquiries were down 40% to 6,000. Engagement through the Web chat system has dropped 85% since 2023/24 despite a similar number of chat requests. These drops have happened across all three cities but are more pronounced in Nottingham and Bradford.
- The Unipol Housing website which deals with Unipol's own housing and is mainly used by Unipol's tenants and potential tenants had almost 288k users during the year. This is up 29% on 2023/24.

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- The review site Rate Your Landlord has an annual target of 1,000 new reviews. Having a good number of new reviews each year ensures the website remains relevant and up to date. Only the three most recent academic years are shown. The website is currently offering 2,900 reviews for students to view. Rate Your Landlord is promoted as a peer-led house hunting tool for students. It is used as a diagnostic tool for the Unipol accreditation team to help them prioritise inspections. Unipol entered in to an agreement with the University of Northumbria and Newcastle University in June 2024 to deliver a Rate Your Landlord website in Newcastle and this was launched in August 2025. An agreement for Durham has also been reached and this site went live in September 2025. Current live sites are in Leeds, York, Newcastle and Durham.
- The National Code website is still a key source of guidance and information to students and members with 26,459 users, a 7% increase on 2023/2024.

Improving Standards

Accreditation is an important vehicle for improving standards. It is about persuading suppliers voluntarily to meet higher than regulatory standards, based on reasonable consumer expectations.

Unipol is a founder member of the accreditation movement and has designed and operates several Unipol Codes, which share a common core of standards. There are Codes geared to the specific housing and market conditions where Unipol works and there are two National Codes. Robust verification procedures are used to ensure Code compliance. The Codes offer accountability through a complaints system and dispute resolution through an independent Tribunal system. Three-yearly reviews, including broad consultation, ensure regular updating.

In Leeds, the local Code for off-street properties covered 11,403 tenants. In Nottingham the Code covered 6,997 tenants. In Bradford the Code covered 196 tenants. Throughout the year 394 verification visits were undertaken to properties, and 293 properties improved as a result.

Membership of the National Codes has remained stable over the last year, with a total of 156 members (as of 31st July 2025) – 105 private providers and 51 educational establishments. However, the number of bed spaces did increase in comparison with 2024 and by July 31st 2024 the two Codes between them were at 440,324 beds, 22,375 more than in 2024. The number of developments registered has decreased by 12 to 2,279, which represents to loss of older, smaller buildings and their replacement with larger new schemes. Between August 1st 2023 and July 31st 2024 a total of 164 verification visits were undertaken.

The Public Mission

Unipol continued to be consulted about a variety of forthcoming regulation and legislation and made representations on the Renters Rights Bill. Unipol also made representations in respect of various local consultations including the Nottingham Housing Strategy and HMO Licensing. Unipol sat on the working group of the Scottish Government's review of PBSA, which made a number of representations to Government.

The proposals made in the *Renters Rights Bill* would have several important outcomes for student housing. The Government has now partially accepted the argument that student housing was different and PBSA suppliers who are members of the National Codes will be exempted from the more general suggestions for the private rented sector.

Whilst Unipol supports the additional powers for regulatory enforcement, the changes proposed to tenure, whereby students living in off-street housing would have security of tenure and be able to give two months' notice at any stage, would have a highly disruptive effect on the academic year cycle by which that accommodation is made available and let. Treating students in the same way as longer-term renters

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TRUSTEES' REPORT

is likely to cause a contraction of rented accommodation supply for students (as has happened in response to similar proposals enacted two years ago in Scotland), making finding student accommodation more difficult for the beginning of the academic year and is likely to raise rents.

Work commenced on the Accommodation Costs Survey, which aimed to capture detailed information on the impact of inflation and other cost of living pressures on rent in PBSA and how this relates to student incomes. The full report was published in January 2024. Research activity continued throughout FY 2024/25.

Strategic Report and Achievements and Performance - 2024-2025 Year

In accordance with section 414c (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has prepared a Strategic Report which includes information that would have previously been included in the Trustees' Report. The trustees authorise both the Strategic Report and the Trustees' Report.

Overview

The future growth of Unipol will depend upon the renewal and extension of leasehold assets, new leasehold commitments within the PBSA arena and acquisitions, maintaining strong lettings record and underwrite relationship with educational institutions.

The Financial Framework

91% of the charity's funds come from rent paid to it by students and this rental stream is central to the survival of the charity.

The National Codes also now make a significant contribution to the organisation's output and overheads. The fees from the National Codes are currently around £869k and the Code makes an increasingly significant contribution to both the charity's mission and overheads. Because of the growing size of this budget the setting of fees and budget-reporting is now undertaken within Unipol's overall budgetary framework rather than by the National Codes Committee of Management.

The importance of rental revenue is against a backdrop where the charity's more traditional income from its housing hubs is static and is continuing to lose its real term value. The level of funding required to run a good service to students through the housing hubs is brought into sharper focus by the level of subsidy required by the charity to run those services with a small £44k surplus being met in 2024-2025.

With the UK's Higher Education sector facing an increasingly challenging financial outlook due to increasing global competition, reduced government funding over some years, alongside the tuition fees for home students not tracking inflation for some years, the need for universities to be managing risk more attentively is high on the agenda of senior executive teams.

Unipol has secured high occupancy levels for FY 2025/26 however has done so by offering incentives and reducing rents where specific conditions warrant the shift. It is well documented that in Nottingham as the supply of student housing increases in the PBSA sector more developments are left partially occupied. Unipol's sector position, relationships with universities and experience will be vital in maximising occupancy in future years.

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TRUSTEES' REPORT

Unipol leadership and general activity update

Unipol appointed a new CEO, Sam Bailey-Watts in June 2025, following a two-month role as Group Executive Director.

An interim *Reset Strategy* is being developed for 2026 that will allow time for the CEO and the senior executive team with Trustees to shape the direction of Unipol for the five-year period from 2027. Unipol has instigated a Governance Review, and the University of Leeds is conducting its own review of its relationship with Unipol as a Member of the charity.

The *Reset Strategy* will refresh the strategic aims of Unipol for the next 12 months. Reviews of each key business discipline are being undertaken to assess if their purpose and value remain in keeping with the charitable, financial and commercial direction deemed necessary.

The CEO is working closely with the Chair and Deputy Chairs of Trustees to develop the interim strategy for consideration by the Board of Trustees.

a. Health and Safety

Unipol's focus on its legislative obligations and approach has been supplemented by the appointment of Ryder Levett Bucknall to ensure the Building Safety Case Reports are completed at Unipol's four high rise buildings and develop a Health and Safety Management system. The need to ensure Unipol's conversance with new legislation is imperative in its operational delivery, and in the running of the Codes of Standards.

b. Sales and Marketing

With demand and supply characteristics ever changing and competition increasing, the reliance on reaching full occupancy without a dedicated revenue strategy is long forgotten. University partners are also mindful of ensuring risk is managed effectively to mitigate losses. An approach taking into account the impact of changing demand is necessary for Unipol to maintain its historically high occupancy levels.

c. Portfolio management

Developing an asset management approach to more effectively forecast future needs is one of the primary objectives of the *Reset Strategy*. Unipol will continue to evaluate its portfolio to ensure its stock is best placed to meet the changing demands of future students.

d. National and Local Codes of Standards and Housing Hubs

This remains the cornerstone of Unipol's profile in the UK housing sector. Extensive work has been undertaken by the Codes' team to ensure that members are exempted from some key elements of the Renters' Reform legislation, which is now expected to become an Act of Parliament in April/May 2026.

A Code Strategy is being developed to enhance the profile of Unipol's efforts.

The Housing Hubs remained an important central resource in providing students with information, help and advice, increasingly through virtual engagement. Demand for help remains high although the number of international students has declined. Due to changes in the visa regulations affecting international students with dependents this accommodation demand has eased.

House hunting in all three cities commenced in late October in 2024. Following feedback from students, partners and results from surveys carried out, there is still significant house hunting activity that happens very early, particularly among the first-year undergraduate cohort. In the letting cycle leading to AY 2025/26 all operators are seeing a slowdown in booking in Leeds and Nottingham. Returning students, it appears, are aware that operators are increasing using incentives to secure early bookings and the use of dynamic pricing seems more prevalent.

Unipol's Hub service in Bradford is now being run largely from Leeds following a reduction in enquiries which is a direct result of lower student numbers in the city. Unipol's management of Doris Birdsall House ends in 2026.

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TRUSTEES' REPORT

e. Key risks and mitigations

We have outlined below the areas we have developed strategies for in order to manage the key risks appropriately.

Risk	Potential Impact	Mitigation
Operational overspends	Increased costs	Monthly tracking of spend, tighter approval controls and improved procurement approach
Unbudgeted refurbishment costs due to unforeseen building issue	Budget overspend	Annual review of property portfolio to accurately assess asset management needs
Lower than budgeted revenue and occupancy for FY 26/27	Reduced income in FY 26/27	Current year's position is strong and good opportunity to increase retention. Greater emphasis on sales and marketing activity, understanding of key demand and supply characteristics, regular liaison with universities
Unbudgeted Health and Safety costs	Increased costs	Enhanced resource in H&S team to manage approach.

Fundraising

The charity does not undertake any fundraising activity or engage with any commercial fundraiser to undertake this activity on its behalf. Any funds received through occasional donations or gifts from individuals are unsolicited and are unconditional. No fundraising complaints were received during the year.

Financial Review

In conjunction with the Chair of Trustees, Steve Willis, Unipol's CEO and Finance Director are in the process of reviewing the organisation's approach to financial management to create a pathway to minimise future losses.

The charity's bottom line for 2024-2025 shows a deficit of -£323K. This is -£430K below the budget and -£18K above the reforecast presented in February 2025. The movement is primarily caused by increases in staffing costs from the University of Leeds pay award restructure and the NI increase in October 2024, higher utility costs specifically at the new developments and ongoing cost increases in repairs and maintenance.

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The major works reserve has increased this year to £811K. The charity's total reserves are £3,712,953 (2024 £4,035,730).

Unipol now holds £2,901,665 (2024: £3,243,317) of its unrestricted reserves in an undesignated form to offset cash demands within the organisation. The trustees and management considered the funding arrangements of the charity during the year and continue to operate an overdraft arrangement for working capital requirements. Significant investment in the charity's own assets and longer term lease properties continues by means of ring-fenced loan funding.

Charities of this type, which are fixed asset rich and generate significant rental income on a monthly basis, often have net current liabilities and consequently negative free reserves. The charity has net current liabilities of £5,983K (2024: £5,257K) and is in a negative free reserves position, however; as part of management's going concern assessment it has produced cash flow forecasts that show adequate funding for the future, including the next 12 months. It is the charity's intention to continue to improve its unrestricted reserves and reduce its net current liabilities over the medium term.

Unipol's overall fixed assets decreased slightly in the year from £14,708,561 (2023) to £14,279,195 with no new property purchases in the year. Unipol recognises its property assets in the financial statements at historical cost, net of accumulated depreciation, this is in line with the accounting policy which complies with applicable accounting standards. However, the fair value of these properties in aggregate is considered to be substantially higher than the carry value. As such, in the event of a working capital shortfall, the charity could explore the option of realising liquid funds on the sale of certain properties via a strategic disposal plan.

Investment Powers

The Articles of Association of the charity permit wide powers of investment. The borrowing threshold set within the charity's powers is £15 million although the amount currently being borrowed at this time stood at £5,798,336 (2023: £6,462,948).

Policy on Reserves

The charity has no free reserves as its asset base is property and is not revalued for accounting purposes. Properties are maintained to a high standard which together with a range of banking facilities and underwrites enables the Charity to raise finance in times of need and reduce or defer expenditure if appropriate.

The charity will continue to accumulate its unrestricted funds to improve cash flow whilst investing in property to provide a strong and growing asset and reserves base (if liquidated) for the charity. The level of reserves required is likely to fall within a range of £5,250K and £5,750K over the medium term.

Finance

Improvements in financial management continue. Forward purchase on energy contracts has now consolidated the energy costs until 2027 with prices set to fall by 25% for gas and 10% for electricity from July 2025. These new prices have been considered when setting rent levels (inclusive of energy costs) for 2025-2026 thus protecting the charity from the volatility of the energy market.

Closer review of all expenditure will continue with more responsibility given to budget holders to manage their spending and control their debt collection. They will continue to have greater involvement in the setting of budgets and a full review of all contractor relationships will conclude in 2025-2026.

Compliance with *Client Money Protection* requirements continues to increase the financial administrative burden to ensure the charity continues to meet the tight deadlines. Tighter anti-money laundering procedures are in place in response to an increase in international students where the risk is seen to be higher.

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TRUSTEES' REPORT

The 2025-2026 budget

The budget strategy for 2025-2026 is complex involving many decisions that build the overall budget strategy. There are several areas of flex built into the budget to account for a variety of unknowns at this stage in the planning cycle.

Rents for 2026-2027 have increased by 5.5% on average but rents in Nottingham have been held at 2024-2025 levels as the city continues to see an oversupply in the PBSA market. The National Code income is predicted to continue to grow by 10% as the impact of the Renter's Rights Bill increases administrative costs leading to higher fees. Membership will also grow.

The cost of repairs and maintenance will continue to be reviewed to deliver operational efficiencies. The staffing reorganisation will continue to create a sustainable staffing model with key postholders appropriately qualified and experienced.

The review of the major works reserve will conclude in 2025-2026. Budgets have been set for all significant capital expenditure in Health and Safety, IT infrastructure and Portfolio refurbishments for the next three years.

A rental void provision has been made of £445k, 1.9% of total rental income, to cover shortfalls in letting or discounting rents if needed and a bad debt provision of £75k has been made.

Structure, Governance and Management

Structure

The charity is governed by a Board of Directors (who are also the trustees) 13 of whom are nominated by the five member institutions (the University of Leeds, Leeds Beckett University, Leeds Beckett University Students' Union, Leeds University Union and Bradford College). The Board can co-opt up to 6 further trustees and currently there are six co-opted trustees with two nominated places from Bradford College and one from Leeds Beckett University being vacant.

In relation to age and gender Unipol has a relatively diverse Board with four trustees aged between 18-24 and more female members (10) than male (7). The Board's overall role in accountability and governance of the charity is assisted by a number of committees and from time to time the Board establishes specific working groups or project groups to consider more detailed policy options open to them.

Governance - The Board

The Board maintains a number of systems to ensure the maintenance and development of its effectiveness, including ensuring regular attendance at Board meetings and Committee meetings. Attendance of trustees at Board meetings is monitored and reported on Unipol's website. Attendance at meetings for the Board remains high and can be viewed [here](#).

The Board places a high value on the processes for the recruitment and induction of trustees by stressing the individual aspect of becoming a trustee and giving adequate time and energy to being a trustee. All trustees, on appointment, receive a substantial pack of information about the charity, including key policy and procedure documents, information about the powers of the Board, and how those powers are exercised, the details of the devolution of specific responsibilities to Officers of the Board, the Chief Executive and senior staff members. The Company Secretary is available to deal with any specific issues relating to this pack and trustees confirm to the Board at the first available opportunity that they have read and understood the material sent to them.

All new trustees also receive a full day's dedicated induction. The day consists of an opportunity to meet the senior management team, talk with the Chief Executive and take part in an induction presentation that outlines the financial and administrative structure of the charity. In addition to the internal induction, a

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

dedicated training day facilitated by NCVO took place on “*How to Be an Effective Trustee*” to which all new and existing trustees are invited.

NCVO was appointed to conduct an independent Governance Review in September 2025 that will be completed and presented at December’s Board meeting.

Pay for Senior Staff and Trustees

The pay of senior staff is reviewed annually and is increased at the same rate as all other employees of the charity. No trustee receives remuneration or any other benefit from their work with the charity.

Conclusion

Based on current forecasts, and identified mitigations, management considers that Unipol Student Homes has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. Accordingly, the going concern basis of preparation remains appropriate.

Statement of responsibilities of the Trustees of Unipol Student Homes Limited in respect of the Trustees' annual report and the financial statements

The trustees (who are also directors of Unipol Student Homes for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

Approved by the Board of Directors on 11th December 2025 by:



Signer ID: PSNYOUQFTD...
Mr Stephen Willis



Signer ID: NOYFKWV4H...
Ms Jennifer Share

155/157 Woodhouse Lane, Leeds, LS2 3ED

Opinion

We have audited the financial statements of Unipol Student Homes (the 'parent charitable company') and its subsidiary (the "group") for the year ended 31 July 2025 which comprise of the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. 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 parent charitable company's affairs as at 31 July 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the parent 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 and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor 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.¹⁵ The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 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 identified the laws and regulations applicable to the parent charitable company through discussions with directors and other management, and from our commercial knowledge and experiences of the charity's sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, Companies Act 2006, taxation legislation and data protection, employment, health and safety legislation, landlord and tenants legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence throughout;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- Performed analytical procedures to identify any unusual or unexpected variances.
- Tested journal entries to identify unusual transactions.
- Assessed whether judgments and assumptions made in determining the accounting estimates set out in note 1e were indicative of potential bias.
- 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:

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. 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.

Laura Masheder (Senior Statutory Auditor)

For and on behalf of BHP LLP,

Chartered accountants

Statutory Auditor

BHP LLP

Mayesbrook House

Leeds LS16 6QY

11th December 2025

UNIPOL STUDENT HOMES
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 July 2025

	Note	Unrestricted funds	Restricted funds	Total 2025	Total 2024
		£	£	£	£
Income					
Charitable activities	4	23,947,523	81,994	24,029,517	22,995,188
Other trading activities	5	-	15,000	15,000	-
Investments	6	5,706	-	5,706	14,499
Total Income		23,953,229	96,994	24,050,223	23,009,687
Expenditure					
Charitable activities	7	24,276,006	96,994	24,373,000	23,330,472
Total Expenditure		24,276,006	96,994	24,373,000	23,330,472
Gain on disposal of Fixed Asset	14	-	-	-	6,190
Net (Deficit)/Surplus before other gains and losses	10	(322,777)	-	(322,777)	(314,595)
NET MOVEMENT IN FUNDS		(322,777)	-	(322,777)	(314,595)
Total funds brought forward at 1 August	22/23	4,035,730	-	4,035,730	4,350,325
Total funds carried forward at 31 July	22/23	3,712,953	-	3,712,953	4,035,730

The statement of financial activities includes all gains and losses recognised in the year.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

The accompanying notes are an integral part of the financial statements.

All income and expenditure derive from continuing activities.

**UNIPOL STUDENT HOMES
CONSOLIDATED AND CHARITY BALANCE SHEET
31 July 2025**

	Note	2025 Group £	2024 Group £	2025 Charity £	2024 Charity £
FIXED ASSETS					
Tangible assets	14	14,109,422	14,547,507	14,109,422	14,547,507
Intangible assets	15	169,773	161,054	169,773	161,054
Investment	16	-	-	1	1
		14,279,195	14,708,561	14,279,196	14,708,562
CURRENT ASSETS					
Stock	17	2,203	972	2,203	972
Debtors	18	3,202,949	2,273,742	3,206,136	2,276,930
Cash at bank and in hand		187,228	37,910	187,228	37,910
		3,392,380	2,312,624	3,395,567	2,315,812
CREDITORS: amounts falling due within one year	19	(9,378,879)	(7,572,617)	(9,378,879)	(7,572,617)
NET CURRENT LIABILITIES		(5,986,499)	(5,259,993)	(5,983,312)	(5,256,805)
TOTAL ASSETS LESS CURRENT LIABILITIES		8,292,696	9,448,568	8,295,884	9,451,757
CREDITORS: amounts falling due after more than one year	20	(4,579,743)	(5,412,839)	(4,579,743)	(5,412,839)
		3,712,953	4,035,730	3,716,141	4,038,918
FUNDS					
Unrestricted funds:					
Designated funds	22/23	811,288	792,413	811,288	792,413
Other Charitable funds	22/23	2,901,665	3,243,317	2,904,853	3,246,505
		3,712,953	4,035,730	3,716,141	4,038,918

The notes at pages 22 to 42 form part of these financial statements

These financial statements were approved by the Board on 11th December 2025

Signed on behalf of the Board



Signer ID: PSNYOUQFTD...
S Willis



Signer ID: NOYFKWNV4H...
J Share

Company registration: 3401440

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2025

FRS 102 Cashflow

	2025	2024
	£	£
Cashflows from operating activities		
Cash generated from operations	1,484,544	2,164,640
Interest paid	(395,747)	(442,961)
	<hr/>	
Net cash inflows from operating activities	1,088,797	1,721,679
Cashflows from investing activities		
Purchase of intangible assets	(15,001)	(32,176)
Purchase of tangible assets	(736,320)	(2,243,724)
Interest received	5,706	14,499
	<hr/>	
Net cash outflows from investing activities	(745,615)	(2,261,401)
Cashflows from financing activities		
Proceeds from borrowings	1,070,748	1,607,244
Repayment of borrowings	(1,264,612)	(1,171,164)
	<hr/>	
Net cash inflows/outflows from financing activities	(193,864)	436,080
Net increase/(decrease) in cash in the year	149,318	(103,642)
Cash at the beginning of the year	37,910	141,552
Effect of foreign exchange rates	-	-
	<hr/>	
Cash at the end of the year	187,228	37,910
	<hr/> <hr/>	

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2025

Notes to the consolidated cashflow statement	2025	2024
	£	£
Note 1 Cashflow from Operating Activities		
Net (deficit)/surplus before other gains and losses	(322,777)	(314,595)
<i>Adjustments for:</i>		
Finance costs Note 13	395,747	442,961
Investment income	(5,706)	(14,499)
Profit on disposal of tangible assets	-	-
Depreciation	1,174,405	1,059,907
Amortisation	6,282	36,354
 <i>Movements in working capital</i>		
Change in stocks	(1,231)	15,819
Change in debtors	(929,206)	(446,534)
Change in creditors	1,167,030	1,385,227
 Cash generated from operations	<u>1,484,544</u>	<u>2,164,640</u>

Note 2 Analysis of changes in net debt

	01/08/2024	Cash flows	31/07/2025
Cash	37,910	149,318	187,228
Bank overdrafts	(1,190,369)	(470,748)	(1,661,117)
	(1,152,459)	(321,430)	(1,473,889)
Borrowings	(6,462,948)	664,612	(5,798,336)
Finance leases	-	-	-
	<u>(7,615,408)</u>	<u>343,182</u>	<u>(7,272,225)</u>

The accompanying notes are an integral part of the financial statements.

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2025

1. ACCOUNTING POLICIES

The group financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)) and the Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The particular accounting policies adopted by the Board are described below and have been applied consistently throughout the current and preceding year.

Unipol Student Homes meets the definition of a public benefit entity under FRS102.

Accounting convention

The group financial statements are prepared under the historical cost convention.

Basis of consolidation

The group financial statements comprise the results of the Charity and its subsidiary on a line by line basis, for the year ended 31 July 2025.

Preparation of financial statements – Going Concern basis

The group financial statement have been prepared on a going concern basis which assumes the Charity will be able to meet its liabilities as they fall due for the foreseeable future. The Board of Unipol reviews the risk of existing and new business on a regular basis in order to keep a balance in order to mitigate the reliance on any one type of work.

Although the majority of income comes from rent receivable, risk is mitigated by several factors: Unipol's market works across three Universities cities, Leeds, Nottingham and Bradford; its housing is geared to a cross-section of student demand (undergraduate, postgraduate, international and those with families); institutional underwrite arrangements are in place for the majority of first year student allocations where demand fluctuation is greatest. This spread of risk aims to mitigate against any single market fluctuation. On the cost side Unipol leases and Management Agreements see rents adjusted annually; short term one year Agreements are agreed annually based on previous lettings experience and longer term lease arrangements have payments decided on a pre-agreed formula with some leases being on fixed inflators and others linked to RPI to act as a "basket of risk" against high inflation or possible deflation.

Turning to staffing, some staff are on fixed term contracts which link to the length of various leases of properties/projects so if Unipol lost some of its work and were unable to replace that work then staffing could be adjusted to compensate.

Finally, Unipol is fortunate to be able to purchase individual properties to use for its core purpose which is to provide high quality affordable housing to students. This also gives Unipol the ability to borrow against these individual properties in times of need. Unipol recognises its property assets in the financial statements at historical cost, net of accumulated depreciation, this is in line with the accounting policy which complies with applicable accounting standards. However, the fair value of these properties in aggregate is considered to be substantially higher than the carry value. As such, in the event of a working capital shortfall, the charity could explore the option of realising liquid funds on the sale of certain properties via a strategic disposal plan.

The charity meets its day to day working capital requirements through cash generated from charitable activities and has a £1.5m overdraft facility in place with NatWest Bank, Unipol's current account bankers. Property purchases are funded through long-term bank loans whose repayment is met by cash generated from charitable activities.

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2025

1. ACCOUNTING POLICIES (continued)

The trustees have reviewed the charity's forecasts and projections, taking into account possible changes in operating performance. As a consequence, the trustees believe that the charity is well placed to manage its financial risks successfully despite the current uncertain economic outlook.

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and group financial statements.

Fund accounting

The Charity maintains various types of restricted and unrestricted funds as follows:

Unrestricted funds – Designated funds

Designated funds consist of the following reserves:

Major works reserve represents a provision for future expenditure on large complexes.

Dispersed Houses reserve represents a provision for future expenditure on Unipol owned houses.

The level of designated funds have been capped at £1m and are expected to be spent and replenished over a ten to fifteen year period in order to carry out refurbishment works

Unrestricted funds – Other Charitable funds

Other unrestricted funds represent unrestricted income which is expendable at the discretion of the Board in the furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

Income

All income is recognised in the statement of financial activities when the charity has entitlement to the funds and any conditions for receipt have been met and it is probable that the income will be received and the amount can be measured reliably.

Operating leases

Rental costs under operating leases are charged to the Statement of Financial Activities in equal amounts over the lease term and the value of any rent free periods are spread over the term of the lease.

Allocation of costs

Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Charity.

Governance costs relate to expenditure incurred in the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The allocation of costs can be seen in Notes 7 and 9. General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2025

1. ACCOUNTING POLICIES (CONTINUED)

Key judgements and estimates

Preparation of the financial statements requires the Trustees to make significant judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources and estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

The Charity is currently involved in a legal matter, the outcome of which remains uncertain as at the reporting date. Due to the complexity of the case and the early stage of proceedings, it is not possible to reliably estimate the financial impact, if any, that may arise from this matter.

Management has sought legal advice and continues to monitor developments closely. At this time, no provision has been recognised in the financial statements, as the likelihood of an outflow of economic benefits cannot be determined with sufficient reliability.

The Charity will continue to assess the situation and will recognise a provision if and when it becomes probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to the timing of when depreciation is commenced and changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are considered annually. They are amended when necessary to reflect current estimates, based on, amendments to leases or management agreements, economic utilisation and the physical condition of assets

Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings, computer equipment, fixtures and fittings, furniture and motor vehicles would normally be capitalised when in excess of £5,000 and carried in the balance sheet at historical cost.

Other expenditure incurred in the normal day-to-day running of the Charity and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation

Depreciation is provided to write off the cost of all relevant tangible fixed assets, less their estimated residual value, in equal annual instalments over their expected useful economic lives. Depreciation is charged from the year following acquisition as follows:

Freehold buildings	2% on purchase of property. Between 10 and 20% on cost of refurbishment of property
Freehold land	Nil
Leasehold land and buildings	Between 10% and 50%
Computer equipment and software	Between 10% and 33%
Motor Vehicles	20%
Office fixtures and fittings	Between 10% and 25%
Unipol property furniture	20%

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2025

1. ACCOUNTING POLICIES (continued)

Assets under the course of construction

Expenditure to properties, purchased or leased, which are undergoing renovation at the year end is classified as assets under the course of construction. These properties are transferred to the relevant fixed asset category on completion and depreciated accordingly from the date of transfer.

Intangible Assets

Expenditure on the acquisition of intangible assets would be capitalised when in excess of £5,000 and carried in the balance sheet at cost less accumulated amortisation.

Amortisation

Amortisation is provided to write off cost of all relevant intangible assets in equal annual instalments over their expected useful economic lives. Amortisation is charged from the year following acquisition as follows:

Software/Website	Between 10% and 33%
------------------	---------------------

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the entity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

Stock

Stock is valued at the lower of cost and net realisable value.

Taxation

Unipol Student Homes is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2012 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2012 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

Financial instruments

The entity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Investments

Investments held as fixed assets are valued at cost less any provision for impairment.

Pension schemes

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). Under auto enrolment regulations the DC Plan is the default scheme. USS and PAS are defined benefit schemes which are externally funded and contracted out of the State Earnings Related Pension Scheme. The funds are valued every three years by actuaries with the rates of contribution payable being determined by the trustees on the advice of the actuaries. The amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable for the year.

2. LEGAL STATUS OF THE CHARITY

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

3. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary Leeds Student Homes Ltd a dormant company that ceased trading on 31st July 2015.

The summary financial performance of the charity alone is:

	Total 2025	Total 2024
	£	£
Income		
Charitable activities	24,029,517	22,995,188
Other trading activities	15,000	-
Investments	5,706	14,499
Total Income	24,050,223	23,009,687
Expenditure		
Charitable activities	(24,373,000)	(23,330,472)
Total Expenditure	(24,373,000)	(23,330,472)
Net Income/(Expenditure)		
Gain on disposal of tangible assets	-	6,190
NET MOVEMENT IN FUNDS	(322,777)	(314,595)
Total funds brought forward at 1 August	4,038,918	4,353,513
Total funds carried forward at 31 July	3,716,141	4,038,918
Represented by:		
Unrestricted income funds	3,716,141	4,038,918
	3,716,141	4,038,918

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
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4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2025 £	Unrestricted £	Restricted £	2024 £
Unipol Housing	22,187,335	-	22,187,335	21,195,911	-	21,195,911
Housing Hubs	375,254	42,500	417,754	408,687	42,500	451,187
Code of Standards	106,488	39,494	145,982	108,057	39,494	147,551
National Code of Standards	869,892	-	869,892	755,722	-	755,722
Property Management	342,507	-	342,507	369,008	-	369,008
Conference	66,047	-	66,047	75,809	-	75,809
	23,947,523	81,994	24,029,517	22,913,194	81,994	22,995,188

Unipol Student Homes is split into the following areas of activity:

Unipol Housing – includes a portfolio of properties that are either owned, leased or rented by Unipol. The main source of income is rent receivable.

Housing Hubs (Leeds, Bradford and Nottingham) – are services provided to students funded by private owners’ registration fees and grants received from various institutions. This service provides advice on general student accommodation issues. It is also used as a centre for advertising student accommodation in the private rented sector. In Bradford there is additional income for accommodating overseas students on short courses.

Leeds receives funding from Leeds Beckett University, the University of Leeds, the Leeds Beckett Students’ Union and Leeds University Union.

Bradford receives funding from Bradford College.

Nottingham receives funding from the Nottingham City Council and Nottingham Trent University.

Code of Standards (Leeds, Bradford and Nottingham) – establishes a minimum standard for accommodation and its management in the private rented sector in Leeds, Bradford and Nottingham.

National Code of Standards – establishes a minimum standard for high density student accommodation and its management nationally.

Property Management Service (Leeds and Nottingham) – includes a portfolio of properties that Unipol manages on behalf of private owners. The primary income in the area is rent commission.

Unipol Conferences – is the part of Unipol developed as “Unipol Training”, and is the main national trainer in the niche market of student accommodation. Income is made up of conference fees and sponsorship money. Unipol Conferences now carries out the ANUK (Accreditation Network UK conference).

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

5. INCOME EARNED FROM OTHER ACTIVITIES

	2025 £	2024 £
Sponsorship	15,000	-
	<u>15,000</u>	<u>-</u>

During the year the Charity received sponsorship from Student Crowd to support the conference and educational activities of the Charity.

6. INVESTMENT INCOME

The group's investment income of £5,706 (2024: £14,499) arises from money held in interest bearing bank accounts. Investment income in both years is unrestricted.

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standard s £	Property Management £	Conference £	2025 Total £
Direct Costs	4,562,925	35,762	29,626	248,845	19,774	14,878	4,911,810
Repairs & Refurbs	2,610,210	-	-	-	-	-	2,610,210
Staffing	1,213,549	191,345	107,375	79,587	208,624	53,574	1,854,054
Lease & Management charges	10,386,947	-	-	-	-	-	10,386,947
Major Works	212,125	-	-	-	-	-	212,125
Loan interest	376,082	3,710	3,613	5,500	4,288	2,554	395,747
Depreciation/ amortisation	1,081,127	4,241	152	800	422	648	1,087,390
Support	2,239,929	134,458	75,620	137,226	155,759	48,584	2,791,576
Governance	93,171	5,349	4,290	8,141	9,318	2,872	123,141
	<u>22,776,065</u>	<u>374,865</u>	<u>220,676</u>	<u>480,099</u>	<u>398,185</u>	<u>123,110</u>	<u>24,373,000</u>

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2024 Total £
Direct Costs	5,125,112	69,553	35,156	238,891	30,749	22,292	5,521,753
Repairs & Refurbs	2,406,891	-	-	-	-	-	2,406,891
Staffing	1,162,711	208,049	68,804	215,901	198,625	45,250	1,899,340
Lease & Management charges	9,551,841	-	-	-	-	-	9,551,841
Major Works	323,464	-	-	-	-	-	323,464
Loan interest	407,789	13,616	2,818	15,187	2929	622	442,961
Depreciation/ amortisation	1,002,995	1,184	-	-	263	-	1,004,442
Support	1,266,651	399,406	88,712	196,478	94,816	43,764	2,089,827
Governance	40,649	14,258	5,340	21,479	4,496	3,731	89,953
	<u>21,288,103</u>	<u>706,066</u>	<u>200,830</u>	<u>687,936</u>	<u>331,878</u>	<u>115,659</u>	<u>23,330,472</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
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Expenditure on charitable activities was £24,373,000 (2024: £23,330,472) of which £24,276,006 (2024: £23,248,478) was unrestricted and £96,994 (2024: £81,994) was restricted.

8. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

The table shows the cost of the six main charitable activities and the sources of income directly to support those activities.

Current Year	Unipol Housing	Housing Hubs	Code of Standards	National Code of Standards	Property Management	Conference	2025 Total
	£	£	£	£	£	£	£
Costs	(22,776,065)	(374,865)	(220,676)	(480,099)	(398,185)	(123,110)	(24,373,000)
Rent	22,062,924	-	-	-	(4,569)	-	22,058,355
Subventions & College Fees	-	261,034	78,096	-	-	-	339,130
Fees	-	100,254	67,886	741,981	18,568	59,107	987,796
Membership Fees	-	16,760	-	-	-	-	16,760
Commission	-	798	-	-	323,845	-	324,643
Sundry Income	124,411	38,908	-	127,911	4,663	6,940	302,833
Net Cost of charitable activities	<u>(588,730)</u>	<u>42,889</u>	<u>(74,694)</u>	<u>389,793</u>	<u>(55,678)</u>	<u>(57,063)</u>	<u>(343,483)</u>
Prior Year							
	£	£	£	£	£	£	2024 Total £
Costs	(21,288,103)	(706,066)	(220,830)	(687,936)	(331,878)	(115,659)	(23,350,472)
Rent	21,034,956	-	-	-	(12,550)	-	21,022,406
Covid Net Rebate	-	-	-	-	-	-	-
Subventions & College Fees	-	230,997	39,494	-	-	-	270,491
Fees	-	120,290	108,057	662,281	23,994	66,209	980,831
Membership Fees	-	27,878	-	-	-	9,600	37,478
Commission	-	-	-	-	354,371	-	354,371
Sundry Income	160,955	72,022	-	93,441	3,193	-	329,611
Net Cost of charitable activities	<u>(92,192)</u>	<u>(254,879)</u>	<u>(73,279)</u>	<u>67,786</u>	<u>37,130</u>	<u>(39,850)</u>	<u>(355,284)</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the six main charitable activities undertaken (see note 8) in the year. Refer to the table below for the analysis of support and governance costs and the comments beneath for the basis of apportionment.

	2025			2024		
	Support	Governance	Total	Support	Governance	Total
	£	£	£	£	£	£
General Office Costs	736,251	-	736,251	486,599	-	486,599
IT Expenditure	407,665	-	407,665	419,763	-	419,763
Staff Costs	1,344,847	85,516	1,430,363	964,499	64,004	1,028,504
Depreciation/Amortisation	93,297	-	93,297	91,819	-	91,819
Other Finance Charges	209,515	-	209,515	127,147	-	127,147
Audit	-	32,216	32,216	-	25,949	25,949
Other Audit Services	-	5,409	5,409	-	3,250	3,250
	<u>2,791,575</u>	<u>123,141</u>	<u>2,914,716</u>	<u>2,089,827</u>	<u>93,204</u>	<u>2,183,031</u>

General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

10. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2025	2024
	£	£
Auditor's remuneration: audit of these financial statements	28,250	27,077
Interest payable	395,747	422,961
Operating leases and management agreements	10,481,560	9,655,137
Depreciation on tangible fixed assets	1,174,405	1,059,907
Amortisation on intangible assets	6,282	36,354
Directors' liability insurance	3,992	3,876
Interest receivable	(5,706)	(14,499)
	<u>(5,706)</u>	<u>(14,499)</u>

11. STAFF NUMBERS AND COSTS

	2025	2024
	No	No
Average number of full-time equivalent employees	72	67
BREAKDOWN OF STAFF PER SECTION		
Housing	52	42
Housing Hubs & Code of Standards	8	11
National Code	3	5
Property Management	7	7
Conferences and ANUK	2	2
TOTAL	<u>72</u>	<u>67</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

11. STAFF NUMBERS AND COSTS (CONTINUED)

Average number of employees	78	88
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BREAKDOWN OF STAFF PER SECTION

Housing	55	58
Housing Hub & Code of Standards	11	15
National Code	3	5
Property Management	7	8
Conferences and ANUK	2	2

TOTAL	78	88
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	2025	2024
	£	£

Staff costs

Wages and salaries	2,727,783	2,431,431
Employer's National Insurance	275,355	213,819
Employer's pension costs (see note 26)	260,915	257,595

Sub-total before administration charge	3,264,053	2,902,845
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Administration Charge	20,364	25,000
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TOTAL	3,284,417	2,927,845
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Employees receiving remuneration amounting to more than £60,000	2025	2024
	No	No
£60,000 - £69,999	3	4
£70,000 - £79,999	1	2
£80,000 - £89,999	1	-
£90,000 - £99,999	1	1
£120,000 - £129,999	1	1
£130,000 - £139,999	-	-

Seven higher paid employees (2024: eight) had benefits accruing under the defined benefit pension scheme.

The key management personnel of the Charity comprise the trustees (who are not remunerated) , the Chief Executive, Deputy Chief Executive, Finance Director, Operations Director, Marketing and Sales Director, Hub Services Director, IT Director, Standards Director and Development and Compliance Director. The total employee benefits of the key management personnel were £824,692 (2024: £762,757). The comparative figure has been restated to included Employers National Insurance contributions.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

11. STAFF NUMBERS AND COSTS (CONTINUED)

Payments to Board Members

	2025	2024
	£	£
Meri Braziel – Consultancy	21,000	-
Victoria Tolmie-Loverseed – expenses as a Board Member	248	-
Steve Gilley – expenses as a Board Member	131	-
Andy Welsh – Consultancy and Expenses as a Board Member	-	55
Rimsha Khan – expenses as a Board Member	-	39
Steve Denton - expenses as a Board Member	-	200
	<u> </u>	<u> </u>

Board Members (or any person connected with them) have not received any remuneration from Unipol Student Homes. Consultancy work relates to professional service provided not for Trustee services which are unpaid.

The Charity purchased insurance costing £3,992 (2024: £3,876) to provide trustees and officers £5m of cover against loss arising from their neglect or default.

Related Party Transactions

During the year there were the following transactions with related parties:

Expenditure	£25,000	University of Leeds - Payroll Management
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During the previous year there were the following transactions with related parties:

Income	£24,072	LBU Subvention
Expenditure	£25,000	University of Leeds - Payroll Management
	£108	Leeds Beckett Union – Advertising
	£232	Leeds Beckett Union – Freshers stall

12. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13. INTEREST PAYABLE AND SIMILAR CHARGES

Group and charity

	2025	2024
	£	£
Included in Unipol Housing expenditure:		
Bank and other loans	395,748	456,332
	<u> </u>	<u> </u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

14. TANGIBLE FIXED ASSETS

Group and charity

	Freehold buildings	Leasehold land and buildings	Computer equipment	Fixtures and fittings	Unipol property furniture	Motor Vehicles	Assets under the course of construction	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 August 2024	18,800,923	10,613,221	1,196,302	871,241	816,143	92,188	40,516	32,430,534
Transfer	8,068	32,448	-	-	-	-	(40,516)	-
Additions	245,518	440,116	-	38,333	12,353	-	-	736,320
Disposals	-	-	-	-	-	-	-	-
At 31 July 2025	19,054,509	11,085,785	1,196,302	909,574	828,496	92,188	-	33,166,854
Accumulated depreciation								
At 1 August 2024	7,260,144	7,929,991	1,054,923	847,320	757,430	33,218	-	17,883,026
Transfer	-	-	-	-	-	-	-	-
Charge for the year	562,014	525,377	69,070	6,045	7,968	3,931	-	1,174,405
Disposals	-	-	-	-	-	-	-	-
At 31 July 2025	7,822,158	8,455,368	1,123,993	853,365	765,398	37,149	-	19,057,431
Net book value								
At 31 July 2025	11,232,350	2,630,417	72,309	56,209	63,098	55,039	-	14,109,422
At 31 July 2024	11,540,778	2,683,230	141,379	23,921	58,713	58,970	40,516	14,547,507

Freehold land is not depreciated with a value of £1,147,284 (2024:£1,147,284)

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

15. INTANGIBLE ASSETS

	Computer Software/Website £
Cost	
At 1 August 2024	208,832
Additions	15,001
At 31 July 2025	223,833
Accumulated amortisation	
At 1 August 2024	47,778
Charge for the year	6,282
At 31 July 2025	54,060
Net book value	
At 31 July 2025	169,773
At 31 July 2024	161,054

16. INVESTMENTS HELD AS FIXED ASSETS

Charity

The Charity holds 100% of the issued share capital in Leeds Student Homes Ltd, a dormant company. With effect from 31st July 2015 the subsidiary ceased trading the results of the subsidiary are given below.

	2025 £	2024 £
Turnover	-	-
Interest receivable	-	-
Administrative expenses	-	-
Operating (loss)/profit	-	-
Deed of gift to Unipol Student Homes	-	-
(Loss)/Profit for the financial year	-	-

The aggregate of the assets, liabilities and funds was:

	2025 £	2024 £
Total assets	-	-
Total liabilities	(3,187)	(3,187)
	(3,187)	(3,187)
Represented by:		
Called up share capital	1	1
Profit and loss account	(3,188)	(3,188)
	(3,187)	(3,187)

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

As permitted by FRS 8 - *Related Party Transactions* the company has taken advantage of the exemption to not disclose transactions entered into between the parent company and its wholly owned subsidiary.

17. STOCKS

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Furniture and goods	2,203	972	2,203	972
	2,203	972	2,203	972

18. DEBTORS

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Owed from subsidiary undertaking	-	-	3,187	3,187
Rents receivable	318,665	145,728	318,665	145,729
Other debtors	1,726,760	840,128	1,726,760	840,128
Prepayments and accrued income	1,157,525	1,287,886	1,157,525	1,287,886
	3,202,950	2,273,742	3,206,137	2,276,930

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Overdraft	1,661,117	1,190,369	1,661,117	1,190,369
Loans (see note 20)	1,319,920	1,252,477	1,319,920	1,252,477
Trade creditors	2,424,169	2,680,920	2,424,169	2,680,920
Taxation and social security costs	25,936	(10,999)	25,936	(10,999)
Other creditors	633,934	534,541	633,934	534,541
Accruals	1,484,025	1,227,340	1,484,025	1,227,340
Deferred income (see over)	1,829,778	697,969	1,829,778	697,969
	9,378,879	7,572,617	9,378,879	7,572,617

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
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ANALYSIS OF DEFERRED INCOME

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Rental income	1,722,338	368,249	1,722,338	368,249
Contribution from Landlords towards capital works	101,040	101,040	101,040	101,040
Subventions, fees and funding income	6,400	228,680	6,400	228,680
	1,829,778	697,969	1,829,778	697,969

	Rental Income	Contribution from Landlords towards WC	Subventions, fees and funding income	Total
Opening as at 1.8.24	(184,027)	(101,040)	(214,898)	(499,965)
(Released to income)	(36,285,677)	-	(882,112)	(37,167,789)
Deferred	34,747,366	-	1,090,610	35,837,976
Closing as at 31.7.25	(1,722,338)	(101,040)	(6,400)	(1,829,778)

Deferred income arose due to invoices due for payment at the start of the next financial year were raised at the end of the previous financial year and are simply timing issues.

In addition contractual capital contributions have been made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Bank loans	4,478,416	5,210,471	4,478,416	5,210,471
Deferred Income	101,327	202,368	101,327	202,368
	<u>4,579,743</u>	<u>5,412,839</u>	<u>4,579,743</u>	<u>5,412,839</u>

The bank loans are secured on a number of properties within the portfolio. The carrying value of these properties is £6.5mil (2024: £6.7mil). One bank lends to Unipol with loans expiring between 2027 and 2029, one loan bears an interest rate of 2.25% over base and two further loans are at a fixed rate of 3.32% and 3.87%. A further bank lends to Unipol with loans expiring between 2024 and 2036 with interest rates of 2.6%, 2.65% and 2.68% over Bank of England Base rate and eight fixed rate loans of 3.14%, 3.53%, 3.6%, 4.11%, 4.14%, 4.16%, 7.52% and 7.6%.

Deferred income arose due to contractual capital contributions made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation.

	Group and Charity	
	2025	2024
	£	£
Analysis of loan repayments		
Bank loans and other loans		
Within one year or on demand (see note 19)	1,319,920	1,252,477
Between one and two years	1,208,977	1,257,282
Between two and five years	2,394,916	3,094,725
After five years	874,523	858,464
	<u>5,798,336</u>	<u>6,462,948</u>

21. ANALYSIS OF GROUP ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds		Total 2025	Total 2024
	Designated funds	Undesignated funds		
	£	£	£	£
Fixed assets	-	14,109,422	14,109,422	14,547,507
Intangible assets	-	169,773	169,773	161,054
Current assets	811,288	2,581,093	3,392,380	2,312,625
Creditors: amounts falling due within one year	-	(9,378,879)	(9,378,879)	(7,572,617)
Creditors: amounts falling due after more than one year	-	(4,579,743)	(4,579,743)	(5,412,839)
	<u>811,288</u>	<u>2,901,665</u>	<u>3,712,953</u>	<u>4,035,730</u>

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NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

22. STATEMENT OF MOVEMENT ON RESERVES

Charity as at 31 July 2025

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2024	792,413	3,246,505	4,038,918
Net movement in funds	(212,125)	(110,652)	(322,777)
Transfers	231,000	(231,000)	-
At 31 July 2025	811,288	2,904,853	3,716,141

Charity as at 31 July 2024

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2023	729,227	3,624,287	4,353,514
Net movement in funds	(323,464)	8,868	(314,596)
Transfers	386,650	(386,650)	-
At 31 July 2024	792,413	3,246,505	4,038,918

Group as at 31 July 2025

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2024	792,413	3,243,317	4,035,730
Net movement in funds	(212,125)	(110,652)	(322,777)
Transfers	231,000	(231,000)	-
At 31 July 2025	811,288	2,901,665	3,712,953

Group as at 31 July 2024

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2023	729,227	3,621,098	4,350,325
Net movement in funds	(323,464)	8,868	(314,596)
Transfers	386,650	(386,650)	-
At 31 July 2024	792,413	3,243,317	4,035,730

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

23. MOVEMENT IN GROUP FUNDS

As at 31 July 2025

	Balance 31 July 2024	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2025
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	584,269	-	(170,978)	191,000	-	604,291
Dispersed Houses reserve	<u>208,144</u>	-	<u>(41,147)</u>	<u>40,000</u>	-	<u>206,997</u>
	792,413	-	(212,125)	231,000	-	811,288
Undesignated funds:						
Other unrestricted funds	<u>3,243,317</u>	<u>23,953,229</u>	<u>(24,063,881)</u>	<u>(231,000)</u>	-	<u>2,901,665</u>
Total unrestricted funds	<u>4,035,730</u>	<u>23,953,229</u>	<u>(24,276,006)</u>	-	-	<u>3,712,953</u>
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	56,994	(56,994)	-	-	-
Sponsorship	-	15,000	(15,000)	-	-	-
Total restricted funds	-	<u>96,994</u>	<u>(96,994)</u>	-	-	-
Total funds	<u>4,035,730</u>	<u>24,050,223</u>	<u>(24,373,000)</u>	-	-	<u>3,712,953</u>

As at 31 July 2024

	Balance 31 July 2023	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2024
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	505,477	-	(267,858)	346,650	-	584,269
Dispersed Houses reserve	<u>223,750</u>	-	<u>(55,606)</u>	<u>40,000</u>	-	<u>208,144</u>
	729,227	-	(323,464)	386,650	-	792,413
Undesignated funds:						
Other unrestricted funds	<u>3,621,098</u>	<u>22,927,693</u>	<u>(22,925,014)</u>	<u>(386,650)</u>	<u>6,190</u>	<u>3,243,317</u>
Total unrestricted funds	<u>4,350,325</u>	<u>22,927,693</u>	<u>(23,248,478)</u>	-	<u>6,190</u>	<u>4,035,730</u>
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	56,994	(56,994)	-	-	-
Sponsorship	-	-	-	-	-	-
Total restricted funds	-	<u>81,994</u>	<u>(81,994)</u>	-	-	-
Total funds	<u>4,350,325</u>	<u>23,009,687</u>	<u>(23,330,472)</u>	-	<u>6,190</u>	<u>4,035,730</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

23. MOVEMENT IN GROUP FUNDS (continued)

The Unrestricted Funds are:

Designated funds consisting of the following reserves:

Major works reserve represents a provision for future capital expenditure on large complexes.

Dispersed Houses reserve represents a provision for future capital expenditure on Unipol owned houses.

The Restricted Funds are:

Housing Hub and Code of Standards - Bradford - This is income from Bradford College for running its Accommodation services.

Housing Hub and Code of Standards - Nottingham - This is £35,000 from Nottingham Trent University to run the Hub and support accreditation in Nottingham together with £21,994 from Nottingham City Council to run accreditation in Nottingham.

Sponsorship - This is sponsorship funding for the conference section.

Transfers

£231,000 transfers were made in the current year (2024 £386,650) from the designated reserve to the general reserve for major works and works to dispersed houses.

24. CAPITAL COMMITMENTS

	2025	2024
	£	£
Unipol had contracted commitments at 31st July for future capital projects totalling	-	-
	<u> </u>	<u> </u>

25. LEASE COMMITMENTS

The Charity has operating lease commitments due over the lease term as follows:

	2025	2024
	£	£
Amount due within one year	10,769,378	10,431,647
Amount due between one and five years	39,859,486	42,326,511
Amount due after more than five years	156,465,141	163,632,359
	<u>207,094,005</u>	<u>216,390,517</u>

Lease commitments include longer term management agreements where a contractual obligation exists.

The Charity budgets to receive rental income in respect of properties held on lease and management agreements of £19,466,961 (2024: £18,625,062).

26. PENSION SCHEMES

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). The assets of the schemes are held in separate trustee-administered funds. USS and PAS are defined benefit schemes which are externally funded and are valued every three years by actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2025

26. PENSION SCHEMES (continued)

The DC Plan, which was introduced from 1 March 2013, is the main auto-enrolment vehicle for staff. The investment of scheme contributions for the DC Plan is managed by The People's Pension.

The triennial valuation of Universities Superannuation Scheme showed that as at 31 March 2020 the scheme had a deficit of £14.1bn. A further report was commissioned as to the funding position as at 31 March 2022 that showed the scheme deficit had reduced to £5.6bn. Employer contribution level is 21.6% of salary.

The triennial valuation of the University of Leeds Pension and Assurance Scheme as at 31 March 2020 showed that the Scheme had a deficit of £66.2m, equivalent to a funding level of 87%. Given the unusual market conditions prevailing in March 2020, a further valuation was carried out as at 31 March 2022. This valuation showed that there was a surplus of £24.2m, equivalent to a funding level of 105%. During the year the employer contribution rate was 16%, with the employee contribution rate at 7.5% both unchanged from the previous year.

A further valuation of the USS pension scheme took place in March 2023 and the scheme now holds a £7.4bn surplus. As a result the employer contribution dropped to 14.5% in January 2024. The University continues to pay the annual PPF levy and the cost of any ill health early retirement benefit enhancements.

The pension cost for the year was £260,915 (2024: £258,062).

UNIPOL STUDENT HOMES

England & Wales - Charity number 1063492

Accounts

Charity registration: 1063492
Company registration: 3401440

UNIPOL STUDENT HOMES

(a company limited by guarantee)

Annual Report and Group

Financial Statements

Year Ended 31 July 2024

UNIPOL STUDENT HOMES

ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS 2024

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UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

LEGAL AND ADMINISTRATIVE INFORMATION

BOARD

The Board comprises the following representatives:

The University of Leeds

Mr Christopher Warrington

Ms Catherine Cho

Contactable at University of Leeds, Leeds LS2 9JT

Leeds Beckett University

Ms Victoria Johnson

Ms Joanne Norry

Contactable at Leeds Beckett University, Calverley Street, Leeds, LS1 3HE

Leeds University Union

Ms Hannah Catterall (appointed 01/07/2023)

Ms Rimsha Khan (appointed 01/07/2023)

Ms Susan Stone (appointed 03/03/2023)

Contactable at Leeds University Union, PO Box 157, Leeds LS1 1UH.

Leeds Beckett University Students' Union

Mr Harsh Bhatia (appointed 18/11/2022)

Ms Blessing Odussusi (appointed 03/07/2023)

Lokesh Sharma (appointed 04/07/2024)

Ms Jacqui Short

Contactable at Leeds Beckett University Students' Union, Calverley Street, Leeds LS1 3HE.

Bradford College

Vacant

Co-Opted Directors

Chair of Unipol

Ian Robertson Head of Residential Accommodation at the University of Leeds until 13/10/2023 now Associate Director of Facilities at the University of Bradford

Deputy Chair (Partnerships) of Unipol

Mr Michael Wilkinson – deceased January 2024

Deputy Chair (Properties and Portfolio) of Unipol

Mr Andrew William Welsh

Ms Meri Braziel

Mr Stephen Denton (appointed 29/08/2022)

Deputy Chair (Finance) of Unipol

Ms Jennifer Share

UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Mr Steven Gilley (appointed 01/11/2022)

Contactable at Unipol Student Homes, 155/157 Woodhouse Lane, Leeds, LS2 3ED

Secretary

Ms V Tolmie-Loverseed

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

Charity registration number	1063492
Company registration number	3401440
Registered address	155/157 Woodhouse Lane, Leeds, LS2 3ED

EXECUTIVES OF UNIPOL STUDENT HOMES

Martin J Blakey (until 11 th November 2023)	Chief Executive
Paddy Jackman (from 13 th November 2023 – 16 th August 2024)	Chief Executive
Nichola Verity (until 18 th August 2024)	Deputy Chief Executive
(from 19 th August 2024)	Interim Chief Executive
Victoria Tolmie-Loverseed (until 31 st August 2024)	Standards Director and Company Secretary
(from 1 st September 2024)	Interim Deputy Chief Executive and Company Secretary
Christina Rygalska (until 18 th August 2023)	Finance Director
Elizabeth Smith (from 31 st July 2023)	Finance Director
Thomas Hill	Operations Director
Nicola Brown	Hub Services Director
Sally Ramsey (from 30 th September 2024)	Sales and Marketing Director
Andrew Livesey	IT and Publications Director
Antony Vyse	Developments and Compliance Director

BANKERS

National Westminster Bank plc Leeds Commercial Office 4 th Floor 2 Whitehall Quay Leeds LS1 4HR	Svenska Handelsbanken AB 5th Floor 3 The Embankment Sovereign Street Leeds LS1 4BJ
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SOLICITORS

Lupton Fawcett Stamford House Piccadilly York YO1 9PP	Pinsents 1 Park Row Leeds LS1 5AB	Hatch Legal 12 Park House 11 Park Row Leeds LS1 5HB	Walker Morris 33 Wellington Street Leeds LS1 4DL
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UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

AUDITOR

BHP LLP
First Floor, Mayesbrook House
Lawnswood Business park
Redvers Close
Leeds
LS16 6QY

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

The annual report and the audited financial statements are for the year ended 31st July 2024 in the 49th year of operation of Unipol Student Homes as a registered charity (two years after it was founded initially as part of the University of Leeds in 1973). On 1st August 1997 Unipol was incorporated as a charitable company limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Its current [Forward Look 2023 - 2026](#) was adopted by trustees in September 2022 and this sets out the main strategic direction of the organisation for the next three years and it makes sense to review the year with reference to the Forward Look.

Values

The values of the charity have always been important and have always been placed at the centre of its operations and aspirations. The values are a touchstone by which Unipol can assess what it is doing and why.

As part of the *Forward Look* discussion, trustees reviewed the charity's seven core values and identified four themes which place additional emphasis on these values:

- *Standards*: the charity sets high standards which match its values
- *Responsibility*: both now and in the longer term
- *Student focussed*: caring about its services, trusted and reassuring
- *Leadership*: using its expertise to create impact in the sector and innovate.

Unipol's values have been used to define Unipol as an organisation that is different from any other. During the pandemic the charity based its actions on these values and messaged its culture to those it worked with and for. Unipol's values underpin everything it does and they remain at the core of the charity's actions. Those values are:

To be trusted - as a source of help and advice to both students and landlords who want to rent and provide good quality student accommodation that contributes to a great student experience.

To be impartial experts - giving student consumers information and advice, based on 48 years' experience in the sector, which empowers them to make good housing choices and get the best deal available. Establishing, promoting and publicising best practice in student accommodation, encouraging innovation and cooperation between providers, institutions, local and national Government to work together to the benefit of student tenants.

To provide value for money - providing a first class service to our users which uses the latest technology to allow on-line global accessibility; recognising the importance of meeting differing students' needs and providing value for money and choice throughout the housing process.

To promote safety and wellbeing - setting and checking standards to make student accommodation as safe and secure as possible to give peace of mind to all concerned and providing a good quality living environment that is so important in the learning process.

To promote community - whilst promoting individuality the charity encourages positive attitudes to equality, cultural diversity and the internationalism inherent in undertaking study in higher education.

To be ethical - valuing our human resources, investing in training and sector expertise and ensuring we pay our employees the real living wage. Providing information for our tenants on how to use less energy in a comfortable living environment and using local suppliers and trades wherever possible.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

To be transparent and accountable - being answerable as a charity to our Board of trustees and to our users and making the charity's agenda and operations as clear and open as possible.

Purposes, Activities and Public Benefit

The charity's objects are the advancement of education by providing and managing accommodation and related services for educational institutions, their students and other persons associated with educational institutions and to develop and foster excellence and expertise in this field. Students (and the institutions being supported) rate their living experience and the acquisition of life skills and personal development as a very important aspect of their overall education.

Unipol was founded in Leeds by trustees with the vision of a charity offering dedicated expertise in student housing. From the outset the charity has worked nationally with education institutions and housing providers to give students better information and help on available housing options and to champion better housing standards which now takes place through local services based in Leeds, Nottingham and Bradford and nationally. Although Leeds continues to be a principal financial focus of the charity's activities, housing services in Nottingham continue to expand. The charity also operates on a national stage in respect of student-related housing regulation, legislation and policies and seeks to improve choice, affordability and standards in student housing.

As a student housing charity of nearly 50 years' standing and the largest not-for-profit student housing organisation in the UK, Unipol:

- Develops, takes into ownership and manages properties and lets them directly to students. As at the end of the financial year, Unipol is currently responsible for housing some 3,259 students plus around 245 student families. Of these, 2,575 students live in Leeds, 870 in Nottingham and 59 in Bradford. Its direct housing function sits at the heart of the charity's operations and is a beacon of good practice and innovation for others working in the sector.
- Runs local accreditation schemes in Leeds, Nottingham and Bradford, and operates two Government-approved Codes of Practice for larger student developments UK-wide. In Leeds, Unipol also runs the [Leeds Rental Standard](#) for Leeds City Council and in Nottingham (together with *Decent and Safe Homes* and Nottingham City Council) it runs the [Nottingham Standard](#).

Within these, Unipol sets professional standards for purpose-built student accommodation (PBSA) and its management. Owners and agents who are scheme members voluntarily commit themselves to meeting these standards. Unipol undertakes compliance checks in order to give students assurance and confidence about the quality of what they are signing up for when they rent a Code property. The accreditation schemes also give students a robust complaints process to use if things go wrong. Unipol currently accredits around 425,000 bed spaces.

- Runs three Housing Hubs which give students (and their parents/guardians) information and advice on finding a suitable home. The Hubs also provide a forum in which owners (including Unipol) can advertise their properties. Although Unipol charges a fee for services to owners, services for students are free. The Housing Hubs are part-funded by educational institutions and local authorities. Unipol also runs a *Rate Your Landlord* review site (jointly with Leeds University Union), which provides an effective platform for the student voice to influence housing choice in Leeds, York and Newcastle from mid 2025.
- Provides help and training, both locally to support landlords, and nationally to improve policy, management and the development of student accommodation. Unipol has in-house training facilities in both Nottingham and Leeds.
- Works with local and national governments to offer advice. The charity seeks to influence decision making to ensure student housing is appropriately considered when new or amended regulation and legislation is anticipated.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

Overview of 2023-2024

Following on from the considerable disruption caused by the Coronavirus Pandemic and the ensuing cost of living crisis, 2023-2024 has been the start of a new phase in Unipol's growth and development.

Rents this year increased by 8% overall in response to the continued high costs of energy. Whilst the charity seeks to provide affordable accommodation for students it is important that rents keep pace with the cost of managing the properties and the enhancing student support available.

The new PBSA developments at *Carlton Hill* building in Leeds and *Cotton House* in Nottingham added £6.1m to turnover and an additional 879 bed spaces. The significant amount of legal fees for the new leases accumulated in the balance sheet ahead of the launch of both developments impacted the year's performance.

The Unipol Mission

Because Unipol's own housing portfolio is so central to the activities of the charity, it is worth dwelling on how Unipol's values translate into housing values as a provider.

Unipol's stock has been acquired and shaped to meet the diverse needs of the student population. Unipol offers housing to all kind of students: undergraduates, postgraduates, international and UK students, first-years and returners, students under 18, couples, students with dependents and students with additional needs.

Unipol aims to give tenants a great housing experience, providing good value, promoting social and academic interaction and high-quality accommodation – a Unipol property should be a home from home. Unipol aims to offer the best deal possible to its tenants as a not for profit provider. Deposits are now only levied on longer-stay family tenants. This means the Unipol offer to students is that they simply pay rent with no other fees or hidden charges, no guarantors and with each student tenant getting an individual tenancy agreement: a far cry from many other accommodation providers.

Housing revenue normally goes to support investment in higher-quality properties and helps subsidise the advice and standards mission but in this year, with housing taking the weight of the economic challenges outlined, that internal subsidy has been lessened.

It has, however, been possible to maintain continuing investment into the portfolio because of reserves held for that purpose and the designated works reserve now stands at just under £792k, after expenditure, in this year.

Helping Students to Make the Best Decisions about their Housing

Unipol empowers consumers by providing accurate, transparent and comparable information, together with help and support to build both the knowledge and confidence to assist them in negotiating the housing market within which they operate and helping them decide what to rent.

Unipol's services to students are provided either on-line or in-person. Unipol also runs a number of successful web-based services in order to assist both students and landlords. The Housing Hubs continued to give good advice and provide relevant information to both students and landlords alike:

Unipol's online activity comprises the following websites and services, all of which are free to access:

- In this year, the [Unipol](#) website had 217k users, there were 156k searches and 644k views. This shows a decline in searches of 48%, users of 3% and views of 42% compared to the previous year. Booking requests were 55% down at 9k. Web chat continues to be an important channel for advice and help with over 2,000 engagements. The website backend was redeveloped in 2023 which removed an unsupported platform and improved the accommodation search speeds. Although this has resulted in some improvements to the sites visibility through search engines, more work is being undertaken to improve this.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

- The [Unipol Housing](#) website which deals with Unipol's own housing and is mainly used by Unipol's tenants and potential tenants had almost 235k users during the year. This is up 32% on 2022/23.
- The review site [Rate Your Landlord](#) has an annual target of 1,000 new reviews. Having a good number of new reviews each year ensures the website remains relevant and up to date offering over 3,000 reviews for students to view at any one time. The continuing focus across the last few years has been to promote the use of Rate Your Landlord as a peer-led house hunting tool for students. It is used as a diagnostic tool for the Unipol accreditation team to help them prioritise inspections. Unipol entered in to an agreement with the University of Northumbria and Newcastle University in June 2024 to deliver a Rate Your Landlord website in Newcastle. Work on this is ongoing with a proposed launch date in mid-2025.
- The [National Code website](#) is still a key source of guidance and information to students and members with 26,347 users, a 3% increase on 2022/2023.

Following a further contraction in advertising fees from landlords a comprehensive review of both the hub offer and the accreditation offer in Leeds was undertaken. The aim of the exercise was to tackle the reduction in advertising and the levelling off of accreditation membership, whilst keeping an attractive and sustainable future for both services. The conclusion reached was by linking the advertising to accreditation both services are further enhanced through a more attractive landlord package. The new approach aims to offer accredited landlords practical tools and support, making letting easier, alongside clearly defined rules and procedures to membership.

Improving Standards

Accreditation is an important vehicle for improving standards. It is about persuading suppliers voluntarily to meet higher than regulatory standards, based on reasonable consumer expectations.

Unipol is a founder member of the accreditation movement and has designed and operates several Unipol Codes, which share a common core of standards. There are Codes geared to the specific housing and market conditions where Unipol works and there are two National Codes. Robust verification procedures are used to ensure Code compliance. The Codes offer accountability through a complaints system and dispute resolution through an independent Tribunal system. Three-yearly reviews, including broad consultation, ensure regular updating.

In June 2023, Unipol was part of a successful bid together with Leeds City Council and the National Residential Landlords Association to the Private Rented Sector Pathfinder scheme launched by the Department of Levelling Up, Housing and Communities. A grant of £683K has been awarded to undertake research into innovative methods to grow take up of accreditation and to disseminate the findings around England, with Unipol coordinating this project.

In Leeds, the local Code for off-street properties covered 13,680 tenants. In Nottingham the Code covered 6783 tenants. In Bradford the Code covered 118 tenants. Throughout the year 340 verification visits were undertaken to properties and any deficiencies rectified.

Membership of the National Codes has remained stable over the last year, with a total of 153 members (as of 31st July 2024) – 102 private providers and 51 educational establishments. However, the number of bed spaces did increase in comparison with 2023 and by July 31st 2024 the two Codes between them were at 417,949 beds, 11,599 more than in 2023. The number of developments registered have increased by 28, to 2,292. Between August 1st 2023 and July 31st 2024 a total of 189 verification visits were undertaken.

The review of the Educational Establishment Codes was completed by April 2024 and then submitted to Government for Approval. However, due to Parliament being dissolved ahead of the July 4th General Election, it was not possible for the revised Code to be approved before the end of July 2024. This did occur on 5th September and the new Educational Establishment Code became operational from 15th October.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

The Public Mission

Unipol continued to be consulted about a variety of forthcoming regulation and legislation and made representations on the Renters Rights Bill. Unipol also made representations in respect of various local consultations including the Nottingham Housing Strategy and HMO Licensing. Unipol sat on the working group of the Scottish Government's review of PBSA, which made a number of representations to Government.

The proposals made in the *Renters Rights Bill* would have several important outcomes for student housing. The Government has now partially accepted the argument that student housing was different and PBSA suppliers who are members of the National Codes will be exempted from the more general suggestions for the private rented sector.

Whilst Unipol supports the additional powers for regulatory enforcement, the changes proposed to tenure, whereby students living in off-street housing would have security of tenure and be able to give two months' notice at any stage, would have a highly disruptive effect on the academic year cycle by which that accommodation is made available and let. Treating students in the same way as longer-term renters is likely to cause a contraction of rented accommodation supply for students (as has happened in response to similar proposals enacted two years ago in Scotland), making finding student accommodation more difficult for the beginning of the academic year and is likely to raise rents. As of the 31st July 2023 the Government was showing no intention of making any specific allowance for the off-street student market. In 2023 Q4 there have been announcements that indicate some movement in this area and Unipol will continue to closely monitor and assess the impact of any amendments to the Bill.

Work commenced on the 10 Cities Rent Report, a shortened edition of the Accommodation Costs Survey, which aimed to capture detailed information on the impact of inflation and other cost of living pressures on rent in PBSA and how this relates to student incomes. The full report was published in October 2023. Research activity continued in summer 2024 with the London Rent survey, which will be published in December 2024.

Following cessation of events during the pandemic, Unipol's [training and event](#) programme recommenced in spring 2023 with a small number of events and a dedicated member of staff being appointed from May. Work to rebuild a substantial annual programme is ongoing and it is anticipated this area will return to a break even position in 2024/25.

Strategic Report and Achievements and Performance - The 2023-2024 Year

In accordance with section 414c (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has prepared a Strategic Report which includes information that would have previously been included in the Trustees' Report. The trustees authorise both the Strategic Report and the Trustees' Report.

Overview

In 2020-2021 the charity recovered from its returned deficit in 2019-20 with a surplus of £339,782 including the sale of two properties yielding a gain on disposal of £257,822. In 2021-2022 the charity returned a surplus of £215,995 including the sale of one property yielding a gain on disposal of £197,789. This is the last of the three properties to be sold to mitigate part of the costs borne by the charity as a result of Covid and to strengthen cash flow. In 2022-23 the charity showed a deficit of -£1,262,791k as a result of the unexpected increase in energy costs. As rents for the year had been set and advertised prior to the increases it was impossible to recover these additional costs.

The future growth of Unipol will depend upon the renewal and extension of leasehold assets, new leasehold commitments within the PBSA arena and acquisitions, maintaining a strong lettings record and underwrite relationship with educational institutions.

The Financial Framework

91% of the charity's funds come from rent paid to it by students and this rental stream is central to the survival of the charity.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

The charity can sustain the reduction in real term funding from other sources so long as its housing operation continues to operate successfully and voids are minimal. Housing continues to bear an increasing proportion of the charity's operational overheads and, looking forward, it is vital that rental revenue meets the overhead and operational expenditure required. Clearly to absorb such increases rent rises for 2024-25 will be significant, but as always will take into account the market and strive to maintain affordability as an objective.

The National Codes also now make a significant contribution to the organisation's output and overheads. The fees from the National Codes are currently around £756k and the Code makes an increasingly significant contribution to both the charity's mission and overheads. Because of the growing size of this budget the setting of fees and budget-reporting is now undertaken within Unipol's overall budgetary framework rather than by the National Codes Committee of Management.

The importance of rental revenue is against a backdrop where the charity's more traditional income from its housing hubs is static and is continuing to lose its real terms value. The level of funding required to run a good service to students through the housing hubs is brought into sharper focus by the level of subsidy required by the charity to run those services with a -£255k deficit being met in 2023-2024. A review of Hub Services was completed in the year and discussions with funding partners, universities and their students unions have concluded with agreed +15% subventions from 2024-25. This additional income will help to mitigate the increasing deficit in this area of the charity

Activity from and support required by international students remained high between the September 2023 and January 2024 intake periods, albeit less than the previous academic cycle and with significantly less demand from students with families.

The provision of family housing remains a high priority for Unipol, but the conclusion reached in the *Forward Look* is that family housing is not viable without subsidy, and economic, administrative and legislative pressures are compounding the challenge of maintaining viability. Furthermore with a number of arrangements with Leeds City Council up for review and nomination agreements with the University of Leeds made for shorter periods Unipol will need to carefully consider how this provision will look in the future and is therefore considering the extent of the burden it can take on in the direct provision of family housing.

Operations during 2023-2024

Operationally, the year went well and can be summarised as:

Housing Hubs

The Housing Hubs remained an important central resource in providing students with information, help and advice, increasingly through virtual engagement. Demand for help remains high although the number of international students has declined. Due to changes in the visa regulations effecting international students with dependents this accommodation demand has eased.

Homestay activity has continued to pick up post pandemic, with groups of students from Japan arriving from February 2024, some bookings for summer 2024 and a group booked from October 2024.

House hunting in all three cities now commences earlier, beginning in mid-October in 2024. Following feedback from students, partners and results from surveys carried out, there is still significant house hunting activity that happens very early, particularly among the first year undergraduate cohort. It was long thought that this early activity was largely driven by landlord and managing agent activity but research carried out indicates that this rush to house hunt is often the result of students starting and then communicating this activity through friendship groups and social media.

Although trying to suppress this early activity in a number of ways over the last few years, this has become increasingly difficult. Rather than trying to stop the tide of activity, the decision has been made to talk openly about it to students earlier, give lots of advice and offer support. There is now a soft launch, communicating to students that we are ready when they are. Students are encouraged to spend more time on finding flat mates, looking at and comparing more properties from different providers, getting their contract checked and understanding the financial aspects of renting.

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The Unipol website will only be offering accredited properties, offering a safe place to house hunt and Unipol will be running a number of flatmate finding events across November, December and January for those students who do not form groups easily.

The housing shortage in Bradford has come to an end and the market has swiftly moved from one in shortage to one in over supply. There are now significant voids in the PBSA market and students have plenty of choice. Unipol manages 59 bed spaces in the city so the risk is minimal for the charity.

The link with *Bradford College* is strengthening with a number of new relationships being developed. In addition, Bradford College has renewed an agreement to rent a flat at Doris Birdsall Hall to use for safeguarding and/or working with students with special educational needs.

Unipol Housing

In Leeds, Unipol directly let £8,270K of properties over the year compared with £7,082K in 2022-2023, an overall increase of 17%. In Nottingham Unipol let £4,629K of properties over the year compared with £2,392K in 2022-2023 an increase of 94%, reflecting further growth from the addition of Cotton House and the two new Unipol properties.

In Bradford Unipol let £241K at Doris Birdsall Hall, 93% higher than 2022-2023 when the development failed to let fully.

Overall, Unipol has faced slower lettings in Leeds and Nottingham for the 2024/2025 period compared to recent years, with some properties struggling to secure tenants or experiencing extended letting periods, as detailed below. Despite these challenges, at the time of writing the portfolio remains 96% let in 2024/2025, consistent with 2023/2024 performance. Notably, the improved lettings performance of Doris Birdsall Hall has been instrumental in maintaining this high occupancy rate, effectively supporting the overall portfolio.

Underwrite v Direct Let

The balance between underwritten arrangements with institutions and direct let properties (where Unipol bears the risk of voids) remained steady at 45% underwritten and 55% direct let. There were no significant shifts in institutional underwrite agreements.

Tenant Satisfaction

The *Tenants' Satisfaction Survey* dealing with shared student accommodation ran in January 2024 and tenants gave Unipol housing an overall satisfaction rating of 82.16%, slightly down on that previously recorded in 2023 at 83.48%. Unipol is also rated on its own *Rate Your Landlord* site and, in 2023, had a rating of 4.3 (with 5 as best and 1 as poor), a small reduction on the previous year.

The charity has continued to prioritise investment in tenant wellbeing and mental health, delivering a programme of social events throughout the year with tenants reporting a sense of inclusion generated by the events and feeling welcome and part of the community. These activities were particularly helpful for international students as they adapted to life in a new country, and 70% of respondents to the Tenant Satisfaction Survey attended a welcome event

Unipol has continued to invest in its portfolio and undertake refurbishment works despite delivering two large purpose accommodation buildings, Carlton Hill, and Cotton House. The defects period for both of these buildings have now lapsed and all outstanding defects have been completed. Sandhills has also seen closure of some outstanding latent defects this summer.

Investment in Portfolio

At *New York Street*, the building has been upgraded a year ahead of programme. The building has recently had the 25 year lease agreement renewed and part of this agreement was to invest £400k within the building. Some of these works have been undertaken whilst tenanted, with only two four-week void periods required to complete the works.

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The full refurbishment project at Dyers Court is now complete, including the external landscaping works and upgrades to the electrics and lighting to the garages.

A number of small house refurbishments also took place over the year including, 34 Lascelles Terraces – Kitchen and 260 cardigan Road Flats bathrooms x3, plus an extremely large wall, which was blown over during lockdown, at 47 Cliff Road which is a conservation area.

Unipol's two recent off-street acquisitions in Nottingham, have also been fully refurbished over summer. These two purchases have added a further 16 beds to the portfolio for 2024 and an additional bedroom has been formed in one of the flats to increase the portfolio to 17 beds in 2025/26.

Risk, Forward Strategy and Going Concern

2023 saw the launch of Unipol's Forward Look (2023 – 2026) a strategic and operational framework to shape and guide its direction over a three-year horizon, which can be viewed here; <https://www.unipol.org.uk/media/40ohxddq/the-forward-look-2023-2026.pdf>

During this year the charity has focused on three key areas of The Forward Look:

- Regulation and Legislation
- Staffing
- Finance

The big external challenges will continue to be the cost-of-living crisis and tenure reform.

The charity has over the last year, made significant progress in its forward strategy in the following areas:

- **Regulation:** Considerable work has been carried out to comply with the *Building Safety Act 2022* for all Unipol leased or managed buildings over 18 meters in height. Unipol has prepared for this by undertaking enhanced intrusive surveys of relevant buildings, updating all of its health and safety documentation and fire risk assessments and obtaining EWS1 certifications which also verifies the buildings' fire and safety plans. Building specific information has also been provided as the first part of registration and this work will continue to meet the regulations. In line with the *Fire Safety (England) Regulation 2022*, a new system has been implemented to ensure compliance with the new regulations, including regular fire door checks. Further surveys to inspect compartmentation of the buildings have also been instructed for buildings over 11m in height, in the likely event that the 18m ruling will be lowered to 11m.
- **Staffing**
The Charity's long standing CEO stood down in November 2023. Paddy Jackman assumed the role in November 2023 initiating a review of staffing as part of his role to define strategic priorities before he departed in August 2024. The senior team is currently lead by an Interim CEO whilst recruitment begins in the new year to find the next substantive CEO. The significant organisational restructure created new departments dedicated to compliance and development and sales and marketing allowing the operations team (formerly Housing) to concentrate on providing an excellent experience living with Unipol. A new Sales and Marketing Director joined the charity in September 2024 and the Assistant Chief Executive – Developments stepped up to Development and Compliance Director. In addition, Building Managers and their teams of Customer Service Advisers are now located on site and maintenance technicians are being trialled at the larger sites to see how effective an in-house team are at reducing spending on reactive repairs. During 2024-2025 further reviews of the support teams will be carried out.
- **Finance**
Work to update the financial reporting for the charity has been completed this year. The financial data seeks to clarify the performance of each sector to assist in the business decisions going forward. A review of the overhead allocations has also been carried out to enhance this review. A full analysis of the Major Works Reserve will be finalised in 2024-2025 to ensure the future spending requirements for all properties is fully provided for.
- **Public realm and policy:** The National Code team launched the first phase of the new self-assessment system to ensure that accommodation suppliers comply with the new Code conditions, receiving positive feedback from verifiers and members. Unipol continued to be consulted about a variety of forthcoming regulation and legislation and made representations on the Renters Reform Bill and *The Building Safety Act*, also making representations in various local consultations

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including the Nottingham Student Living Strategy and Selective Licensing. Unipol sat on the working group of the Scottish Government's review of PBSA, which made a number of representations to Government.

- **Student support:** Mental health and suicide awareness features heavily in Unipol's staff training and annual conference programme and the charity continues to develop communal living spaces and social events to develop cohesive communities and reduce isolation.
- **Organisational change:** The staffing structure changes outlined above have brought significant organisational change. In addition the charity has strengthened its arrangements with Client Money Protection and tightened its money laundering procedures whilst also removing cash transactions. Improvements to the internet service continue as does the migration of services to the Cloud.

Unipol's *Risk Analysis* was carried forward from March 2023 through the year, with the most significant being: the impact of economic and political factors on higher education demand, the growing letting risk in Nottingham, the impact of the Fire Safety and Building Safety Acts, and the tenure reform proposals with the Renters Rights Bill. The charity is operating in a more turbulent and uncertain environment and the Risk Analysis reflects this. The Risk Analysis will be further review in 2024 – 2025, when the impact of tenure reform will be better understood.

Lettings Risk in 2023-2024

Although the outcome of Unipol's lettings does not fall within the 2022-2023 financial year, the actual lettings process does and is vital to the ongoing viability of the charity. Lettings in 2023-2024 are an important revenue counterbalance to the negative economic pressures that will affect the outturn for that year.

Unipol's portfolio let strongly for 2023-2024, closely mirroring performance of the previous year. Unipol had let 93% of its portfolio by August 2023 compared with 94% at the same time in 2022. Family housing occupancy also returned to normal occupancy levels as international postgraduates students returned, with almost 100% occupancy in keeping with performance from the previous year. This was helped by lower levels of turnover within this portfolio.

Unipol directly let *Oak House* for its third year (a significant achievement as international intake remained depressed at the start of the year) and the building is now mainly occupied by both home and international postgraduates over 51 weeks, as originally intended.

It was initially thought *Grayson Heights* would leave the portfolio at the end of its lease period in August 2023. However a management agreement was approved by Home Group in late June 2023, very late in the letting cycle. Despite the timing, the building fully let, which can be credited to its competitive rent level and location in Kirkstall, near to excellent transport links to the city.

Unipol was also helped by the overall buoyancy of the Leeds and Nottingham student property markets but made significant inroads into retaining satisfied and loyal tenants with a 34% retention rate, which was slightly lower than the previous year's 36%, the highest retention achieved since 2015.

Although Unipol does not rely on income from any summer lets to students, this market continues to recover following the pandemic with £108k in revenue being achieved compared to £82k in 2021-22, partly recovered over summer 2022 from a complete wipe-out in the previous two summers.

Financial Review

The charity's bottom line for 2023-2024 shows a deficit of -£314K. This is -£316K below the breakeven budget following the accumulated legal costs released from the balance sheet this year for the two new leases in Leeds and Nottingham.

The major works reserve has increased this year following no contributions in 2022-23. The reserve is now £792k. The charity's total reserves are £4,035,730 (2022 £4,350,325).

Unipol now holds £3,243,317 (2022: £3,621,098) of its unrestricted reserves in an undesignated form to offset cash demands within the organisation. The trustees and management considered the funding arrangements of the charity during the year and continue to operate an overdraft arrangement for working

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capital requirements. Significant investment in the charity's own assets and longer term lease properties continues by means of ring-fenced loan funding.

Charities of this type, which are fixed asset rich and generate significant rental income on a monthly basis, often have net current liabilities and consequently negative free reserves. The charity has net current liabilities of £5,260k (2022: £4,056k) and is in a negative free reserves position, however; as part of management's going concern assessment it has produced cash flow forecasts that show adequate funding for the future, including the next 12 months. It is the charity's intention to continue to improve its unrestricted reserves and reduce its net current liabilities over the medium term.

Unipol's overall fixed assets increased by £1,179K in the year from £13,528,923 (2022) to £14,708,561 with the purchase of two new properties in Nottingham.

Investment Powers

The Articles of Association of the charity permit wide powers of investment. The borrowing threshold set within the charity's powers is £15 million although the amount currently being borrowed at this time stood at £6,462,948 (2022: £5,934,112).

Policy on Reserves

The charity has no free reserves as its asset base is property and is not revalued for accounting purposes. Properties are maintained to a high standard which together with a range of banking facilities and underwrites enables the Charity to raise finance in times of need and reduce or defer expenditure if appropriate.

The charity will continue to accumulate its unrestricted funds to improve cash flow whilst investing in property to provide a strong and growing asset and reserves base (if liquidated) for the charity. The level of reserves required is likely to fall within a range of £5,250K and £5,750K over the medium term.

Future Plans

The next few years will mark a new phase for Unipol with several leases approaching the end of their agreements. The charity will look to renew profitable portfolios whilst looking to new PBSA developments in Leeds and potential new cities to drive growth.

Finance

Improvements in financial management continue. Forward purchase on energy contracts has now consolidated the energy costs until 2027 with prices set to fall by 25% for gas and 10% for electricity from July 2025. These new prices have been considered when setting rent levels (inclusive of energy costs) for 2025-2026 thus protecting the charity from the volatility of the energy market.

Closer review of all expenditure will continue with more responsibility given to budget holders to manage their spending and control their debt collection. They will also have greater involvement in the setting of budgets going forward.

Compliance with *Client Money Protection* requirements continues to increase the financial administrative burden to ensure the charity continues to meet the tight deadlines. Tighter anti-money laundering procedures are in place in response to an increase in international students where the risk is seen to be higher.

The 2024-2025 budget

The budget strategy for 2024-2025 is complex involving many decisions that build the overall budget strategy. There are several areas of flex built into the budget to account for a variety of unknowns at this stage in the planning cycle.

Rents for 2025-2026 have increased by 5.6% on average and the National Code income is predicted to continue to grow by 5% as the development of new PBSAs slows following the inflated building costs.

The increase in inflation has also affected lease costs which are RPI based. The lease increases suffered at Mill Street have eased as RPI falls to 3.5% but continues to affect the profitability of the development as lease increases for the last five years have cost the charity £458k. The lease expires in August 2029.

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A pay award and shift to the grading structure at the University of Leeds will push the staffing costs up by 6% as all Unipol employees are jointly employed by the University of Leeds and are subject to University of Leeds terms and conditions.

The Board agreed to reset contributions towards the major works and dispersed houses funds in 2024-2025 to £231k which will bring the total reserve to around £1m at the beginning of the year. A full review of the contribution requirements of the major works reserve will be undertaken in 2024-2025 to ensure all areas of the portfolio have sufficient funds to maintain the quality of properties.

A rental void provision has been made of £445k, 1.9% of total rental income, to cover shortfalls in letting or discounting rents if needed and a bad debt provision of £54k has been made.

Student Views, Mental Health and Well Being

In November 2022, Student Minds partnered with Alterline, to conduct a [nationwide survey](#) of students, exploring their current mental health and wellbeing. The research findings show some positive improvement in key wellbeing measures, after notable drops during the Covid-19 pandemic. This includes more students reporting high life satisfaction compared to 2020/21 and fewer reporting low satisfaction. However these levels have not recovered to pre pandemic levels, and other issues such as the cost-of-living crisis, are also having a detrimental effect on students' wellbeing.

The government's Higher Education Support Champion, Professor Edward Peck, with the support of Unipol and Cubo, published a [Sharing Information to Support Student Wellbeing and Safety Guide](#) for Universities and PBSA providers which sets out some practical advice on how information can be shared if there are concerns about student welfare. This guidance is an important step in setting a framework to address concerns about data protection and confidentiality whilst prioritising student wellbeing and improving support. This is a difficult area but this guidance brings both realism and operational clarity to improve information sharing and prioritise student support.

The ANUK/Unipol National Code for private providers now makes a clear set of requirements covering support for student mental health including staff training on crisis management, signposting to relevant support and having data sharing agreements where nominations are in place. From 2022, it also requires that members establish a named individual in each nominating institution to discuss concerns with.

Furthermore, Unipol continues its commitment to increasing resources to social programmes and mental health and student wellbeing. The charity has three mental health experts who ensure that all front-facing staff can recognise and report mental health concerns and two members of staff who are responsible for delivering the social programme.

The Changing Shape of the Portfolio

Unipol has always valued its diverse portfolio and that diversity brought welcome resilience over the pandemic. The charity's recent developments, coupled with changes in the regulatory regime and the need to cope with increased financial pressures, will see the balance within the portfolio change.

The *Nottingham* portfolio is growing, facilitated by a lease deal, involving Cotton House, a 273 bed PBSA scheme, which was refurbished in time for the 2023-24 student intake. The purchase of two properties in Nottingham has increased the number of bedspaces in Nottingham from 633 to 870, 88 of these are at the Student Hideout 330 at Sandhills and 273 at Cotton House (which are all PBSA) leaving 137 managed off-street bed spaces together with 42 owned off-street bed spaces. PBSA is currently 76% of the Nottingham portfolio. Unipol currently houses no families in Nottingham.

In *Leeds*, Unipol manages 210 off-street bed spaces with a much larger owned or leased off-street segment of 606 bed spaces. PBSA was 25% of the Leeds portfolio but with the addition of Carlton Hill in September 2023 this has increased to 42%. In addition, Unipol houses around 210 families in Leeds.

Part of Unipol's risk-management, particularly on managed properties and leasing, is that, over time, it is possible to shed properties that are no longer popular or economically viable. The lease agreement with

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Bradford College for 59 bed spaces at Doris Birdsall in Bradford will come to an end in 2026. Both parties have expressed openness to allowing the lease to conclude at this point. Although shedding properties has some impact on overall overhead expenditure, this staged impact is comparatively limited and can be absorbed year-on-year unless there was a significant contraction in the portfolio, which is unlikely.

Structure, Governance and Management

Structure

The charity is governed by a Board of Directors (who are also the trustees) 13 of whom are nominated by the five member institutions (the University of Leeds, Leeds Beckett University, Leeds Beckett University Students' Union, Leeds University Union and Bradford College). The Board can co-opt up to 6 further trustees and currently there are six co-opted trustees with two nominated places from Bradford College and one from Leeds Beckett University being vacant.

In relation to age and gender Unipol has a relatively diverse Board with four trustees aged between 18-24 and more female members (10) than male (7). The Board's overall role in accountability and governance of the charity is assisted by a number of committees and from time to time the Board establishes specific working groups or project groups to consider more detailed policy options open to them.

Governance - The Board

The Board met 6 times during the year, including the annual meeting to visit a selection of Unipol properties. All meetings took place in person although it is possible for up to 4 trustees to attend via Zoom.

The Board maintains a number of systems to ensure the maintenance and development of its effectiveness, including ensuring regular attendance at Board meetings and Committee meetings. Attendance of trustees at Board meetings is monitored and reported on Unipol's website. Attendance at meetings for the Board remains high and can be viewed [here](#).

The Board's main governance related activity in the year was the review of the Forward Look which was approved in September 2022, but other than this it was a relatively quiet year for changes in governance. There were some changes to National Code, with some spring cleaning of the terms of reference of the Committee of Management.

The Board places a high value on the processes for the recruitment and induction of trustees by stressing the individual aspect of becoming a trustee and giving adequate time and energy to being a trustee. All trustees, on appointment, receive a substantial pack of information about the charity, including key policy and procedure documents, information about the powers of the Board, and how those powers are exercised, the details of the devolution of specific responsibilities to Officers of the Board, the Chief Executive and senior staff members. The Company Secretary is available to deal with any specific issues relating to this pack and trustees confirm to the Board at the first available opportunity that they have read and understood the material sent to them.

All new trustees also receive a full day's dedicated induction. The day consists of an opportunity to meet the senior management team, talk with the Chief Executive and take part in an induction presentation that outlines the financial and administrative structure of the charity. In addition to the internal induction, a dedicated training day facilitated by NCVO took place on "*How to Be an Effective Trustee*" to which all new and existing trustees are invited.

Unipol's compliance and response to the Charity Governance Code for Larger Charities (that applies to Unipol) was reviewed in 2024. The latest compliance statement can be consulted [here](#).

The charity assessed itself against the new Charity Ethical Principles published by NCVO in 2023, and the self-assessment document can be consulted [here](#).

Ian Robertson was appointed to the position of Chair in September 2022 and the Board has extended his tenure until January 2025. The Trustees express their particular thanks to Mike Wilkinson the former Chair and long-serving trustee and Deputy Chair – Partnerships who passed away in January 2024.

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Governance Committee

The Group on Governance met twice during this year and in addition to working on the *Charity Ethical Principles*, followed through on a number of matters raised during the trustee review process and considered the revised Nottingham Code for 2023 – 2026.

Senior Management Team

Four changes to the Senior Management Team occurred in the year with Elizabeth Smith, the former Deputy Finance Director, replacing Christina Rygalska as Director of Finance, Tony Vyse taking on extra responsibilities as the newly created Development and Compliance Director, the appointment of Sally Ramsey as the Sales and Marketing Director in September 2024 and the departure of the CEO in August 2024. There is considerable experience in the Senior Management team which continues to meet every week to review development and operations.

The Chief Executive, Martin Blakey stepped down in November 2023 after 33 years of invaluable contribution to the growth and success of Unipol. Paddy Jackman assumed the CEO role from 13th November 2023 and worked with the team to define further strategic priorities for the Charity before departing in August 2024. The senior team continues to work on these priorities under the leadership of an Interim CEO and the Trustees aim to appoint a substantive CEO in the new year.

Health and Safety Policy

The Board continues to annually review its health and safety policy, available to view on the Unipol website.

Unipol is a member of the *Leeds Rental Standard*, the *National Code for Larger Student Developments* and *The Nottingham Standard* (where, in its housing management role, it falls under the scrutiny of *DASH*) all of which provide external scrutiny of its own standards and performance.

Unipol continues to have all new and refurbished properties independently assessed under the *Housing Health and Safety Ratings System* (HHSRS) and any points raised within these assessments are addressed.

Under the *Housing Act 2004* many of Unipol's properties fall under mandatory licensing and a licence is issued for 5 years. In Nottingham both additional and selective licensing applies. The licences are held in the name of the company.

Conclusion

The economic shocks following on from the pandemic continue to impact the charity's performance with significant cost increases putting pressure on the capacity for growth.

Overall, this has been another difficult year, the fifth in a row, requiring constant readjustment of services and projects. Despite this, the organisation is focused on retaining its sense of purpose, enthusiasm and optimism as the challenges of higher energy costs, inflation and regulation continue. It is felt that these pressures are finally easing and 2024-2025 will bring the charity back into surplus.

This year will present specific challenges given the re-emergence of the Renters' Rights Bill. The impact of this bill will need to be carefully considered in terms of risks to rental income and opportunities from the additional accreditation needs. Unipol continues to have a close relationship with local and national governments and will seek to be a key influencer in how new legislation might be best implemented to support student tenants.

Statement of responsibilities of the Trustees of Unipol Student Homes Limited in respect of the Trustees' annual report and the financial statements

The trustees (who are also directors of Unipol Student Homes for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors on 16/12/2024 GMT by

Ian Robertson

Signer ID: SQBVIMJFQR...
Mr Ian Robertson

Jenny Share

Signer ID: N0YFKWNV4H...
Ms Jennifer Share

155/157 Woodhouse Lane, Leeds, LS2 3ED

Independent Auditor's Report to the Members of Unipol Student Homes

OPINION

We have audited the financial statements of Unipol Student Homes (the 'charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise of the Consolidated Statement of Financial Activities (including the Consolidated Statements of Income and Expenditure), the Consolidated Balance Sheet, the Consolidated Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as of 31 July 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the trustees' report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified bylaw are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the parent 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 and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR 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:

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

[A further description of our responsibilities is available on the FRC's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for. This description forms part of our auditor's report.](https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Laura Masheder (Senior Statutory Auditor)

BHP LLP

Signer ID: CRZCVPKXXZ...

For and on behalf of BHP LLP,

Chartered accountants

Statutory Auditor

BHP LLP

Mayesbrook House

Leeds LS16 6QY

16/12/2024 GMT
Date:

UNIPOL STUDENT HOMES
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 July 2024

	Note	Unrestricted funds	Restricted funds	Total 2024	Total 2023
		£	£	£	£
Income					
Charitable activities	4	22,913,194	81,994	22,995,188	16,336,175
Other trading activities	5	-	-	-	18,000
Investments	6	14,499	-	14,499	4,714
Total Income		22,927,693	81,994	23,009,687	16,358,889
Expenditure					
Charitable activities	7	23,248,478	81,994	23,330,472	17,621,680
Total Expenditure		23,248,478	81,994	23,330,472	17,621,680
Gain on disposal of Fixed Asset	14	6,190	-	6,190	-
Net (Deficit)/Surplus before other gains and losses	10	(314,595)	-	(314,595)	(1,262,791)
Net Income to Designated funds		63,186	-	63,186	(271,954)
Net Gain on disposal of Fixed Assets		6,190	-	6,190	-
Net (Expenditure) to Other Charitable funds		(383,972)	-	(383,972)	(990,837)
NET MOVEMENT IN FUNDS		(314,595)	-	(314,595)	(1,262,791)
Total funds brought forward at 1 August	22/23	4,350,326	-	4,350,326	5,613,116
Total funds carried forward at 31 July	22/23	4,035,730	-	4,035,730	4,350,325

The statement of financial activities includes all gains and losses recognised in the year.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

The accompanying notes are an integral part of the financial statements.

All income and expenditure derive from continuing activities.

**UNIPOL STUDENT HOMES
CONSOLIDATED AND CHARITY BALANCE SHEET
31 July 2024**

	Note	2024 Group £	2023 Group £	2024 Charity £	2023 Charity £
FIXED ASSETS					
Tangible assets	14	14,547,507	13,363,690	14,547,507	13,363,690
Intangible assets	15	161,054	165,233	161,054	165,233
Investment	16	-	-	1	1
		<u>14,708,561</u>	<u>13,528,923</u>	<u>14,708,562</u>	<u>13,528,924</u>
CURRENT ASSETS					
Stock	17	972	16,791	972	16,791
Debtors	18	2,273,742	1,827,207	2,276,930	1,830,394
Cash at bank and in hand		37,910	141,552	37,910	141,552
		<u>2,312,624</u>	<u>1,985,550</u>	<u>2,315,812</u>	<u>1,988,737</u>
CREDITORS: amounts falling due within one year	19	(7,572,617)	(6,041,620)	(7,572,617)	(6,041,620)
NET CURRENT LIABILITIES		(5,259,993)	(4,056,070)	(5,256,805)	(4,052,883)
TOTAL ASSETS LESS CURRENT LIABILITIES		9,448,568	9,472,853	9,451,757	9,476,041
CREDITORS: amounts falling due after more than one year	20	(5,412,839)	(5,122,528)	(5,412,839)	(5,122,528)
		<u>4,035,729</u>	<u>4,350,325</u>	<u>4,038,918</u>	<u>4,353,513</u>
FUNDS					
Unrestricted funds:					
Designated funds	22/23	792,413	729,227	792,414	729,227
Other Charitable funds	22/23	3,243,317	3,621,098	3,246,505	3,624,286
		<u>4,035,730</u>	<u>4,350,325</u>	<u>4,038,918</u>	<u>4,353,513</u>

The notes at pages 25 to 45 form part of these accounts

16/12/2024 GMT

These financial statements were approved by the Board on

Signed on behalf of the Board

Ian Robertson

Signer ID: SQBVIMJFOR...
I Robertson

Jerry Share

Signer ID: N0YFKWNV4H...
J Share

Company registration: 3401440

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2024

FRS 102 Cashflow

	2024	2023
	£	£
Cashflows from operating activities		
Cash generated from operations	2,164,639	(578,364)
Interest paid	(442,961)	(275,827)
	<hr/>	<hr/>
Net cash inflows from operating activities	1,721,678	(854,191)
Cashflows from investing activities		
Purchase of intangible assets	(32,176)	(176,657)
Purchase of tangible assets	(2,243,724)	(466,127)
Interest received	14,499	4,714
	<hr/>	<hr/>
Net cash outflows from investing activities	(2,261,401)	(638,070)
Cashflows from financing activities		
Proceeds from issue of shares	-	-
Share issue costs	-	-
Proceeds from borrowings	1,607,244	2,388,352
Repayment of borrowings	(1,171,164)	(979,432)
	<hr/>	<hr/>
Net cash inflows from financing activities	436,080	1,408,920
Net decrease in cash in the year	(103,643)	(83,161)
Cash at the beginning of the year	141,552	224,713
Effect of foreign exchange rates	-	-
	<hr/>	<hr/>
Cash at the end of the year	37,910	141,552

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2024

Notes to the consolidated cashflow statement

	2024	2023
	£	£
Net (deficit)/surplus before other gains and losses	(314,595)	(1,262,791)
<i>Adjustments for:</i>		
Finance costs Note 13	442,961	275,827
Investment income	(14,499)	(4,714)
Profit on disposal of tangible assets	-	-
Depreciation	1,059,907	1,129,061
Amortisation	36,354	11,424
 <i>Movements in working capital</i>		
Change in stocks	15,819	(11,114)
Change in debtors	(446,535)	(578,913)
Change in creditors	1,385,227	(137,144)
 Cash generated from operations	 <u>2,164,639</u>	 <u>(578,364)</u>

Analysis of changes in net debt

	01/08/2023	Cash flows	31/07/2024
Cash	141,552	(103,642)	37,910
Bank overdrafts	(1,138,532)	(51,837)	(1,190,369)
	(996,980)	(155,479)	(1,152,459)
Borrowings	(6,078,704)	(384,243)	(6,462,948)
Finance leases	-	-	-
Convertible loan notes	-	-	-
Debt-related derivatives	-	-	-
	<u>(7,075,684)</u>	<u>(539,722)</u>	<u>(7,615,407)</u>

The accompanying notes are an integral part of the financial statements.

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2024

1. ACCOUNTING POLICIES

The group financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)) and the Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The particular accounting policies adopted by the Board are described below and have been applied consistently throughout the current and preceding year.

Unipol Student Homes meets the definition of a public benefit entity under FRS102.

Accounting convention

The group financial statements are prepared under the historical cost convention.

Basis of consolidation

The group financial statements comprise the results of the Charity and its subsidiary on a line by line basis, for the year ended 31 July 2024.

Preparation of financial statements – Going Concern basis

The group financial statement have been prepared on a going concern basis which assumes the Charity will be able to meet its liabilities as they fall due for the foreseeable future. The Board of Unipol reviews the risk of existing and new business on a regular basis in order to keep a balance in order to mitigate the reliance on any one type of work.

Although the majority of income comes from rent receivable, risk is mitigated by several factors: Unipol's market works across three Universities cities, Leeds, Nottingham and Bradford; its housing is geared to a cross-section of student demand (undergraduate, postgraduate, international and those with families); institutional underwrite arrangements are in place for the majority of first year student allocations where demand fluctuation is greatest. This spread of risk aims to mitigate against any single market fluctuation. On the cost side Unipol leases and Management Agreements see rents adjusted annually: short term one year Agreements are agreed annually based on previous lettings experience and longer term lease arrangements have payments decided on a pre-agreed formula with some leases being on fixed inflators and others linked to RPI to act as a "basket of risk" against high inflation or possible deflation.

Turning to staffing, some staff are on fixed term contracts which link to the length of various leases of properties/projects so if Unipol lost some of its work and were unable to replace that work then staffing could be adjusted to compensate.

Finally, Unipol is fortunate to be able to purchase individual properties to use for its core purpose which is to provide high quality affordable housing to students. This also gives Unipol the ability to borrow against these individual properties in times of need.

The charity meets its day to day working capital requirements through cash generated from charitable activities and has a £1.5m overdraft facility in place with NatWest Bank, Unipol's current account bankers. Property purchases are funded through long-term bank loans whose repayment is met by cash generated from charitable activities.

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2024

1. ACCOUNTING POLICIES (continued)

The trustees have reviewed the charity's forecasts and projections, taking into account possible changes in operating performance. As a consequence, the trustees believe that the charity is well placed to manage its financial risks successfully despite the current uncertain economic outlook.

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and group financial statements.

Fund accounting

The Charity maintains various types of restricted and unrestricted funds as follows:

Unrestricted funds – Designated funds

Designated funds consist of the following reserves:

Major works reserve represents a provision for future expenditure on large complexes.

Dispersed Houses reserve represents a provision for future expenditure on Unipol owned houses.

The level of designated funds have been capped at £1m and are expected to be spent and replenished over a ten to fifteen year period in order to carry out refurbishment works

Unrestricted funds – Other Charitable funds

Other unrestricted funds represent unrestricted income which is expendable at the discretion of the Board in the furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

Income

All income is recognised in the statement of financial activities when the charity has entitlement to the funds and any conditions for receipt have been met and it is probable that the income will be received and the amount can be measured reliably.

Operating leases

Rental costs under operating leases are charged to the Statement of Financial Activities in equal amounts over the lease term and the value of any rent free periods are spread over the term of the lease.

Allocation of costs

Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Charity.

Governance costs relate to expenditure incurred in the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The allocation of costs can be seen in Notes 7 and 9. General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2024

1. ACCOUNTING POLICIES (CONTINUED)

Key judgements and estimates

Preparation of the financial statements requires the Trustees to make significant judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources and estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to the timing of when depreciation is commenced and changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are considered annually. They are amended when necessary to reflect current estimates, based on, amendments to leases or management agreements, economic utilisation and the physical condition of assets

Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings, computer equipment, fixtures and fittings, furniture and motor vehicles would normally be capitalised when in excess of £5,000 and carried in the balance sheet at historical cost.

Other expenditure incurred in the normal day-to-day running of the Charity and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation

Depreciation is provided to write off the cost of all relevant tangible fixed assets, less their estimated residual value, in equal annual instalments over their expected useful economic lives. Depreciation is charged from the year following acquisition as follows:

Freehold buildings	2% on purchase of property. Between 10 and 20% on cost of refurbishment of property
Freehold land	Nil
Leasehold land and buildings	Between 10% and 50%
Computer equipment and software	Between 10% and 33%
Motor Vehicles	20%
Office fixtures and fittings	Between 10% and 25%
Unipol property furniture	20%

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2024

1. ACCOUNTING POLICIES (continued)

Assets under the course of construction

Expenditure to properties, purchased or leased, which are undergoing renovation at the year end is classified as assets under the course of construction. These properties are transferred to the relevant fixed asset category on completion and depreciated accordingly from the date of transfer.

Intangible Assets

Expenditure on the acquisition of intangible assets would be capitalised when in excess of £5,000 and carried in the balance sheet at cost less accumulated amortisation.

Amortisation

Amortisation is provided to write off cost of all relevant intangible assets in equal annual instalments over their expected useful economic lives. Amortisation is charged from the year following acquisition as follows:

Software/Website	Between 10% and 33%
------------------	---------------------

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the entity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

Stock

Stock is valued at the lower of cost and net realisable value.

Taxation

Unipol Student Homes is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2012 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2012 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

Financial instruments

The entity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Investments

Investments held as fixed assets are valued at cost less any provision for impairment.

Pension schemes

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). Under auto enrolment regulations the DC Plan is the default scheme. USS and PAS are defined benefit schemes which are externally funded and contracted out of the State Earnings Related Pension Scheme. The funds are valued every three years by actuaries with the rates of contribution payable being determined by the trustees on the advice of the actuaries. The amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable for the year.

2. LEGAL STATUS OF THE CHARITY

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

3. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary Leeds Student Homes Ltd a dormant company that ceased trading on 31st July 2015.

The summary financial performance of the charity alone is:

	Total 2024	Total 2023
	£	£
Income		
Charitable activities	22,995,188	16,336,175
Other trading activities	-	18,000
Investments	14,499	4,714
	<hr/>	<hr/>
Total Income	23,009,687	16,358,889
	<hr/>	<hr/>
Expenditure		
Charitable activities	(23,330,472)	(17,621,680)
	<hr/>	<hr/>
Total Expenditure	(23,330,472)	(17,621,680)
	<hr/>	<hr/>
Net Income/(Expenditure)		
Gain on disposal of tangible assets	6,190	
	<hr/>	<hr/>
NET MOVEMENT IN FUNDS	(314,595)	(1,262,791)
Total funds brought forward at 1 August	4,353,513	5,616,304
	<hr/>	<hr/>
Total funds carried forward at 31 July	4,038,918	4,353,513
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Unrestricted income funds	4,038,918	4,353,513
	<hr/>	<hr/>
	4,038,918	4,353,513
	<hr/> <hr/>	<hr/> <hr/>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2024 £	Unrestricted £	Restricted £	2023 £
Unipol Housing	21,195,911	-	21,195,911	14,762,348	-	14,762,348
Housing Hubs	408,687	42,500	451,187	426,358	40,000	466,358
Code of Standards	108,057	39,494	147,551	104,195	36,994	141,189
National Code of Standards	755,722	-	755,722	659,192	-	659,192
Property Management	369,008	-	369,008	284,471	-	284,471
Conference	75,809	-	75,809	22,617	-	26,617
	<u>22,913,194</u>	<u>81,994</u>	<u>22,995,188</u>	<u>16,259,181</u>	<u>76,994</u>	<u>16,336,175</u>

Unipol Student Homes is split into the following areas of activity:

Unipol Housing – includes a portfolio of properties that are either owned, leased or rented by Unipol. The main source of income is rent receivable.

Housing Hubs (Leeds, Bradford and Nottingham) – are services provided to students funded by private owners' registration fees and grants received from various institutions. This service provides advice on general student accommodation issues. It is also used as a centre for advertising student accommodation in the private rented sector. In Bradford there is additional income for accommodating overseas students on short courses.

Leeds receives funding from Leeds Beckett University, the University of Leeds, the Leeds Beckett Students' Union and Leeds University Union.

Bradford receives funding from Bradford University and Bradford College.

Nottingham receives funding from the Nottingham City Council and Nottingham Trent University.

Code of Standards (Leeds, Bradford and Nottingham) – establishes a minimum standard for accommodation and its management in the private rented sector in Leeds, Bradford and Nottingham.

National Code of Standards – establishes a minimum standard for high density student accommodation and its management nationally.

Property Management Service (Leeds and Nottingham) – includes a portfolio of properties that Unipol manages on behalf of private owners. The primary income in the area is rent commission.

Unipol Conferences – is the part of Unipol developed as "Unipol Training", and is the main national trainer in the niche market of student accommodation. Income is made up of conference fees and sponsorship money. Unipol Conferences now carries out the ANUK (Accreditation Network UK conference).

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

5. INCOME EARNED FROM OTHER ACTIVITIES

	2024 £	2023 £
Sponsorship	-	18,000
	<u>-</u>	<u>18,000</u>

During the year the Charity received no sponsorship. Sponsorship in 2023 was restricted.

6. INVESTMENT INCOME

The group's investment income of £14,499 (2023: £4,714) arises from money held in interest bearing bank accounts. Investment income in both years is unrestricted.

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2024 Total £
Direct Costs	5,125,112	69,553	35,156	238,891	30,749	22,292	5,521,753
Repairs & Refurbs	2,406,891		-	-	-		2,406,891
Staffing	1,162,711	208,049	68,804	215,901	198,625	45,250	1,899,340
Lease & Management charges	9,551,841	-	-	-	-	-	9,551,841
Major Works	323,464	-	-	-	-	-	323,464
Loan interest	407,789	13,616	2,818	15,187	2929	622	442,961
Depreciation/ amortisation	1,002,995	1,184	-	-	263	-	1,004,442
Support	1,266,651	399,406	88,712	196,478	94,816	43,764	2,089,827
Governance	40,649	14,258	5,340	21,479	4,496	3,731	89,953
	<u>21,288,103</u>	<u>706,066</u>	<u>200,830</u>	<u>687,936</u>	<u>331,878</u>	<u>115,659</u>	<u>23,330,472</u>

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2023 Total £
Direct Costs	3,571,074	38,327	42,161	221,313	32,399	17,182	3,922,456
Repairs & Refurbs	2,274,033	1	-	600	700		2,275,334
Staffing	1,019,294	175,576	59,590	202,111	159,327	21,286	1,637,184
Lease & Management charges	6,170,661	-	-	-	-	-	6,170,661
Major Works	271,954	-	-	-	-	-	271,954
Loan interest	257,483	5,617	1123	8,984	2,246	374	275,827
Depreciation/ amortisation	1,063,265	-	-	-	-	-	1,063,265
Support	1,099,942	406,397	87,711	191,532	78,178	40,199	1,903,960
Governance	47,752	14,098	5,018	24,672	5,770	3,728	101,038
	<u>15,775,459</u>	<u>640,016</u>	<u>195,603</u>	<u>649,212</u>	<u>278,620</u>	<u>82,769</u>	<u>17,621,679</u>

Expenditure on charitable activities was £23,324,282 (2023: £17,621,679) of which £23,242,288 (2023: £17,526,686) was unrestricted and £81,994 (2023: £94,994) was restricted.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

8. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

The table shows the cost of the six main charitable activities and the sources of income directly to support those activities.

Current Year							
	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2024 Total £
Costs	(21,288,103)	(706,066)	(200,830)	(687,936)	(331,878)	(115,659)	(23,330,472)
Rent	21,034,956	-	-	-	(12,550)	-	21,022,406
Covid Net Rebate	-	-	-	-	-	-	-
Subventions & College Fees	-	230,997	39,494	-	-	-	270,491
Fees	-	120,290	108,057	662,281	23,994	66,209	980,831
Membership Fees	-	27,878	-	-	-	9,600	37,478
Commission	-	-	-	-	354,371	-	354,371
Sundry Income	<u>160,955</u>	<u>72,022</u>	<u>-</u>	<u>93,441</u>	<u>3,193</u>	<u>-</u>	<u>329,611</u>
Net Cost of charitable activities	<u>(92,192)</u>	<u>(254,879)</u>	<u>(53,279)</u>	<u>67,786</u>	<u>371,130</u>	<u>(39,850)</u>	<u>(335,284)</u>
Prior Year							
	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2023 Total £
Costs	(15,775,460)	(640,016)	(195,603)	(649,212)	(278,620)	(82,769)	(17,621,680)
Rent	14,420,043	-	-	-	(925)	-	14,419,118
Covid Net Rebate	-	-	-	-	-	-	-
Subventions & College Fees	-	238,014	36,994	-	-	-	275,008
Fees	-	153,771	104,195	593,502	28,999	22,517	902,984
Membership Fees	-	29,870	-	-	-	100	29,970
Commission	-	-	-	-	250,470	-	250,470
Sundry Income	<u>345,888</u>	<u>44,703</u>	<u>-</u>	<u>65,690</u>	<u>5,927</u>	<u>-</u>	<u>458,625</u>
Net Cost of charitable activities	<u>(1,013,112)</u>	<u>(173,658)</u>	<u>(54,414)</u>	<u>9,980</u>	<u>5,851</u>	<u>(60,152)</u>	<u>(1,285,505)</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the six main charitable activities undertaken (see note 8) in the year. Refer to the table below for the analysis of support and governance costs and the comments beneath for the basis of apportionment.

	Support	Governance	2024	Support	Governance	2023
	£	£	Total	£	£	Total
			£			£
General Office Costs	486,599	-	486,599	474,005	-	474,005
IT Expenditure	419,763	-	419,763	357,148	-	357,148
Staff Costs	964,500	64,004	1,028,504	877,338	71,874	949,212
Depreciation/Amortisation	91,819	-	91,819	77,220	-	77,220
Other Finance Charges	127,147	-	127,147	118,249	-	118,249
Audit		25,949				
Other Audit Services	-	3,250	32,491	-	29,163	29,163
	<u>2,089,828</u>	<u>93,203</u>	<u>2,183,031</u>	<u>1,903,960</u>	<u>101,037</u>	<u>2,004,997</u>

General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

10. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2024	2023
	£	£
Auditor's remuneration: audit of these financial statements	27,077	24,303
Interest payable	422,961	275,827
Operating leases and management agreements	9,655,137	6,258,247
Depreciation on tangible fixed assets	1,059,907	1,129,061
Amortisation on intangible assets	36,354	11,424
Directors' liability insurance	3,876	3,763
Interest receivable	(14,499)	(4,714)
	<u> </u>	<u> </u>

11. STAFF NUMBERS AND COSTS

	2024	2023
	No	No
Average number of full-time equivalent employees	67	59
	<u> </u>	<u> </u>

BREAKDOWN OF STAFF PER SECTION

Housing	42	37
Housing Hubs & Code of Standards	11	11
National Code	5	5
Property Management	7	5
Conferences and ANUK	2	1
	<u> </u>	<u> </u>
TOTAL	67	59
	<u> </u>	<u> </u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

11. STAFF NUMBERS AND COSTS (CONTINUED)

Average number of employees	88	81
-----------------------------	-----------	----

BREAKDOWN OF STAFF PER SECTION

Housing	58	53
Housing Hub & Code of Standards	15	16
National Code	5	5
Property Management	8	6
Conferences and ANUK	2	1
TOTAL	88	81

	2024	2023
	£	£
Staff costs		
Wages and salaries	2,431,431	2,115,342
Employer's National Insurance	213,819	183,621
Employer's pension costs (see note 26)	257,595	262,433
Sub-total before administration charge	2,902,844	2,561,396
Administration Charge	25,000	25,000
TOTAL	2,927,844	2,586,396

Employees receiving remuneration amounting to more than £60,000	2024	2023
	No	No
£60,000 - £69,999	4	1
£70,000 - £79,999	2	-
£80,000 - £89,999	-	2
£90,000 - £99,999	1	-
£120,000 - £129,999	1	-
£130,000 - £139,999	-	1

Eight higher paid employees (2023: five) had benefits accruing under the defined benefit pension scheme.

The key management personnel of the Charity comprise the trustees (who are not remunerated), the Chief Executive, Deputy Chief Executive, Director of Finance, Assistant Chief Executive - Housing Services, Assistant Chief Executive - Hub Services, Assistant Chief Executive - Communication and IT, Assistant Chief Executive – Standards and Assistant Chief Executive - Development. The total employee benefits of the key management personnel were £697,139 (2023: £629,799).

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

11. STAFF NUMBERS AND COSTS (CONTINUED)

Payments to Board Members

	2024	2023
	£	£
Meri Braziel – Consultancy	-	16,000
Andy Welsh – Consultancy and Expenses as a Board Member	55	4,200
Rimsha Khan – Expenses as a Board Member	39	-
Steve Denton – Expenses as a Board Member	200	-
	<u> </u>	<u> </u>

Board Members (or any person connected with them) have not received any remuneration from Unipol Student Homes.

The Charity purchased insurance costing £3,876 (2023: £3,763) to provide trustees and officers £5m of cover against loss arising from their neglect or default.

Related Party Transactions

During the year there were the following transactions with related parties:

Income	£24,072	LBU Subvention
Expenditure	£108	Leeds Beckett Union - Advertising
	£232	Leeds Beckett Union - Freshers stall
	£25,000	University of Leeds - Payroll Management

12. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13. INTEREST PAYABLE AND SIMILAR CHARGES

Group and charity

	2024	2023
	£	£
Included in Unipol Housing expenditure:		
Bank and other loans	456,332	275,827
	<u> </u>	<u> </u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

14. TANGIBLE FIXED ASSETS

Group and charity

	Freehold buildings	Leasehold land and buildings	Computer equipment	Fixtures and fittings	Unipol property furniture	Motor Vehicles	Assets under the course of construction	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 August 2023	17,211,981	10,162,314	1,095,625	871,241	812,432	53,046	-	30,206,638
Transfer								0
Additions	1,588,941	450,908	100,678	-	3,711	58,970	40,516	2,243,724
Disposals						(19,828)		(19,828)
At 31 July 2024	18,800,922	10,613,221	1,196,302	871,241	816,143	92,188	40,516	32,430,534
Accumulated depreciation								
At 1 August 2023	6,745,939	7,440,003	1,030,003	841,275	732,683	53,046	-	16,842,948
Transfer	-	-	-	-	-	-	-	-
Charge for the year	514,206	489,988	24,921	6,045	24,747	-	-	1,059,907
Disposals	-	-	-	-	-	(19,828)	-	(19,828)
At 31 July 2024	7,260,145	7,929,991	1,054,923	847,320	757,430	33,218		17,883,027
Net book value								
At 31 July 2024	11,540,777	2,683,230	141,379	23,921	58,713	58,970	40,516	14,547,507
At 31 July 2023	10,466,042	2,722,311	65,622	29,966	79,749	-	-	13,363,690

Freehold land is not depreciated

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

15. INTANGIBLE ASSETS

	Computer Software/Website £
Cost	
At 1 August 2023	176,657
Additions	32,176
At 31 July 2024	208,833
Accumulated amortisation	
At 1 August 2023	11,424
Charge for the year	36,354
At 31 July 2024	47,778
Net book value	
At 31 July 2024	161,055
At 31 July 2023	165,233

16. INVESTMENTS HELD AS FIXED ASSETS

Charity

The Charity holds 100% of the issued share capital in Leeds Student Homes Ltd, a dormant company. With effect from 31st July 2015 the subsidiary ceased trading the results of the subsidiary are given below.

	2024 £	2023 £
Turnover	-	-
Interest receivable	-	-
Administrative expenses	-	-
Operating (loss)/profit	-	-
Deed of gift to Unipol Student Homes		
(Loss)/Profit for the financial year	-	-

The aggregate of the assets, liabilities and funds was:

	2024 £	2023 £
Total assets	-	-
Total liabilities	(3,187)	(3,187)
	(3,187)	(3,187)
Represented by:		
Called up share capital	1	1
Profit and loss account	(3,188)	(3,188)
	(3,187)	(3,187)

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

As permitted by FRS 8 - *Related Party Transactions* the company has taken advantage of the exemption to not disclose transactions entered into between the parent company and its wholly owned subsidiary.

17. STOCKS

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Furniture and goods	972	16,791	972	16,791
	972	16,791	972	16,791

18. DEBTORS

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Owed from subsidiary undertaking	-	-	3,187	3,187
Rents receivable	145,728	44,433	145,728	44,433
Other debtors	840,128	564,464	840,128	564,464
Prepayments and accrued income	1,287,886	1,218,242	1,287,886	1,218,242
	2,273,742	1,827,207	2,276,930	1,830,394

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Overdraft	1,190,369	1,283,125	1,190,369	1,283,125
Loans (see note 20)	1,252,477	1,114,991	1,252,477	1,114,991
Returnable deposits	-	660	-	660
Trade creditors	2,680,920	1,494,719	2,680,920	1,494,719
Taxation and social security costs	(10,999)	41,774	(10,999)	41,774
Other creditors	534,541	590,199	534,541	590,199
Accruals	1,227,340	917,185	1,227,340	917,185
Deferred income (see over)	697,969	598,967	697,969	598,967
	7,572,617	6,041,620	7,572,617	6,041,620

ANALYSIS OF DEFERRED INCOME

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Rental income	368,249	276,138	368,249	276,138
Contribution from Landlords towards capital works	101,040	101,040	101,040	101,040
Subventions, fees and funding income	228,680	221,789	228,680	221,789
	697,969	598,967	697,969	598,967

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

	Rental Income	Contribution from Landlords towards WC	Subventions, fees and funding income	Total
Opening as at 1.8.23	(276,138)	(101,040)	(221,789)	(598,967)
(Released to income)	(30,200,124)	-	(2,838,290)	(33,038,414)
Deferred	30,292,235	-	2,845,181	33,137,416
Closing as at 31.7.24	<u>(184,027)</u>	<u>(101,040)</u>	<u>(214,898)</u>	<u>(499,965)</u>

Deferred income arose due to invoices due for payment at the start of the next financial year were raised at the end of the previous financial year and are simply timing issues.

In addition contractual capital contributions have been made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Bank loans	5,210,471	4,819,120	5,210,471	4,819,120
Deferred Income	202,368	303,408	202,368	303,408
	<u>5,412,839</u>	<u>5,122,528</u>	<u>5,412,839</u>	<u>5,122,528</u>

The bank loans are secured on a number of properties within the portfolio. One bank lends to Unipol with loans expiring between 2027 and 2029, one loan bears an interest rate of 2.25% over base and two further loans are at a fixed rate of 3.32% and 3.87%. A further bank lends to Unipol with loans expiring between 2024 and 2036 with interest rates of 2.65% and 2.68% over Bank of England Base rate and eight fixed rate loans of 3.14%, 3.53%, 3.6%, 4.11%, 4.14%, 4.16%, 7.52% and 7.6%.

Deferred income arose due to contractual capital contributions made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation.

	Group and Charity	
	2024	2023
	£	£
Analysis of loan repayments		
Bank loans and other loans		
Within one year or on demand (see note 19)	1,252,477	1,114,991
Between one and two years	1,257,282	1,086,901
Between two and five years	3,094,725	2,980,817
After five years	858,464	751,402
	<u>6,462,948</u>	<u>5,934,112</u>

21. ANALYSIS OF GROUP ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds		Total 2024	Total 2023
	Designated funds	Undesignated funds		
	£	£	£	£
Fixed assets	-	14,547,507	14,547,507	13,363,690
Intangible assets	-	161,054	161,054	165,233
Current assets	792,413	570,222	1,362,635	1,985,550
Creditors: amounts falling due within one year	-	(6,824,996)	(6,824,996)	(6,041,620)
Creditors: amounts falling due after more than one year	-	(5,210,471)	(5,210,471)	(5,122,528)
	<u>792,413</u>	<u>3,243,317</u>	<u>4,035,730</u>	<u>4,350,325</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

22. STATEMENT OF MOVEMENT ON RESERVES

Charity as at 31 July 2024

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2023	729,227	3,624,286	4,353,513
Net movement in funds	(323,464)	8,868	(314,596)
Transfers	386,650	(386,650)	-
At 31 July 2024	792,413	3,246,504	4,038,918

Charity as at 31 July 2023

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2022	1,001,181	4,615,123	5,616,304
Net movement in funds	(271,954)	(990,837)	(1,262,791)
Transfers	-	-	-
At 31 July 2023	729,227	3,624,286	4,353,513

Group as at 31 July 2024

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2023	729,227	3,621,098	4,350,325
Net movement in funds	(323,464)	8,868	(314,596)
Transfers	386,650	(386,650)	-
At 31 July 2024	792,413	3,243,317	4,035,730

Group as at 31 July 2023

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2022	1,001,181	4,611,935	5,613,116
Net movement in funds	(271,954)	(990,837)	(1,262,791)
Transfers	-	-	-
At 31 July 2023	729,227	3,621,098	4,350,325

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

23. MOVEMENT IN GROUP FUNDS

As at 31 July 2024

	Balance 31 July 2023	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2024
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	505,477	-	(267,858)	346,650	-	584,269
Dispersed Houses reserve	<u>223,750</u>	-	<u>(55,606)</u>	<u>40,000</u>	-	<u>208,144</u>
	729,227	-	(323,464)	386,650	-	792,413
Undesignated funds:						
Other unrestricted funds	<u>3,621,098</u>	<u>22,927,693</u>	<u>(22,925,014)</u>	<u>(386,650)</u>	<u>6,190</u>	<u>3,243,317</u>
Total unrestricted funds	<u>4,350,325</u>	<u>22,927,693</u>	<u>(23,248,478)</u>	<u>-</u>	<u>6,190</u>	<u>4,035,730</u>
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	56,994	(56,994)	-	-	-
Sponsorship	-	-	-	-	-	-
Total restricted funds	<u>-</u>	<u>81,994</u>	<u>(81,994)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>4,350,325</u>	<u>23,009,687</u>	<u>(23,330,472)</u>	<u>-</u>	<u>6,190</u>	<u>4,035,730</u>

As at 31 July 2023

	Balance 31 July 2022	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2023
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	761,183	-	(255,706)	-	-	505,477
Dispersed Houses reserve	<u>239,998</u>	-	<u>(16,248)</u>	-	-	<u>223,750</u>
	1,001,181	-	(271,954)	-	-	729,227
Undesignated funds:						
Other unrestricted funds	<u>4,611,935</u>	<u>16,263,895</u>	<u>(17,254,732)</u>	-	-	<u>3,621,098</u>
Total unrestricted funds	<u>5,613,116</u>	<u>16,263,895</u>	<u>(17,526,686)</u>	<u>-</u>	<u>-</u>	<u>4,350,325</u>
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	51,994	(51,994)	-	-	-
Sponsorship	-	18,000	(18,000)	-	-	-
Total restricted funds	<u>-</u>	<u>94,994</u>	<u>(94,994)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>5,613,116</u>	<u>16,358,889</u>	<u>(17,621,680)</u>	<u>-</u>	<u>-</u>	<u>4,350,325</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

23. MOVEMENT IN GROUP FUNDS (continued)

The Unrestricted Funds are:

Designated funds consisting of the following reserves:

Major works reserve represents a provision for future capital expenditure on large complexes.

Dispersed Houses reserve represents a provision for future capital expenditure on Unipol owned houses.

The Restricted Funds are:

Housing Hub and Code of Standards - Bradford - This is income from Bradford University for running its Accommodation services.

Housing Hub and Code of Standards - Nottingham - This is £35,000 from Nottingham Trent University to run the Hub and support accreditation in Nottingham together with £21,994 from Nottingham City Council to run accreditation in Nottingham.

Sponsorship - This is sponsorship funding for the conference section.

Transfers

£386,650 transfers were made in the current year (2023 £0) from the designated reserve to the general reserve for major works and works to dispersed houses.

24. CAPITAL COMMITMENTS

	2024	2023
	£	£
Unipol had contracted commitments at 31st July for future capital projects totalling	-	-
	<u> </u>	<u> </u>

25. LEASE COMMITMENTS

The Charity has operating lease commitments due over the lease term as follows:

	2024	2023
	£	£
Amount due within one year	10,431,647	9,887,254
Amount due between one and five years	42,326,511	40,707,307
Amount due after more than five years	163,632,359	159,744,286
	<u>216,390,217</u>	<u>210,338,847</u>

Lease commitments include longer term management agreements where a contractual obligation exists.

2023 figures have been restated in this year to align with the 2024 figures based on the minimum value of future lease commitments.

The Charity budgets to receive rental income in respect of properties held on lease and management agreements of £19,517,960 (2023: £14,179,039)

26. PENSION SCHEMES

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). The assets of the schemes are held in separate trustee-administered funds. USS and PAS are defined benefit schemes which are externally funded and are valued every three years by actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2024

26. PENSION SCHEMES (continued)

The DC Plan, which was introduced from 1 March 2013, is the main auto-enrolment vehicle for staff. The investment of scheme contributions for the DC Plan is managed by The People's Pension.

The triennial valuation of Universities Superannuation Scheme showed that as at 31 March 2020 the scheme had a deficit of £14.1bn. A further report was commissioned as to the funding position as at 31 March 2022 that showed the scheme deficit had reduced to £5.6bn. Employer contribution level is 21.6% of salary.

The triennial valuation of the University of Leeds Pension and Assurance Scheme as at 31 March 2020 showed that the Scheme had a deficit of £66.2m, equivalent to a funding level of 87%. Given the unusual market conditions prevailing in March 2020, a further valuation was carried out as at 31 March 2022. This valuation showed that there was a surplus of £24.2m, equivalent to a funding level of 105%. During the year the employer contribution rate was 16%, with the employee contribution rate at 7.5% both unchanged from the previous year.

A further valuation of the USS pension scheme took place in March 2023 and the scheme now holds a £7.4bn surplus. As a result the employer contribution dropped to 14.5% in January 2024. The University continues to pay the annual PPF levy and the cost of any ill health early retirement benefit enhancements.

The pension cost for the year was £258,062 (2023: £262,433).

UNIPOL STUDENT HOMES

England & Wales - Charity number 1063492

Accounts

Charity registration: 1063492
Company registration: 3401440

UNIPOL STUDENT HOMES

(a company limited by guarantee)

Annual Report and Group

Financial Statements

Year Ended 31 July 2023

UNIPOL STUDENT HOMES

ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS 2023

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UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

LEGAL AND ADMINISTRATIVE INFORMATION

BOARD

The Board comprises the following representatives:

The University of Leeds

Ian Robertson Head of Residential Accommodation at the University of Leeds until 13/10/2023 now Associate Director of Facilities at the University of Bradford

Chair of Unipol

Mr Christopher Warrington

Ms Catherine Cho

Contactable at University of Leeds, Leeds LS2 9JT

Leeds Beckett University

Ms Victoria Johnson

Ms Joanne Norry

Contactable at Leeds Beckett University, Calverley Street, Leeds, LS1 3HE

Leeds University Union

Ms Emily Tabern (resigned 30/06/2023)

Ms Vicky Zhou (resigned 30/06/2023)

Ms Hannah Catterall (appointed 01/07/2023)

Ms Rimsha Khan (appointed 01/07/2023)

Ms Hannah Brian (resigned 13/01/2023)

Ms Susan Stone (appointed 03/03/2023)

Contactable at Leeds University Union, PO Box 157, Leeds LS1 1UH.

Leeds Beckett University Students' Union

Ms Lucy MacDonald (resigned 11/11/2022)

Ms Ashleigh Pinnock (resigned 30/06/2023)

Mr Harsh Bhatia (appointed 18/11/2022)

Ms Blessing Odussusi (appointed 03/07/2023)

Ms Jacqui Short

Contactable at Leeds Beckett University Students' Union, Calverley Street, Leeds LS1 3HE.

Bradford College

Vacant

Co-Opted Directors

Mr Michael Wilkinson

Deputy Chair (Partnerships) of Unipol

Mr Andrew William Welsh

Deputy Chair (Properties and Portfolio) of Unipol

Ms Meri Braziel

Mr Stephen Denton (appointed 29/08/2022)

Mr Michael Lees (resigned 25/08/2022)

Ms Jennifer Share

Deputy Chair (Finance) of Unipol

UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

Mr Steven Gilley (appointed 01/11/2022)

Contactable at Unipol Student Homes, 155/157 Woodhouse Lane, Leeds, LS2 3ED

Secretary

Ms V Tolmie-Loverseed

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

Charity registration number	1063492
Company registration number	3401440
Registered address	155/157 Woodhouse Lane, Leeds, LS2 3ED

EXECUTIVES OF UNIPOL STUDENT HOMES

Martin J Blakey (until 11 th November 2023)	Chief Executive
Paddy Jackman (from 13 th November 2023)	Chief Executive
Nichola Verity	Deputy Chief Executive
Christina Rygalska (until 18 th August 2023)	Director of Finance
Elizabeth Smith (from 31 st July 2023)	Director of Finance
Rachel Campey (until 31 st May 2023)	Assistant Chief Executive – Housing Services
Thomas Hill (from 22 nd May 2023)	Assistant Chief Executive – Housing Services
Nicola Brown	Assistant Chief Executive - Hub Services
Andrew Livesey	Assistant Chief Executive - IT and Communications
Victoria Tolmie-Loverseed	Assistant Chief Executive–Standards and Company Secretary
Antony Vyse	Assistant Chief Executive - Developments

BANKERS

National Westminster Bank plc Leeds Commercial Office 4 th Floor 2 Whitehall Quay Leeds LS1 4HR	Svenska Handelsbanken AB 5th Floor 3 The Embankment Sovereign Street Leeds LS1 4BJ
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SOLICITORS

Lupton Fawcett Stamford House Piccadilly York YO1 9PP	Pinsents 1 Park Row Leeds LS1 5AB	Hatch Legal 12 Park House 11 Park Row Leeds LS1 5HB	Walker Morris 33 Wellington Street Leeds LS1 4DL
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AUDITOR

BHP LLP
First Floor, Mayesbrook House
Lawnwood Business park
Redvers Close
Leeds
LS16 6QY

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

The annual report and the audited financial statements are for the year ended 31st July 2023 in the 48th year of operation of Unipol Student Homes as a registered charity (two years after it was founded initially as part of the University of Leeds in 1973). On 1st August 1997 Unipol was incorporated as a charitable company limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Its current [Forward Look 2023 - 2026](#) was adopted by trustees in September 2022 and this sets out the main strategic direction of the organisation for the next three years and it makes sense to review the year with reference to the Forward Look.

Values

The values of the charity have always been important and have always been placed at the centre of its operations and aspirations. The values are a touchstone by which Unipol can assess what it is doing and why.

As part of the *Forward Look* discussion, trustees reviewed the charity's seven core values and identified four themes which place additional emphasis on these values:

- *Standards*: the charity sets high standards which match its values
- *Responsibility*: both now and in the longer term
- *Student focussed*: caring about its services, trusted and reassuring
- *Leadership*: using its expertise to create impact in the sector and innovate.

Unipol's values have been used to define Unipol as an organisation that is different from any other. During the pandemic the charity based its actions on these values and messaged its culture to those it worked with and for. Unipol's values underpin everything it does and they remain at the core of the charity's actions. Those values are:

To be trusted - as a source of help and advice to both students and landlords who want to rent and provide good quality student accommodation that contributes to a great student experience.

To be impartial experts - giving student consumers information and advice, based on 48 years' experience in the sector, which empowers them to make good housing choices and get the best deal available. Establishing, promoting and publicising best practice in student accommodation, encouraging innovation and cooperation between providers, institutions, local and national Government to work together to the benefit of student tenants.

To provide value for money - providing a first class service to our users which uses the latest technology to allow on-line global accessibility; recognising the importance of meeting differing students' needs and providing value for money and choice throughout the housing process.

To promote safety and wellbeing - setting and checking standards to make student accommodation as safe and secure as possible to give peace of mind to all concerned and providing a good quality living environment that is so important in the learning process.

To promote community - whilst promoting individuality the charity encourages positive attitudes to equality, cultural diversity and the internationalism inherent in undertaking study in higher education.

To be ethical - valuing our human resources, investing in training and sector expertise and ensuring we pay our employees the real living wage. Providing information for our tenants on how to use less energy in a comfortable living environment and using local suppliers and trades wherever possible.

To be transparent and accountable - being answerable as a charity to our Board of trustees and to our users and making the charity's agenda and operations as clear and open as possible.

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Purposes, Activities and Public Benefit

The charity's objects are the advancement of education by providing and managing accommodation and related services for educational institutions, their students and other persons associated with educational institutions and to develop and foster excellence and expertise in this field. Students (and the institutions being supported) rate their living experience and the acquisition of life skills and personal development as a very important aspect of their overall education.

Unipol was founded in Leeds by trustees with the vision of a charity offering dedicated expertise in student housing. From the outset the charity has worked nationally with education institutions and housing providers to give students better information and help on available housing options and to champion better housing standards which now takes place through local services based in Leeds, Nottingham and Bradford and nationally. Although Leeds continues to be a principal financial focus of the charity's activities, housing services in Nottingham continue to expand. The charity also operates on a national stage in respect of student-related housing regulation, legislation and policies and seeks to improve choice, affordability and standards in student housing.

As a student housing charity of nearly 50 years' standing and the largest not-for-profit student housing organisation in the UK, Unipol:

- Develops, takes into ownership and manages properties and lets them directly to students. As at the end of the financial year, Unipol is currently responsible for housing some 3,000 students plus around 210 student families. Of these, 2,250 students live in Leeds, 649 in Nottingham and 59 in Bradford. Its direct housing function sits at the heart of the charity's operations and is a beacon of good practice and innovation for others working in the sector.
- Runs local accreditation schemes in Leeds, Nottingham and Bradford, and operates two Government-approved Codes of Practice for larger student developments UK-wide. In Leeds, Unipol also runs the [Leeds Rental Standard](#) for Leeds City Council and in Nottingham (together with *Decent and Safe Homes* and Nottingham City Council) it runs the [Nottingham Standard](#).

Within these, Unipol sets professional standards for purpose-built student accommodation (PBSA) and its management. Owners and agents who are scheme members voluntarily commit themselves to meeting these standards. Unipol undertakes compliance checks in order to give students assurance and confidence about the quality of what they are signing up for when they rent a Code property. The accreditation schemes also give students a robust complaints process to use if things go wrong. Unipol currently accredits around 425,000 bed spaces.

- Runs three Housing Hubs which give students (and their parents/guardians) information and advice on finding a suitable home. The Hubs also provide a forum in which owners (including Unipol) can advertise their properties. Although Unipol charges a fee for services to owners, services for students are free. The Housing Hubs are part-funded by educational institutions and local authorities. Unipol also runs a *Rate Your Landlord* review site (jointly with Leeds University Union), which provides an effective platform for the student voice to influence housing choice in Leeds, Coventry (University of Warwick) and York from early 2024.
- Provides help and training, both locally to support landlords, and nationally to improve policy, management and the development of student accommodation. Unipol has in-house training facilities in both Nottingham and Leeds.

2022-2023 Specific Issues - Cost of Living Crisis & Energy Costs

Following on from the considerable disruption caused by the Coronavirus Pandemic this year saw further significant issues for the economic climate in the Cost of Living Crisis and hikes in energy costs.

Cost of Living Crisis

As with all business the Cost Of Living crisis has impacted on both service delivery and customers, in Unipol's case, student tenants. As the vast majority of Unipol tenancies are offered on an all-inclusive

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basis, ie with utilities included in the rent, any unexpected increase in energy costs can have a negative impact on the charity's finances. In Q4 2021 inflation and in particular, energy costs, started to rise. Given that rents for the following year have to be set by September for the student house-hunting season that begins in October, these unforeseen circumstances were not taken into account when setting rents for the 2022-23 academic year. The income for the 2022-23 year was therefore constrained as rent figures cannot be increased and the charity had to manage significantly higher energy costs, as well as inflated costs in all areas. It was these challenges that lead to the deficit budget for the year.

The charity seeks to provide affordable accommodation for students and in this regard is cognisant of the small increases to the student maintenance loan which only increased by 2.8% for the 2022-23 year.

The Unipol Mission

Because Unipol's own housing portfolio is so central to the activities of the charity, it is worth dwelling on how Unipol's values translate into housing values as a provider.

Unipol's stock has been acquired and shaped to meet the diverse needs of the student population. Unipol offers housing to all kind of students: undergraduates, postgraduates, international and UK students, first-years and returners, students under 18, couples, students with dependents and students with additional needs.

Unipol aims to offer the best deal possible to its tenants as a not for profit provider. In the previous year the decision had been taken to stop charging deposits altogether for shared student housing for the 2022-2023 rental year. Deposits are now only levied on longer-stay family tenants. This means the Unipol offer to students is that they simply pay rent with no other fees or hidden charges, no guarantors and with each student tenant getting an individual tenancy agreement: a far cry from many other accommodation providers. Initial results indicate that there has been no increase in damage to properties as a result of the withdrawal of deposits.

Housing revenue normally goes to support investment in higher-quality properties and helps subsidise the advice and standards mission but in this year, with housing taking the weight of the economic challenges outlined, that internal subsidy has been lessened.

It has, however, been possible to maintain continuing investment into the portfolio because of reserves held for that purpose and the designated works reserve continues to provide sufficient funds for that purpose and now stands at just under £729k, after expenditure, in this year.

Unipol aims to give tenants a great housing experience, providing good value, promoting social/academic interaction and high-quality housing - a Unipol property should be a home from home.

Helping Students to Make the Best Decisions about their Housing

Unipol empowers consumers by providing accurate, transparent and comparable information, together with help and support to build both the knowledge and confidence to assist them in negotiating the housing market within which they operate and helping them decide what to rent.

Unipol's services to students are provided either on-line or in-person. Unipol also runs a number of successful web-based services in order to assist both students and landlords. The Housing Hubs continued to give good advice and provide relevant information to both students and landlords alike:

- In this year, the [Unipol](#) website had 206,569 users, there were 253,650 searches and 672,051 views. This shows a decline in searches of 14%, users of 38% and views of 26% compared to the previous year. Booking requests were 5% down at 14,226. The main website has subsequently been redeveloped to address issues with performance and to ensure it continues to be an important source of information, help and advice. Changes to the make-up of the student bodies at universities may have impacted on the use of the website but further analysis is being undertaken so the trend can be reversed.

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- The [Unipol Housing](#) website which deals with Unipol's own housing and is mainly used by Unipol's tenants and potential tenants had 160,979 users during the year. This is up 18% on 2021/22.
- Web chat continues to be an important channel for advice and help with 2,387 engagements.
- The review site [Rate Your Landlord](#) has an annual target of 1,000 new reviews. In the 2022-2023 academic year, 963 new reviews were harvested, just short of the target. Having a good number of new reviews each year ensures the website remains relevant and up to date offering over 3,000 reviews for students to view at any one time. There was an increased focus across the 2022-2023 academic year to promote the use of Rate Your Landlord as a house hunting tool for students and a diagnostic tool for the Unipol accreditation team to help them prioritise inspections. Unipol entered in to an agreement with the University of York and York St. John University in June 2023 to deliver a Rate Your Landlord website in York. Work on this is on-going with a proposed launch date in early 2024.
- The [National Code website](#) is still a key source of guidance and information to students and members with 24,716 users, a 26% increase on pre-pandemic traffic.

All of these websites and services are free to access.

For some time income from landlords advertising their properties on the website has declined and during the last year this had a marked decrease of 22% in Leeds. . This decline is rooted in a number of changes in the letting market, both nationally and locally. These include increasing legislation – enacted and proposed, competition from other free advertising platforms enabling landlords to offer a bills inclusive package and general inflationary pressures that have led to a number of clients decreasing multiple platform advertising. In addition, the move by smaller landlords to the use of managing agents has increased as they've found it harder to navigate the complexity of the letting market.

Improving Standards

Accreditation is an important vehicle for improving standards. It is about persuading suppliers voluntarily to meet higher than regulatory standards, based on reasonable consumer expectations.

Unipol is a founder member of the accreditation movement and has designed and operates several Unipol Codes, which share a common core of standards. There are Codes geared to the specific housing and market conditions where Unipol works and there are two National Codes. Robust verification procedures are used to ensure Code compliance. The Codes offer accountability through a complaints system and dispute resolution through an independent Tribunal system. Three-yearly reviews, including broad consultation, ensure regular updating.

In June 2023, Unipol was part of a successful bid together with Leeds City Council and the National Residential Landlords Association to the Private Rented Sector Pathfinder scheme launched by the Department of Levelling Up, Housing and Communities. A grant of £683K has been awarded to undertake research into innovative methods to grow take up of accreditation and to disseminate the findings around England, with Unipol coordinating this project.

In Leeds, the local Code for off-street properties covered 13,680 tenants. In Nottingham the Code covered 6783 tenants. In Bradford the Code covered 118 tenants. Throughout the year 340 verification visits were undertaken to properties and any deficiencies rectified.

The National Codes continued to grow and as of 31st July 2023 both Codes had a total of 155 members (105 private providers and 50 educational establishments) and the total number of tenants covered by both Codes was 406,350 (up from 405,538 bed spaces in 2022) and there were 2,264 different developments registered under both Codes (compared with 2,250 in 2022). 184 verification visits were undertaken to buildings.

The Educational Establishments Code is currently being reviewed, to come into effect in the 2023-24 year and a project was undertaken to update the self-assessment methodology used by members of the Code

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with the aim of linking this process more closely with the requirements of verifiers and the Audit Panel that oversees the maintenance of Code standards. The new system launched successfully in January 2023.

The Public Mission

Unipol continued to be consulted about a variety of forthcoming regulation and legislation and made representations on the Renters Reform Bill and *The Building Safety Act*. Unipol also made representations in respect of various local consultations including the Nottingham Student Living Strategy and Selective Licensing. Unipol sat on the working group of the Scottish Government's review of PBSA, which made a number of representations to Government.

The proposals made in the *Renters Reform Bill* would have several important outcomes for student housing. The Government has now partially accepted the argument that student housing was different and PBSA suppliers who are members of the National Codes will be exempted from the more general suggestions for the private rented sector.

Whilst Unipol supports the additional powers for regulatory enforcement, the changes proposed to tenure, whereby students living in off-street housing would have security of tenure and be able to give two months' notice at any stage, would have a highly disruptive effect on the academic year cycle by which that accommodation is made available and let. Treating students in the same way as longer-term renters is likely to cause a contraction of rented accommodation supply for students (as has happened in response to similar proposals enacted two years ago in Scotland), making finding student accommodation more difficult for the beginning of the academic year and is likely to raise rents. As of the 31st July 2023 the Government was showing no intention of making any specific allowance for the off-street student market. In 2023 Q4 there have been announcements that indicate some movement in this area and Unipol will continue to closely monitor and assess the impact of any amendments to the Bill

Work commenced on the 10 Cities Rent Report, a shortened edition of the Accommodation Costs Survey, which aimed to capture detailed information on the impact of inflation and other cost of living pressures on rent in PBSA and how this relates to student incomes. The full report was published in October 2023.

Unipol's [training and event](#) programme recommenced from spring 2023 with a small number of events and a dedicated member of staff being appointed from May. Work to rebuild an annual programme will begin in 2023/24 and it is anticipated this area will return to a break even position in 2024/25.

Strategic Report and Achievements and Performance - The 2022-2023 Year

Strategic Report In accordance with section 414c (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has prepared a Strategic Report which includes information that would have previously been included in the Trustees' Report. The trustees authorise both the Strategic Report and the Trustees' Report.

Overview

The charity moved into deficit in 2019-2020 of -£169,818, the first deficit recorded by the charity since 1988 but recovered in 2020-2021 with a surplus of £339,782 including the sale of two properties yielding a gain on disposal of £257,822. In 2021-2022 the charity returned a surplus of £215,995 including the sale of one property yielding a gain on disposal of £197,789. This is the last of the three properties to be sold to mitigate part of the costs borne by the charity as a result of Covid and to strengthen cash flow. In 2022-23 the charity showed a deficit of -£1,262,791k as a result of the unexpected increase in energy costs. As rents for the year had been set and advertised prior to the increases it was impossible to recover these additional costs.

The future growth of Unipol will depend upon the renewal and extension of leasehold assets, new leasehold commitments within the PBSA arena and acquisitions, maintaining a strong lettings record and underwrite relationship with educational institutions.

The Financial Framework

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88% of the charity's funds come from rent paid to it by students and this rental stream is central to the survival of the charity. This was the fourth financial year both revenue and operations were negatively affected by unexpected costs from the pandemic and more recently the energy cost hike.

The charity can sustain the reduction in real term funding from other sources so long as its housing operation continues to operate successfully and voids are minimal. Housing continues to bear an increasing proportion of the charity's operational overheads and, looking forward, it is vital that rental revenue meets the overhead and operational expenditure required. Clearly to absorb such increases rent rises for the 2023-24 and 2024-25 years will be significant, but as always will take into account the market and strive to maintain affordability as an objective.

The National Codes also now make a significant contribution to the organisation's output and overheads. The fees from the National Codes are currently around £659k and the Code makes an increasingly significant contribution to both the charity's mission and overheads. Because of the growing size of this budget the setting of fees and budget-reporting is now undertaken within Unipol's overall budgetary framework rather than by the National Codes Committee of Management.

The importance of rental revenue is against a backdrop where the charity's more traditional income from its housing hubs are static and are continuing to lose its real terms value. The level of funding required to run a good service to students through the housing hubs is brought into sharper focus by the level of subsidy required by the charity to run those services with a -£111k deficit being met in 2022-2023. Because of the pandemic, income from funding partners has been rolled forward on a level-funding year-by-year basis for the last three years (until July 2023) but longer term arrangements need to be in place after that. To that end a review of Hub Services was completed in the year and discussions with funding partners, universities and their students unions will commence in 2023-24.

As was reported last year, demands placed on Hub Services have increased as institutions have recruited more international postgraduate taught students who entered the housing market in late summer and where some students started their courses in January (on a calendar, rather than a traditional academic year) meaning that services are running at levels of high activity across most of the year.

As part of the growth in international postgraduate taught students, a significant minority of those students, particularly those coming from India and Nigeria, are bringing their families with them and need family housing. In many cases these students are finding it very difficult to rent affordable housing. Unipol is doing its best to help these students with good quality information and advice and, as mentioned earlier, its web-based general advice is much used and is frequently updated and developed. Following the Government's decision not to grant visas for dependents of Postgraduate Taught students from January 2024, this may become less of an issue, although Postgraduate Research Students are still likely to have demand for family style accommodation.

The provision of family housing has always been a high priority for Unipol, but the conclusion reached in the *Forward Look* is that family housing is not viable without subsidy, and economic, administrative and legislative pressures are compounding the challenge of maintaining viability. Unipol must also be careful not to find itself in the front line of increased demand it cannot meet and is considering the extent of the burden it can take on in the direct provision of family housing.

Operations during 2022-2023

Operationally, the year went well and can be summarised as:

Housing Hubs

The Housing Hubs remained a more important central resource in providing students with information, help and advice, increasingly through virtual engagement. Demand for help increased with the number of international students being recruited, particularly those studying at Leeds Beckett University, the University of Bradford and Nottingham Trent University with a significant number of students with families looking for affordable accommodation.

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Homestay activity has continued to pick up post pandemic, with groups of students from Japan arriving from February 2023, some bookings for summer 2023 and a group booked from October 2023.

As house hunting commenced in November 2022, online viewings and renting has remained strong, alongside an increase in requests for in-person viewings.

The housing shortage in Bradford, mainly for families, continued across the 2022-2023 academic year. Unipol offered additional support through web content, advice and regular attendance at meetings with the University of Bradford. However the new government restrictions to student visa routes will restrict the ability for international students to bring family members on all but post-graduate research routes from January 2024.

The link with *Bradford College* continued to be weak but progress is now being made with a number of new relationships being developed. In addition, Bradford College has entered in to an agreement to rent a flat at Doris Birdsall Hall to use for safeguarding and/or working with students with special educational needs.

Unipol Housing

In Leeds, Unipol directly let £7,082K of properties over the year compared with £6,780K in 2021-2022, an overall increase of 4.5%. In Nottingham Unipol let £2,392K of properties over the year compared with £1,992K in 2021-2022 an increase of 18%, reflecting further growth.

In Bradford Unipol lets in Doris Birdsall Hall were much slower, with just £125K of properties let, out of a £269K budget, just 46.6%, in comparison to the previous year where the building was fully let. The slower start reflects the predominant change of use from an undergraduate to a postgraduate building with a later lettings cycle.

Overall this year saw a strong lettings performance even when compared with the previous year's strong lettings performance. Unipol was a relatively resilient provider because it was not heavily dependent upon newly arriving international students or new undergraduates (where the institutions tend to bear that risk within underwrite agreements).

Oak House, in Leeds which came on line in September 2021 let without difficulty for the 2022-23 year on its planned 51 week term.

Underwrite v Direct Let

The balance between underwritten arrangements with institutions and direct let properties (where Unipol bears the risk of voids) increased slightly to 46% underwritten and 54% direct let. There were no significant shifts in institutional underwrite agreements other than the underwrite arrangement for Grayson Heights ending in August 2022.

Tenant Satisfaction

In this year Unipol ran both of its normal surveys.

The *Family Tenant Satisfaction Survey* took place in 2021-22 and will be repeated in 2023-24.

The *Tenants' Satisfaction Survey* dealing with shared student accommodation ran in January 2023 and tenants gave Unipol housing an overall satisfaction rating of 83.48%, slightly up on that previously recorded in 2022 at 82.8%.

This year, Unipol's value-for-money rating increased (with 82.0% of tenants saying Unipol provided value for money, up from 79.4% in 2022) even though cost pressures saw rents increase by around 5.5% for that year.

Unipol is also rated on its own *Rate Your Landlord* site and, in 2023, had a rating of 4.4 (with 5 as best and 1 as poor) with 305 reviews in 139 properties. The same score as in the previous year.

The charity has continued to prioritise investment in wellbeing and mental health, delivering a programme of social events throughout the year with tenants reporting a sense of inclusion generated by the events

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and feeling welcome and part of the community. These activities were particularly helpful for international students as they adapted to life in a new country.

The tenancy support and wellbeing service was rated highly with satisfaction scores of between 79% and 81%. These scores show that, for the 109 respondents who used the service, they felt listened to and helped towards a resolution of their issue.

Unipol has continued to invest in its portfolio and undertake refurbishment works and despite being affected by delivery delays, the shortage of skilled contractors and fluctuating and rising prices for work, its reliance on local contractors has stood it in good stead as their supply and labour issues have tended to be more resilient than the national larger contractors.

At *New York Street*, the building is being upgraded over summer 2023, 2024 and 2025 under a new 25 year lease agreement. Unipol plan to invest £400k during the refurbishment period. There is also a healthy sinking fund contributing of £699K for the duration of the lease.

The full refurbishment project at Dyers Court is drawing to a close, with the external landscaping works been completed and works have now started on the final flat within the building. The remaining works after the last flat refurbishment involve some lighting upgrades and fire stopping to the 18 garages under the building.

The majority of the portfolio at Tannery Square had already been refurbished during the past 12 years, however works were carried out to two original kitchens and 1 shower room, to bring them in line with the standard of the rest of the flats. Some other minor works have also taken place, such as lighting upgrades from halogen, ventilation improvements and roofing works, all costing £30k.

A number of small house refurbishments also took place over the year including, 14B Clarendon Place – Kitchen and 2x bathrooms, 12B Clarendon Place – Kitchen and 42 Headingley Avenue, a managed owner property, had a refurbishment project managed by Unipol.

Unipol's planned acquisitions were frozen in March 2020 to protect cash-flow and future borrowing capacity should that be necessary with planned debt repayment continuing. No acquisitions were therefore made during this year. The purchase of 2 properties in Nottingham, which between them will provide a further 16 bed spaces have now been completed.

Risk, Forward Strategy and Going Concern

2023 saw the launch of Unipol's Forward Look (2023 – 2026) a strategic and operational framework to shape and guide its direction over a three-year horizon, which can be viewed here; <https://www.unipol.org.uk/media/4oohxddq/the-forward-look-2023-2026.pdf>

The Forward Look establishes a sound basis for the charity to:

- Maintain its financial stability
- Take up the opportunities it has
- Grow and widen its impact in its portfolio areas of Leeds, Nottingham and Bradford
- Exert greater influence in the genesis of student housing policies and standards throughout the UK.

The big external challenges will be the cost-of-living crisis, further waves of Covid-19 and tenure reform.

The charity has over the last year, made significant progress in its forward strategy in the following areas:

- **Regulation:** Considerable work has been carried out to comply with the *Building Safety Act 2022* for all Unipol leased or managed buildings over 18 meters. Unipol has prepared for this by undertaking enhanced intrusive surveys of relevant buildings, updating all of its health and safety documentation and FRAs and obtaining EWS1 certifications which also verifies the buildings' fire and safety plans. Building specific information has also been provided as the first part of registration and this work will continue to meet the regulations. In line with the *Fire Safety (England) Regulation 2022*, a new system has been implemented to ensure compliance with the new regulations, including regular fire door checks.

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- **The portfolio and future development:** Two new leased PBSA buildings, Carlton Hill, Leeds (606 bed spaces) and Cotton House, Nottingham (273 bed spaces) came online in September 2023, strengthening Unipol's portfolio mix.
- **Transfiguring the portfolio:** Grayson Heights, which was due to leave the portfolio in 2023, will now remain with Unipol under a management agreement with Home Group, securing 110 low cost bedspaces for students and 24 flats for families. A further 20-year lease is in the process of being agreed with Connect Housing Association for New York Street, with a programme of works to upgrade and modernise the building starting over the summer.
- **Family Housing:** To provide greater assistance and advice for the increased number of family and international students additional staffing resource has been brought in to strengthen both web-based, and specialist advice to these students. An International Student Survey was conducted across June and July 2023. The aim of the research to understand their current situation and improve the living experiences for international students in the future. Over 3,500 international students completed an online survey from 14 participating universities. Both undergraduate and postgraduate students took part, many with families. The results are likely to be reported at the end of 2023.
- **Sustainability:** Led by the newly formed Energy Group, the promotion of sustainability through a range of energy-saving and energy efficiency initiatives is underway to reduce the use of gas across the portfolio, along with several initiatives to prepare for carbon neutrality, such as switching to low-energy LED lights, reducing single use plastic and encouraging recycling and biodiversity.
- **Public realm and policy:** The National Code team launched the first phase of the new self-assessment system to ensure that accommodation suppliers comply with the new Code conditions, receiving positive feedback from verifiers and members. Unipol continued to be consulted about a variety of forthcoming regulation and legislation and made representations on the Renters Reform Bill and *The Building Safety Act*, also making representations in various local consultations including the Nottingham Student Living Strategy and Selective Licensing. Unipol sat on the working group of the Scottish Government's review of PBSA, which made a number of representations to Government.
- **Student support:** Mental health and suicide awareness features heavily in Unipol's staff training and annual conference programme and the charity continues to develop communal living spaces and social events to reduce isolation.
- **Organisational change:** The charity has strengthened its arrangements with Client Money Protection and tightened its money laundering procedures whilst also removing cash transactions. Improvements to the internet service continue as does the migration of services to the Cloud.
- **Staffing:** Unipol saw high post-pandemic employee turnover, coupled with recruitment challenges which led to staff shortages and several new employees to the business. There have also been significant changes to the Senior Management Team, with the Chief Executive leaving in November 2023 and the Director of Finance and Assistant Chief Executive – Housing leaving over the summer. Recruitment has been successful for all positions, with new knowledge and expertise coming into the team.

Unipol's *Risk Analysis* was fully revised and approved by Unipol's Board in March 2023 with a number of risks being updated, the most significant being in relation to: the impact of economic and political factors on higher education demand, the growing letting risk in Nottingham, risks associated with bringing on new buildings, the impact of the Fire Safety and Building Safety Acts, recruitment and retention of staff and the tenure reform proposals with the Renters Reform Bill. The charity is operating in a more turbulent and uncertain environment and the Risk Analysis reflected this with an increase in red risks, with more outside the control of the charity than when it was last reviewed in 2021. The *Risk Analysis* will be further reviewed in March 2024 which will see risks moving towards cost-of-living factors and demand volatility.

Lettings Risk in 2023-2024

Although the outcome of Unipol's lettings does not fall within the 2022-2023 financial year, the actual lettings process does and is vital to the ongoing viability of the charity. Lettings in 2023-2024 are an important revenue counterbalance to the negative economic pressures that will affect the outturn for that year.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

Unipol's portfolio let strongly for 2023-2024, closely mirroring performance of the previous year. Unipol had let 93% of its portfolio by August 2023 compared with 94% at the same time in 2022. Family housing occupancy also returned to normal occupancy levels as international postgraduates students returned, with almost 100% occupancy in keeping with performance from the previous year. This was helped by lower levels of turnover within this portfolio.

Unipol directly let *Oak House* for its third year (a significant achievement as international intake remained depressed at the start of the year) and the building is now mainly occupied by both home and international postgraduates over 51 weeks, as originally intended.

It was initially thought *Grayson Heights* would leave the portfolio at the end of its lease period in August 2023. However a management agreement was approved by Home Group in late June 2023, very late in the letting cycle. Despite the timing, the building fully let, which can be credited to its competitive rent level and location in Kirkstall, near to excellent transport links to the city.

Unipol was also helped by the overall buoyancy of the Leeds and Nottingham student property markets but made significant inroads into retaining satisfied and loyal tenants with a 34% retention rate, which was slightly lower than the previous year's 36%, the highest retention achieved since 2015.

Although Unipol does not rely on income from any summer lets to students, this market continues to recover following the pandemic with £108k in revenue being achieved compared to £82k in 2021-22, partly recovered over summer 2022 from a complete wipe-out in the previous two summers.

Financial Review

The charity's bottom line for 2022-2023 shows a deficit of -£1,262,791. This is in line with the anticipated deficit following the 110% rise in energy costs and high inflation.

The major works reserve has contracted this year as no contributions were made given the challenging budget. Expenditure in the reserve was £271,954 leaving the charity's total reserves at £4,350,325 (2022 £5,613,116).

Unipol now holds £3,621,098 (2021: £4,611,935) of its unrestricted reserves in an undesignated form to offset cash demands within the organisation. The trustees and management considered the funding arrangements of the charity during the year and continue to operate an overdraft arrangement for working capital requirements. Significant investment in the charity's own assets and longer term lease properties continues by means of ring-fenced loan funding.

Charities of this type, which are fixed asset rich and generate significant rental income on a monthly basis, often have net current liabilities and consequently negative free reserves. The charity has net current liabilities of £4,056k (2021: £3,327k) and is in a negative free reserves position, however; as part of management's going concern assessment it has produced cash flow forecasts that show adequate funding for the future, including the next 12 months. It is the charity's intention to continue to improve its unrestricted reserves and reduce its net current liabilities over the medium term.

Unipol's overall fixed assets decreased by £497,701 in the year from £14,026,624 (2022) to £13,528,923.

Investment Powers

The Articles of Association of the charity permit wide powers of investment. The borrowing threshold set within the charity's powers is £15 million although the amount currently being borrowed at this time stood at £5,934,112 (2022: £5,663,543).

Policy on Reserves

The charity has no free reserves as its asset base is property and is not revalued for accounting purposes. Properties are maintained to a high standard which together with a range of banking facilities and underwrites enables the Charity to raise finance in times of need and reduce or defer expenditure if appropriate.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

The charity will continue to accumulate its unrestricted funds to improve cash flow whilst investing in property to provide a strong and growing asset and reserves base (if liquidated) for the charity. The level of reserves required is likely to fall within a range of £5,250K and £5,750K over the medium term.

It is important to note that this year has continued to absorb a number of development risks and legal costs. This is in preparation for the addition of new purpose-built developments that have come on line in September 2023. The charity continues to invest in its own assets and communications and IT systems (primarily software and expert software support) to provide for better data management and the maintenance and development of a strong platform for housing management, lettings and revenue generation expansion.

Future Plans

The next year, 2023-2024 will see a return to growth with the new *Carlton Hill* building in Leeds coming into the portfolio adding £4.3m to turnover, together with the newly leased *Cotton Mills* in Nottingham that will add a further £1.8m. A combined total of £6.1m. Unipol has also agreed to retain *New York Buildings* for a further 25 years and is finalising a lease for that, effective from 2023.

The management of *Grayson Heights* will move to a management agreements adding £85k in commission income.

This will see the charity's turnover increase by 44.6% and 2023-2024 will be a significant year of growth.

Finance

There continues to be a significant increase in financial management specifically with forward energy contracts to negotiate ahead of rent setting and an increased level of information on energy (and other) expenditure.

Compliance with *Client Money Protection* requirements has also increased the financial administrative burden to ensure the charity continues to meet the tight deadlines. Tighter anti-money laundering procedures continue to develop in response to an increase in international students.

The 2023-2024 budget

The budget strategy for 2023-2024 is complex involving many decisions that build the overall budget strategy. There are several areas of flex built into the budget to account for a variety of unknowns at this stage in the planning cycle.

In response to the increased energy costs, rent for 2023-2024 have increased by around 8%-12% and the National Code surplus is predicted to continue to grow following an 8% fee increase leading to a project 16% increase in revenue in 2023-2024.

The increase in inflation has also affected lease costs which are RPI based. The lease increases suffered at Mill Street have eased as RPI falls to 9.1% but continues to effect the profitability of the development. The lease expires in August 2029.

It is assumed there will be no further amendments to the pay award announced in March 2023.

The Board agreed to freeze contributions towards the major works and dispersed houses funds in 2022-2023 and these will recommence at £347k in 2023-2024.

A rental void provision has been made of £407k to cover shortfalls in letting or discounting rents if needed and a bad debt provision of £51k has been made.

Student Views, Mental Health and Well Being

In November 2022, Student Minds partnered with Alterline, to conduct a [nationwide survey](#) of students, exploring their current mental health and wellbeing. The research findings show some positive improvement in key wellbeing measures, after notable drops during the Covid-19 pandemic. This includes more students reporting high life satisfaction compared to 2020/21 and fewer reporting low satisfaction.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

However these levels have not recovered to pre pandemic levels, and other issues such as the cost-of-living crisis, are also having a detrimental effect on students' wellbeing.

The Governments Higher Education Support Champion, Professor Edward Peck, with the support of Unipol and Cubo, published a [Sharing Information to Support Student Wellbeing and Safety Guide](#) for Universities and PBSA which sets out some practical advice on how information can be shared if there are concerns about student welfare. This guidance is an important step in setting a framework to address concerns about data protection and confidentiality whilst prioritising student wellbeing and improving support. This is a difficult area but this guidance brings both realism and operational clarity to improve information sharing and prioritise student support.

The ANUK/Unipol National Code for private providers now makes a clear set of requirements covering support for student mental health including staff training on crisis management, signposting to relevant support and having data sharing agreements where nominations are in place. From 2022, it also requires that members establish a named individual in each nominating institution to discuss concerns with.

Furthermore, Unipol continues its commitment to increasing resources to social programmes and mental health and student wellbeing. The charity has three mental health experts who ensure that all front-facing staff can recognise and report mental health concerns and two members of staff who are responsible for delivering the social programme.

A few comments from the Tenants Satisfaction Survey give a flavour of the importance of these events:

"The social events were a great opportunity to get to know other students whether they did the same course as you or not. It was also a good opportunity to mingle with other people from different backgrounds. All in all it felt like a little safe community"

"Mill Street especially I found have gone above and beyond for the tenants living there. For every holiday a form of effort is made to celebrate and help students feel welcome and prevent them from being homesick, especially at the beginning of the year"

"I think it was a surprise that there were social events in Oak House. I didn't hear from my friends who lived in other flats that they had social events. There are students from different countries in Oak House. Whenever there is a festival, we will celebrate together. Oak House respects and welcomes the culture of each country. Both the staff and the neighbours were very welcoming, which made me feel very warm as an international student"

The Changing Shape of the Portfolio

Unipol has always valued its diverse portfolio and that diversity brought welcome resilience over the pandemic. The charity's recent developments, coupled with changes in the regulatory regime and the need to cope with increased financial pressures, will see the balance within the portfolio change.

The *Nottingham* portfolio is growing, fuelled by a lease deal, involving Cotton House, a 273 bed PBSA scheme, which has been refurbished in time for the 2023-24 student intake. For the 2022-23 year Unipol managed 633 bed spaces in Nottingham, 88 of these are at the *Student Hideout* and 330 at Sandhill's (which is a PBSA) leaving 205 managed off-street bed spaces together with 26 owned off-street bed spaces. PBSA is currently 63% of the Nottingham portfolio and has increased to 76% now Cotton House is on line. Unipol currently houses no families in Nottingham.

In *Leeds*, Unipol manages 210 off-street bed spaces with a much larger owned or leased off-street segment of 606 bed spaces. PBSA is currently 25% of the Leeds portfolio but with the addition of Carlton Hill in September 2023 this will increase to 42%. In addition, Unipol houses around 210 families in Leeds.

Part of Unipol's risk-management, particularly on managed properties and leasing, is that, over time, it is possible to shed properties that are no longer popular or economically viable. Although shedding properties has some impact on overall overhead expenditure, this staged impact is comparatively limited and can be absorbed year-on-year unless there was a significant contraction in the portfolio, which is unlikely.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

Structure, Governance and Management

Structure

The charity is governed by a Board of Directors (who are also the trustees) 13 of whom are nominated by the five member institutions (the University of Leeds, Leeds Beckett University, Leeds Beckett University Students' Union, Leeds University Union and Bradford College). The Board can co-opt up to 6 further trustees and currently there are six co-opted trustees with two nominated places from Bradford College and Leeds Beckett University being vacant.

In relation to age and gender Unipol has a relatively diverse Board with four trustees aged between 18-24 and more female members (10) than male (7). The Board's overall role in accountability and governance of the charity is assisted by a number of committees and from time to time the Board establishes specific working groups or project groups to consider more detailed policy options open to them.

Governance - The Board

The Board met 6 times during the year, including the annual meeting to visit a selection of Unipol properties. All meetings took place in person although it is possible for up to 4 trustees to attend via Zoom.

The Board maintains a number of systems to ensure the maintenance and development of its effectiveness, including ensuring regular attendance at Board meetings and Committee meetings. Attendance of trustees at Board meetings is monitored and reported on Unipol's website. Attendance at meetings for the Board remains high and can be viewed [here](#).

The Board's main governance related activity in the year was the review of the Forward Look which was approved in September 2022, but other than this it was a relatively quiet year for changes in governance. There were some changes to National Code, with some spring cleaning of the terms of reference of the Committee of Management. A new Chair was inducted and there were two unexpected changes in trustees.

The Board places a high value on the processes for the recruitment and induction of trustees by stressing the individual aspect of becoming a trustee and giving adequate time and energy to being a trustee. All trustees, on appointment, receive a substantial pack of information about the charity, including key policy and procedure documents, information about the powers of the Board, and how those powers are exercised, the details of the devolution of specific responsibilities to Officers of the Board, the Chief Executive and senior staff members. The Company Secretary is available to deal with any specific issues relating to this pack and trustees confirm to the Board at the first available opportunity that they have read and understood the material sent to them.

All new trustees also receive a full day's dedicated induction. The day consists of an opportunity to meet the senior management team, talk with the Chief Executive and take part in an induction presentation that outlines the financial and administrative structure of the charity. In addition to the internal induction, a dedicated training day facilitated by NCVO took place on "How to Be an Effective Trustee" to which all new and existing trustees are invited.

Unipol's compliance and response to the Charity Governance Code for Larger Charities (that applies to Unipol) was reviewed in 2021. The latest compliance statement can be consulted [here](#).

The charity assessed itself against the new Charity Ethical Principles published by NCVO in 2023, and the self-assessment document can be consulted [here](#).

The Chair, Mike Wilkinson, was Chair until September 2022 when Ian Robertson was appointed to the Position. Mike Wilkinson remains on the Board as Deputy Chair – Partnerships and trustees were pleased to have retained his expertise and service.

Governance Committee

The Group on Governance met twice during this year and in addition to working on the *Charity Ethical Principles*, followed through on a number of matters raised during the trustee review process and considered the revised Nottingham Code for 2023 – 2026.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

Senior Management Team

Three changes to the Senior Management Team occurred in the year with Rachel Campey being replaced by Tom Hill as Assistant Chief Executive – Housing Services, and following an extensive recruitment process Elizabeth Smith, the former Deputy Finance Director, replacing Christina Rygalska as Director of Finance. There is considerable experience in the Senior Management team which continues to meet every week to review development and operations.

The Chief Executive, Martin Blakey, announced in June 2022 that he intended to stand down in November 2023, upholding a pledge given several years ago to give a full year's notice. A focus for the Trustees in the year was the appointment of Martin's successor. Following a thorough recruitment process Paddy Jackman was appointed and he assumes the CEO role as from 13th November 2023.

Health and Safety Policy

The Board continues to annually review its two health and safety policies, available at:

[Health and Safety - Policy for Housing](#)

[Health and Safety - Policy for Offices and Staff](#)

Unipol is a member of the *Leeds Rental Standard*, the *National Code for Larger Student Developments* and *The Nottingham Standard* (where, in its housing management role, it falls under the scrutiny of *DASH*) all of which provide external scrutiny of its own standards and performance.

Unipol continues to have all new and refurbished properties independently assessed under the *Housing Health and Safety Ratings System* (HHSRS) and any points raised within these assessments are addressed.

Under the *Housing Act 2004* many of Unipol's properties fall under mandatory licensing and a licence is issued for 5 years. In Nottingham both additional and selective licensing applies. The licences are held in the name of the company.

Conclusion

The pervasiveness of the effects of Covid and the economic shocks now being felt within the UK economy have not only constrained development and services in the last 3 years, but will continue to be a brake on development going forward.

This does not mean that there will be no development and that things have to stay the same and throughout this report the growth that will take place for the start of the 2023-24 academic year has been flagged and clearly this has been a major emphasis for all the Unipol team throughout the year. Further work has also been undertaken on sustainability and the options associated with zero carbon and the climate crisis to enable a longer term plan to be fully considered and adopted over 2023-2024.

Next year will see an opportunity to raise Unipol's profile with a celebration of 50 years since Unipol's foundation in 1973.

Overall, this has been another difficult year, the fourth in a row, requiring constant readjustment of services and projects. Despite this, the organisation has managed to retain its sense of purpose, enthusiasm and optimism as the challenges of higher energy costs, inflation and regulation mount.

Statement of responsibilities of the Trustees of Unipol Student Homes Limited in respect of the Trustees' annual report and the financial statements

The trustees (who are also directors of Unipol Student Homes for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors on 7th December 2023 by

Ian Robertson
Ian Robertson (Dec 13, 2023 18:44 GMT)

Mr Ian Robertson

Jenny Share
Jenny Share (Dec 13, 2023 20:42 GMT)

Ms Jennifer Share

155/157 Woodhouse Lane, Leeds, LS2 3ED

Independent Auditor's Report to the Trustees of Unipol Student Homes

Opinion

We have audited the financial statements of Unipol Student Homes (the 'charitable company') for the year ended 31 July 2023 which comprise of the Consolidated Statement of Financial Activities (including the Consolidate Statements of Income and Expenditure), the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report¹, 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 (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' (incorporating the strategic report) report been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 18], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

- 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 identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experiences of the charity's sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, Companies Act 2006, taxation legislation and data protection, employment and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence throughout;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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 management as to where they considered there was susceptibility to fraud, their 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 risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias; 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:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Laura Masheder (Senior Statutory Auditor)

BHP LLP
BHP LLP (Dec 20, 2023 13:19 GMT)

For and on behalf of BHP LLP,

Chartered accountants

Statutory Auditor

BHP LLP

Mayesbrook House

Leeds LS16 6QY

UNIPOL STUDENT HOMES
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 July 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income					
Charitable activities	4	16,259,181	76,994	16,336,175	15,441,647
Other trading activities	5	-	18,000	18,000	18,000
Investments	6	4,714	-	4,714	655
Total Income		16,263,895	94,994	16,358,889	15,460,302
Expenditure					
Charitable activities	7	17,526,686	94,994	17,621,680	15,442,096
Total Expenditure		17,526,686	94,994	17,621,680	15,442,096
Gain on disposal of Fixed Asset	14	-	-	-	197,789
Net (Deficit)/Surplus before other gains and losses	10	(1,262,791)	-	(1,262,791)	215,995
Net Income to Designated funds		(271,954)	-	(271,954)	162,024
Net Gain on disposal of Fixed Assets		-	-	-	197,789
Net (Expenditure) to Other Charitable funds		(990,837)	-	(990,837)	(143,818)
NET MOVEMENT IN FUNDS		(1,262,791)	-	(1,262,791)	215,995
Total funds brought forward at 1 August	22/23	5,613,116	-	5,613,116	5,397,121
Total funds carried forward at 31 July	22/23	4,350,325	-	4,350,325	5,613,116

The statement of financial activities includes all gains and losses recognised in the year.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

The accompanying notes are an integral part of the financial statements.

All income and expenditure derive from continuing activities.

**UNIPOL STUDENT HOMES
CONSOLIDATED AND CHARITY BALANCE SHEET
31 July 2023**

	Note	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
FIXED ASSETS					
Tangible assets	14	13,363,690	14,026,624	13,363,690	14,026,624
Intangible assets	15	165,233	-	165,233	-
Investment	16	-	-	1	1
		13,528,923	14,026,624	13,528,924	14,026,625
CURRENT ASSETS					
Stock	17	16,791	5,677	16,791	5,677
Debtors	18	1,827,207	1,248,294	1,830,394	1,251,481
Cash at bank and in hand		141,552	224,713	141,552	224,713
		1,985,550	1,478,684	1,988,737	1,481,871
CREDITORS: amounts falling due within one year	19	(6,041,620)	(4,805,870)	(6,041,620)	(4,805,870)
NET CURRENT LIABILITIES		(4,056,070)	(3,327,186)	(4,052,883)	(3,323,999)
TOTAL ASSETS LESS CURRENT LIABILITIES		9,472,853	10,699,438	9,476,041	10,702,626
CREDITORS: amounts falling due after more than one year	20	(5,122,528)	(5,086,684)	(5,122,528)	(5,086,684)
		4,350,325	5,612,754	4,350,513	5,615,942
FUNDS					
Unrestricted funds:					
Designated funds	22/23	729,227	1,001,181	729,227	1,001,181
Other Charitable funds	22/23	3,621,098	4,611,935	3,624,286	4,615,123
		4,340,325	5,613,116	4,353,513	5,616,304

The notes at pages 26 to 46 form part of these accounts

These financial statements were approved by the Board on 7th December 2023

Signed on behalf of the Board

Ian Robertson
Ian Robertson (Dec 13, 2023 18:44 GMT)

I Robertson

Jenny Share
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Company registration: 3401440

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2023

	2023	2022
	£	£
Cashflows from operating activities		
Cash generated from operations	(578,364)	1,170,860
Interest paid	(275,827)	(189,659)
	<hr/>	<hr/>
Net cash outflows from operating activities	(854,191)	981,201
Cashflows from investing activities		
Purchase of intangible assets	(176,657)	-
Purchase of tangible assets	(466,127)	(1,118,700)
Interest received	4,714	655
	<hr/>	<hr/>
Net cash outflows from investing activities	(638,070)	(1,118,045)
Cashflows from financing activities		
Proceeds from borrowings	2,388,532	144,593
Repayment of borrowings	(979,432)	(458,844)
	<hr/>	<hr/>
Net cash inflows from financing activities	1,409,100	(314,251)
Net decrease in cash in the year	(83,161)	(451,095)
Cash at the beginning of the year	224,713	675,808
	<hr/>	<hr/>
Cash at the end of the year	<u>141,552</u>	<u>224,713</u>

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2023

Notes to the consolidated cashflow statement	2023	2022
	£	£
Net (deficit)/surplus before other gains and losses	(1,262,791)	215,995
<i>Adjustments for:</i>		
Finance costs Note 13	275,827	200,860
Investment income	(4,714)	(655)
Profit on disposal of tangible assets	-	169,697
Depreciation	1,129,061	1,100,634
Amortisation	11,424	-
 <i>Movements in working capital</i>		
Change in stocks	(11,114)	(5,262)
Change in debtors	(578,913)	141,970
Change in creditors	(137,144)	(652,379)
 Cash generated from operations	<u>(578,364)</u>	<u>1,170,860</u>

Analysis of changes in net debt

	01/08/2022	Cash flows	31/07/2023
Cash	224,713	(83,161)	141,552
Bank overdrafts	(144,593)	(993,939)	(1,138,532)
	80,120	(1,077,100)	(996,980)
Borrowings	(5,663,543)	(415,161)	(6,078,704)
Finance leases	-	-	-
Convertible loan notes	-	-	-
Debt-related derivatives	-	-	-
	<u>(5,583,423)</u>	<u>(1,492,261)</u>	<u>(7,075,684)</u>

The accompanying notes are an integral part of the financial statements.

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2023

1. ACCOUNTING POLICIES

The group financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)) and the Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The particular accounting policies adopted by the Board are described below and have been applied consistently throughout the current and preceding year.

Unipol Student Homes meets the definition of a public benefit entity under FRS102.

Accounting convention

The group financial statements are prepared under the historical cost convention.

Basis of consolidation

The group financial statements comprise the results of the Charity and its subsidiary on a line by line basis, for the year ended 31 July 2023.

Preparation of financial statements – Going Concern basis

The group financial statement have been prepared on a going concern basis which assumes the Charity will be able to meet its liabilities as they fall due for the foreseeable future. The Board of Unipol reviews the risk of existing and new business on a regular basis in order to keep a balance in order to mitigate the reliance on any one type of work.

Although the majority of income comes from rent receivable, risk is mitigated by several factors: Unipol's market works across three Universities cities, Leeds, Nottingham and Bradford; its housing is geared to a cross-section of student demand (undergraduate, postgraduate, international and those with families); institutional underwrite arrangements are in place for the majority of first year student allocations where demand fluctuation is greatest. This spread of risk aims to mitigate against any single market fluctuation. On the cost side Unipol leases and Management Agreements see rents adjusted annually; short term one year Agreements are agreed annually based on previous lettings experience and longer term lease arrangements have payments decided on a pre-agreed formula with some leases being on fixed inflators and others linked to RPI to act as a "basket of risk" against high inflation or possible deflation.

Turning to staffing, some staff are on fixed term contracts which link to the length of various leases of properties/projects so if Unipol lost some of its work and were unable to replace that work then staffing could be adjusted to compensate.

Finally, Unipol is fortunate to be able to purchase individual properties to use for its core purpose which is to provide high quality affordable housing to students. This also gives Unipol the ability to borrow against these individual properties in times of need.

The charity meets its day to day working capital requirements through cash generated from charitable activities and has a £1.5m overdraft facility in place with NatWest Bank, Unipol's current account bankers. Property purchases are funded through long-term bank loans whose repayment is met by cash generated from charitable activities.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

1. ACCOUNTING POLICIES (continued)

The trustees have reviewed the charity's forecasts and projections, taking into account possible changes in operating performance. As a consequence, the trustees believe that the charity is well placed to manage its financial risks successfully despite the current uncertain economic outlook.

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and group financial statements.

Fund accounting

The Charity maintains various types of restricted and unrestricted funds as follows:

Unrestricted funds – Designated funds

Designated funds consist of the following reserves:

Major works reserve represents a provision for future expenditure on large complexes.

Dispersed Houses reserve represents a provision for future expenditure on Unipol owned houses.

The level of designated funds have been capped at £1m and are expected to be spent and replenished over a ten to fifteen year period in order to carry out refurbishment works

Unrestricted funds – Other Charitable funds

Other unrestricted funds represent unrestricted income which is expendable at the discretion of the Board in the furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

Income

All income is recognised in the statement of financial activities when the charity has entitlement to the funds and any conditions for receipt have been met and it is probable that the income will be received and the amount can be measured reliably.

Operating leases

Rental costs under operating leases are charged to the Statement of Financial Activities in equal amounts over the lease term and the value of any rent free periods are spread over the term of the lease.

Allocation of costs

Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Charity.

Governance costs relate to expenditure incurred in the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The allocation of costs can be seen in Notes 7 and 9. General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

1. ACCOUNTING POLICIES (CONTINUED)

Key judgements and estimates

Preparation of the financial statements requires the Trustees to make significant judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources and estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to the timing of when depreciation is commenced and changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are considered annually. They are amended when necessary to reflect current estimates, based on, amendments to leases or management agreements, economic utilisation and the physical condition of assets

Provision for doubtful debts

The provision for doubtful debts is the estimated amount of bad debt that will arise from rents receivable and other debtors that have been billed but not yet collected.

Future rental income

Future rental income is the budgeted rental income for the following financial year only.

Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings, computer equipment, fixtures and fittings, furniture and motor vehicles would normally be capitalised when in excess of £5,000 and carried in the balance sheet at historical cost.

Other expenditure incurred in the normal day-to-day running of the Charity and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation

Depreciation is provided to write off the cost of all relevant tangible fixed assets, less their estimated residual value, in equal annual instalments over their expected useful economic lives. Depreciation is charged from the year following acquisition as follows:

Freehold buildings	2% on purchase of property. Between 10 and 20% on cost of refurbishment of property
Freehold land	Nil
Leasehold land and buildings	Between 10% and 50%
Computer equipment and software	Between 10% and 33%
Motor Vehicles	20%
Office fixtures and fittings	Between 10% and 25%
Unipol property furniture	20%

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2023

1. ACCOUNTING POLICIES (continued)

Assets under the course of construction

Expenditure to properties, purchased or leased, which are undergoing renovation at the year end is classified as assets under the course of construction. These properties are transferred to the relevant fixed asset category on completion and depreciated accordingly from the date of transfer.

Intangible Assets

Expenditure on the acquisition of intangible assets would be capitalised when in excess of £5,000 and carried in the balance sheet at cost less accumulated amortisation.

Amortisation

Amortisation is provided to write off cost of all relevant intangible assets in equal annual instalments over their expected useful economic lives. Amortisation is charged from the year following acquisition as follows:

Software/Website	Between 10% and 33%
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Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the entity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

Stock

Stock is valued at the lower of cost and net realisable value.

Taxation

Unipol Student Homes is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2012 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2012 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

Financial instruments

The entity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Investments

Investments held as fixed assets are valued at cost less any provision for impairment.

Pension schemes

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). Under auto enrolment regulations the DC Plan is the default scheme. USS and PAS are defined benefit schemes which are externally funded and contracted out of the State Earnings Related Pension Scheme. The funds are valued every three years by actuaries with the rates of contribution payable being determined by the trustees on the advice of the actuaries. The amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable for the year.

2. LEGAL STATUS OF THE CHARITY

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

3. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary Leeds Student Homes Ltd a dormant company that ceased trading on 31st July 2015.

The summary financial performance of the charity alone is:

	Total 2023	Total 2022
	£	£
Income		
Charitable activities	16,336,175	15,441,647
Other trading activities	18,000	18,000
Investments	4,714	655
	<hr/>	<hr/>
Total Income	16,358,889	15,460,302
	<hr/>	<hr/>
Expenditure		
Charitable activities	(17,621,680)	(15,442,096)
	<hr/>	<hr/>
Total Expenditure	(17,621,680)	(15,442,096)
	<hr/>	<hr/>
Net Income/(Expenditure)		18,206
Gain on disposal of tangible assets		197,789
		<hr/>
NET MOVEMENT IN FUNDS	(1,262,791)	215,995
Total funds brought forward at 1 August	5,616,304	5,400,309
	<hr/>	<hr/>
Total funds carried forward at 31 July	4,353,513	5,616,304
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Unrestricted income funds	4,353,513	5,616,304
	<hr/>	<hr/>
	4,353,513	5,616,304
	<hr/> <hr/>	<hr/> <hr/>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2023 £	Unrestricted £	Restricted £	2022 £
Unipol Housing	14,762,348	-	14,762,348	13,924,917	-	13,924,917
Housing Hubs	426,358	40,000	466,358	430,030	40,000	470,030
Code of Standards	104,195	36,994	141,189	106,658	44,353	151,011
National Code of Standards	659,192	-	659,192	613,814	-	613,814
Property Management	284,471	-	284,471	254,887	-	254,887
Conference	22,617	-	26,617	26,988	-	26,988
	<u>16,259,181</u>	<u>76,994</u>	<u>16,336,175</u>	<u>15,357,294</u>	<u>84,353</u>	<u>15,441,647</u>

Unipol Student Homes is split into the following areas of activity:

Unipol Housing – includes a portfolio of properties that are either owned, leased or rented by Unipol. The main source of income is rent receivable.

Housing Hubs (Leeds, Bradford and Nottingham) – are services provided to students funded by private owners’ registration fees and grants received from various institutions. This service provides advice on general student accommodation issues. It is also used as a centre for advertising student accommodation in the private rented sector. In Bradford there is additional income for accommodating overseas students on short courses.

Leeds receives funding from Leeds Beckett University, the University of Leeds, the Leeds Beckett Students’ Union and Leeds University Union.

Bradford receives funding from Bradford University and Bradford College.

Nottingham receives funding from the Nottingham City Council and Nottingham Trent University.

Code of Standards (Leeds, Bradford and Nottingham) – establishes a minimum standard for accommodation and its management in the private rented sector in Leeds, Bradford and Nottingham.

National Code of Standards – establishes a minimum standard for high density student accommodation and its management nationally.

Property Management Service (Leeds and Nottingham) – includes a portfolio of properties that Unipol manages on behalf of private owners. The primary income in the area is rent commission.

Unipol Conferences – is the part of Unipol developed as “Unipol Training”, and is the main national trainer in the niche market of student accommodation. Income is made up of conference fees and sponsorship money. Unipol Conferences now carries out the ANUK (Accreditation Network UK) conference).

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

5. INCOME EARNED FROM OTHER ACTIVITIES

	2023 £	2022 £
Sponsorship	<u>18,000</u>	<u>18,000</u>
	<u>18,000</u>	<u>18,000</u>

During the year the Charity received sponsorship from CRM Ltd to support the conference and educational activities of the Charity. Sponsorship in both years was restricted.

6. INVESTMENT INCOME

The group's investment income of £4,714 (2022: £655) arises from money held in interest bearing bank accounts. Investment income in both years is unrestricted..

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2023 Total £
Direct Costs	3,571,074	38,327	42,161	221,313	32,399	17,182	3,922,456
Repairs & Refurbs	2,274,033	1	-	600	700	-	2,275,334
Staffing	1,019,294	175,576	59,590	202,111	159,327	21,286	1,637,184
Lease & Management charges	6,170,661	-	-	-	-	-	6,170,661
Major Works	271,954	-	-	-	-	-	271,954
Loan interest	257,483	5,617	1123	8,984	2,246	374	275,827
Depreciation	1,063,265	-	-	-	-	-	1,063,265
Support	1,099,942	406,397	87,711	191,532	78,178	40,199	1,903,960
Governance	<u>47,752</u>	<u>14,098</u>	<u>5,018</u>	<u>24,672</u>	<u>5,770</u>	<u>3,728</u>	<u>101,038</u>
	<u>15,775,459</u>	<u>640,016</u>	<u>195,603</u>	<u>649,212</u>	<u>278,620</u>	<u>82,769</u>	<u>17,621,679</u>

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2022 Total £
Direct Costs	2,732,282	24,052	23,742	238,255	26,280	14,560	3,059,171
Repairs & Refurbs	2,047,557	-	-	-	50	124	2,047,731
Staffing	934,214	167,330	47,987	192,632	152,543	19,994	1,514,700
Lease & Management charges	5,682,476	-	-	-	-	-	5,682,476
Major Works	233,520	-	-	-	-	-	233,520
Loan interest	191,437	3,448	689	3,677	1,379	230	200,860
Depreciation	1,022,226	-	-	-	-	-	1,022,226
Support	864,508	374,927	76,495	172,649	67,681	33,997	1,590,257
Governance	<u>39,515</u>	<u>12,668</u>	<u>4,586</u>	<u>25,693</u>	<u>5,232</u>	<u>3,461</u>	<u>91,155</u>
	<u>13,747,735</u>	<u>582,425</u>	<u>153,499</u>	<u>632,906</u>	<u>253,165</u>	<u>72,366</u>	<u>15,442,096</u>

Expenditure on charitable activities was £17,621,679 (2022: £15,442,096) of which £17,526,686 (2022: £15,339,743) was unrestricted and £94,994 (2022: £102,353) was restricted.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

8. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

The table shows the cost of the six main charitable activities and the sources of income directly to support those activities.

Current Year							
	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2023 Total £
Costs	(15,775,460)	(640,016)	(195,603)	(649,212)	(278,620)	(82,769)	(17,621,680)
Rent	14,420,043	-	-	-	(925)	-	14,419,118
Covid Net Rebate	-	-	-	-	-	-	-
Subventions & College Fees	-	238,014	36,994	-	-	-	275,008
Fees	-	153,771	104,195	593,502	28,999	22,517	902,984
Membership Fees	-	29,870	-	-	-	100	29,970
Commission	-	-	-	-	250,470	-	250,470
Sundry Income	<u>345,888</u>	<u>44,703</u>	<u>-</u>	<u>65,690</u>	<u>5,927</u>	<u>-</u>	<u>458,625</u>
Net Cost of charitable activities	<u>(1,013,112)</u>	<u>(173,658)</u>	<u>(54,414)</u>	<u>9,980</u>	<u>5,851</u>	<u>(60,152)</u>	<u>(1,285,505)</u>
Prior Year							
	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2022 Total £
Costs	(13,747,735)	(582,425)	(153,499)	(632,906)	(253,165)	(72,366)	(15,442,096)
Rent	13,659,783	-	-	-	(1,525)	-	13,658,258
Covid Net Rebate	420	-	-	-	-	-	420
Subventions & College Fees	-	227,244	44,353	-	-	-	271,597
Fees	-	146,596	106,658	561,285	20,914	26,371	861,824
Membership Fees	-	32,533	-	-	-	617	33,150
Commission	-	-	-	-	231,832	-	231,832
Sundry Income	<u>264,714</u>	<u>63,657</u>	<u>-</u>	<u>52,529</u>	<u>3,666</u>	<u>-</u>	<u>384,566</u>
Net Cost of charitable activities	<u>177,182</u>	<u>(112,395)</u>	<u>(2,488)</u>	<u>(19,092)</u>	<u>1,722</u>	<u>(45,378)</u>	<u>(449)</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the six main charitable activities undertaken (see note 8) in the year. Refer to the table below for the analysis of support and governance costs and the comments beneath for the basis of apportionment.

	Support	Governance	2023	Support	Governance	2022
	£	£	Total	£	£	Total
			£			£
General Office Costs	474,005	-	474,005	377,183	-	377,183
IT Expenditure	357,148	-	357,148	283,034	-	283,034
Staff Costs	877,338	71,874	949,212	765,777	66,105	831,882
Depreciation/Amortisation	77,220	-	77,220	78,408	-	78,407
Other Finance Charges	118,249	-	118,249	85,855	-	85,855
Audit	-	29,163	29,163	-	25,050	25,050
	<u>1,903,960</u>	<u>101,037</u>	<u>2,004,997</u>	<u>1,590,257</u>	<u>91,155</u>	<u>1,681,412</u>

General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

10. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:	2023	2022
	£	£
Auditor's remuneration: audit of these financial statements	24,303	20,875
Interest payable	275,827	200,860
Operating leases and management agreements	6,258,247	5,774,826
Depreciation on tangible fixed assets	1,129,061	1,100,634
Amortisation on intangible assets	11,424	-
Directors' liability insurance	3,763	3,136
Interest receivable	(4,714)	(655)
	<u> </u>	<u> </u>

11. STAFF NUMBERS AND COSTS

	2023	2022
	No	No
Average number of full-time equivalent employees	59	57
	<u> </u>	<u> </u>
BREAKDOWN OF STAFF PER SECTION		
Housing	37	35
Housing Hubs & Code of Standards	11	11
National Code	5	5
Property Management	5	5
Conferences and ANUK	1	1
	<u> </u>	<u> </u>
TOTAL	59	57
	<u> </u>	<u> </u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

11. STAFF NUMBERS AND COSTS (CONTINUED)

Average number of employees	81	81
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BREAKDOWN OF STAFF PER SECTION

Housing	53	51
Housing Hub & Code of Standards	16	17
National Code	5	5
Property Management	6	7
Conferences and ANUK	1	1

TOTAL	81	81
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	2023	2022
	£	£

Staff costs

Wages and salaries	2,115,342	1,916,849
Employer's National Insurance	183,621	168,188
Employer's pension costs (see note 26)	262,433	238,989

Sub-total before administration charge	2,561,396	2,324,026
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Administration Charge	25,000	22,556
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TOTAL	2,586,396	2,346,582
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Employees receiving remuneration amounting to more than £60,000	2023	2022
	No	No
£60,000 - £69,999	1	-
£70,000 - £79,999	-	2
£80,000 - £89,999	2	-
£120,000 - £129,999	-	1
£130,000 - £139,999	1	-

Five higher paid employees (2022: four) had benefits accruing under the defined benefit pension scheme.

The key management personnel of the Charity comprise the trustees (who are not remunerated), the Chief Executive, Deputy Chief Executive, Director of Finance, Assistant Chief Executive - Housing Services, Assistant Chief Executive - Hub Services, Assistant Chief Executive - Communication and IT, Assistant Chief Executive - Standards and Assistant Chief Executive - Development. The total employee benefits of the key management personnel were £629,799 (2022: £620,484).

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

11. STAFF NUMBERS AND COSTS (CONTINUED)

Payments to Board Members

	2023	2022
	£	£
Meri Braziel – Consultancy	16,000	
Michael Wilkinson – Travel expenses as a Board Member	-	385
	<u> </u>	<u> </u>

Board Members (or any person connected with them) have not received any remuneration from Unipol Student Homes.

The Charity purchased insurance costing £3,763 (2022: £3,136) to provide trustees and officers £5m of cover against loss arising from their neglect or default.

Related Party Transactions

During the year there were the following transactions with related parties:

Income	£20,932	Subvention
	£375	Mental Health Awareness Conference
Expenditure	£5,000	21-22 gift
	£431	Marketing incentives

12. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13. INTEREST PAYABLE AND SIMILAR CHARGES

Group and charity

	2023	2022
	£	£
Included in Unipol Housing expenditure:		
Bank and other loans	275,827	200,860
	<u> </u>	<u> </u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

14. TANGIBLE FIXED ASSETS

Group and charity

	Freehold buildings	Leasehold land and buildings	Computer equipment	Fixtures and fittings	Unipol property furniture	Motor Vehicles	Assets under the course of construction	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 August 2022	17,034,379	9,880,403	1,090,186	871,241	811,256	53,046	-	29,740,511
Transfer								
Additions	177,602	281,911	5,439	-	1,176	-	-	466,127
Disposals								
At 31 July 2023	17,211,981	10,162,314	1,095,625	871,241	812,432	53,046		30,206,638
Accumulated depreciation								
At 1 August 2022	6,218,870	6,909,246	993,131	835,230	707,772	49,638	-	15,713,887
Transfer	-	-	-	-	-	-	-	-
Charge for the year	527,068	530,757	36,872	6,045	24,912	3,408	-	1,129,061
Disposals	-	-	-	-	-	-	-	-
At 31 July 2023	6,745,939	7,440,003	1,030,003	841,275	732,683	53,045,		16,842,948
Net book value								
At 31 July 2023	10,466,042	2,722,311	65,622	29,966	79,749	-	-	13,363,690
At 31 July 2022	10,815,509	2,971,157	97,055	36,011	103,484	3,408	-	14,026,624

Freehold land is not depreciated

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

15. INTANGIBLE ASSETS

	Computer Software/Website £
Cost	
At 1 August 2022	-
Additions	176,657
At 31 July 2023	176,657
Accumulated amortisation	
At 1 August 2022	-
Charge for the year	11,424
At 31 July 2023	11,424
Net book value	
At 31 July 2023	165,233
At 31 July 2022	-

16. INVESTMENTS HELD AS FIXED ASSETS

Charity

The Charity holds 100% of the issued share capital in Leeds Student Homes Ltd, a dormant company. With effect from 31st July 2015 the subsidiary ceased trading the results of the subsidiary are given below.

	2023 £	2022 £
Turnover	-	-
Interest receivable	-	-
Administrative expenses	-	-
Operating (loss)/profit	-	-
Deed of gift to Unipol Student Homes		
(Loss)/Profit for the financial year	-	-

The aggregate of the assets, liabilities and funds was:

	2023 £	2022 £
Total assets	-	-
Total liabilities	(3,187)	(3,187)
Represented by:		
Called up share capital	1	1
Profit and loss account	(3,188)	(3,188)
	(3,187)	(3,187)

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

As permitted by FRS 8 - *Related Party Transactions* the company has taken advantage of the exemption to not disclose transactions entered into between the parent company and its wholly owned subsidiary.

17. STOCKS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Furniture and goods	16,791	5,677	16,791	5,677
	16,791	5,677	16,791	5,677

18. DEBTORS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Owed from subsidiary undertaking	-	-	3,187	3,187
Rents receivable	44,433	40,304	44,433	40,304
Other debtors	564,464	325,486	564,464	325,486
Prepayments and accrued income	1,218,242	882,504	1,218,242	882,504
	1,827,207	1,248,294	1,830,327	1,251,481

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Overdraft	1,283,125	144,593	1,283,125	144,593
Loans (see note 20)	1,114,991	981,307	1,114,991	981,307
Returnable deposits	660	156,400	660	156,400
Trade creditors	1,494,719	953,509	1,494,719	953,509
Taxation and social security costs	41,774	17,468	41,774	17,468
Other creditors	590,199	512,515	590,199	512,515
Accruals	917,185	1,353,177	917,185	1,353,177
Deferred income (see over)	598,967	686,901	598,967	686,901
	6,041,620	4,805,870	6,041,620	4,805,870

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

ANALYSIS OF DEFERRED INCOME

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Rental income	276,138	363,493	276,138	363,493
Contribution from Landlords towards capital works	101,040	101,040	101,040	101,040
Subventions, fees and funding income	221,789	222,368	221,789	222,368
	598,967	686,901	598,967	686,901

	Rental Income	Contribution from Landlords towards WC	Subventions, fees and funding income	Total
Opening as @ 1.8.22	(363,493)	(101,040)	(222,368)	(686,901)
(Released)	(16,322,462)	0	(227,763)	(16,550,225)
Deferred	16,235,107	0	227,184	16,462,291
Closing as @ 31.7.23	(276,138)	(101,040)	(221,789)	(598,967)

Deferred income arose due to invoices due for payment at the start of the next financial year were raised at the end of the previous financial year and are simply timing issues. In addition contractual capital contributions have been made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	4,819,120	4,682,236	4,819,120	4,682,236
Deferred Income	303,408	404,448	303,408	404,448
	<u>5,122,528</u>	<u>5,086,684</u>	<u>5,122,528</u>	<u>5,086,684</u>

The bank loans are secured on a number of properties within the portfolio. One bank lends to Unipol with loans expiring between 2027 and 2029, one loan bears an interest rate of 2.25% over base and two further loans are at a fixed rate of 3.32% and 3.87%. A further bank lends to Unipol with loans expiring between 2024 and 2032 with interest rates of 2.65% and 2.68% over Bank of England Base rate and six fixed rate loans of 3.14%, 3.53%, 3.6%, 4.11%, 4.14%, 4.16%, 5.9% and 7.52%.

Deferred income arose due to contractual capital contributions made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation.

	Group and Charity	
	2023	2022
	£	£
Analysis of loan repayments		
Bank loans and other loans		
Within one year or on demand (see note 19)	1,114,991	981,307
Between one and two years	1,086,901	885,899
Between two and five years	2,980,817	3,139,858
After five years	751,402	656,479
	<u>5,934,112</u>	<u>5,663,543</u>

21. ANALYSIS OF GROUP ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds		Total	Total
	Designated funds	Undesignated funds		
	£	£	£	£
Fixed assets	-	13,363,690	13,363,690	14,026,624
Intangible assets	-	165,233	165,233	-
Current assets	729,227	1,256,685	1,985,550	1,478,684
Creditors: amounts falling due within one year	-	(6,041,620)	(6,041,620)	(4,805,870)
Creditors: amounts falling due after more than one year	-	(5,122,528)	(5,122,528)	(5,086,684)
	<u>729,227</u>	<u>3,621,098</u>	<u>4,350,325</u>	<u>5,612,754</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

22. STATEMENT OF MOVEMENT ON RESERVES

Charity as at 31 July 2023	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2022	1,001,181	4,615,123	5,616,304
Net movement in funds	(271,954)	(990,837)	(1,262,791)
Transfers	-	-	-
At 31 July 2023	729,227	3,624,286	4,353,513
<hr/>			
Charity as at 31 July 2022	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2021	838,795	4,561,152	5,399,947
Net movement in funds	(233,520)	449,515	215,995
Transfers	395,544	(395,544)	-
At 31 July 2022	1,001,181	4,615,123	5,616,304
<hr/>			
Group as at 31 July 2023	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2022	1,001,181	4,611,935	5,612,754
Net movement in funds	(271,954)	(990,837)	(1,262,791)
Transfers	-	-	-
At 31 July 2023	729,227	3,621,098	4,350,325
<hr/>			
Group as at 31 July 2022	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2021	838,795	4,557,964	5,396,759
Net movement in funds	(233,158)	449,515	216,357
Transfers	395,544	(395,544)	-
At 31 July 2022	1,001,181	4,611,935	5,613,116

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

23. MOVEMENT IN GROUP FUNDS

As at 31 July 2023

	Balance 31 July 2022	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2023
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	761,183	-	(255,706)	-	-	505,477
Dispersed Houses reserve	239,998	-	(16,248)	-	-	223,750
	1,001,181	-	(271,954)	-	-	729,227
Undesignated funds:						
Other unrestricted funds	4,611,935	16,263,895	(17,254,732)	-	-	3,621,098
Total unrestricted funds	5,613,116	16,263,895	(17,526,686)	-	-	4,350,325
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	51,994	(51,994)	-	-	-
Sponsorship	-	18,000	(18,000)	-	-	-
Total restricted funds	-	94,994	(94,994)	-	-	-
Total funds	5,613,116	16,358,889	(17,621,680)	-	-	4,350,325

As at 31 July 2022

	Balance 31 July 2021	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2022
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	638,795	-	(233,158)	355,546	-	761,183
Dispersed Houses reserve	200,000	-	-	39,998	-	239,998
	838,795	-	(233,158)	395,544	-	1,001,181
Undesignated funds:						
Other unrestricted funds	4,557,964	15,357,949	(15,106,223)	(395,544)	197,789	4,611,935
Total unrestricted funds	5,396,759	15,357,949	(15,339,743)	-	197,789	5,613,116
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	59,353	(59,353)	-	-	-
Sponsorship	-	18,000	(18,000)	-	-	-
Total restricted funds	-	102,353	(102,353)	-	-	-
Total funds	5,396,759	15,460,302	(15,442,096)	-	197,789	5,613,116

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

23. MOVEMENT IN GROUP FUNDS (continued)

The Unrestricted Funds are:

Designated funds consisting of the following reserves:

Major works reserve represents a provision for future capital expenditure on large complexes.

Dispersed Houses reserve represents a provision for future capital expenditure on Unipol owned houses.

The Restricted Funds are:

Housing Hub and Code of Standards - Bradford - This is income from Bradford University for running its Accommodation services.

Housing Hub and Code of Standards - Nottingham - This is £30,000 from Nottingham Trent University to run the Hub and support accreditation in Nottingham together with £21,994 from Nottingham City Council to run accreditation in Nottingham.

Sponsorship - This is sponsorship funding for the conference section.

Transfers

No transfers were made in the current year (2022 £395,544) from the designated reserve to the general reserve for major works and works to dispersed houses.

24. CAPITAL COMMITMENTS

	2023	2022
	£	£
Unipol had contracted commitments at 31st July for future capital projects totalling	-	-
	<u> </u>	<u> </u>

25. LEASE COMMITMENTS

The Charity has operating lease commitments due over the lease term as follows:

	2023	2022
	£	£
Amount due within one year	9,937,512	6,601,373
Amount due between one and five years	44,653,589	27,271,930
Amount due after more than five years	219,920,633	93,834,125
	<u>274,511,734</u>	<u>127,707,428</u>

Lease commitments include longer term management agreements where a contractual obligation exists.

The Charity budgets to receive rental income in respect of properties held on lease and management agreements of £14,179,039 (2022: £13,658,678)

26. PENSION SCHEMES

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). The assets of the schemes are held in separate trustee-administered funds. USS and PAS are defined benefit schemes which are externally funded and are valued every three years by actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The DC Plan, which was introduced from 1 March 2013, is the main auto-enrolment vehicle for staff. The investment of scheme contributions for the DC Plan is managed by The People's Pension.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

26. PENSION SCHEMES (continued)

The triennial valuation of Universities Superannuation Scheme showed that as at 31 March 2020 the scheme had a deficit of £14.1bn. A further report was commissioned as to the funding position as at 31 March 2022 that showed the scheme deficit had reduced to £5.6bn. Employer contribution level is 21.6% of salary.

The triennial valuation of the University of Leeds Pension and Assurance Scheme as at 31 March 2020 showed that the Scheme had a deficit of £66.2m, equivalent to a funding level of 87%. Given the unusual market conditions prevailing in March 2020, a further valuation was carried out as at 31 March 2022. This valuation showed that there was a surplus of £24.2m, equivalent to a funding level of 105%. During the year the employer contribution rate was 16%, with the employee contribution rate at 7.5% both unchanged from the previous year. The provisional 2023 valuation shows that USS now has a funding surplus of £7.6bn, equivalent to a funding level of 111%. Subsequent changes to contributions is in consultation with the final outcome expected in April 2024. The University continues to pay the annual PPF levy and the cost of any ill health early retirement benefit enhancements.

The pension cost for the year was £262,433 (2022: £238,989).

27. POST BALANCE SHEET EVENTS

On 8 September 2023 Unipol Student Homes completed on a twenty five year lease agreement with Waypoint Limited for a building known as Cotton Mills, Norwood Road, Radford Boulevard, Nottingham, NG7 3BR – consisting of 273 en-suite beds at an initial lease fee of £1,113,329.

On 1 September 2023 Unipol Student Homes completed on a 25 year lease agreement with Carlton Hill Holdings for a 606 bed shared cluster development known as Carlton Hill, Leeds, LS7 1JD at an initial lease fee of £2,655,371.

UNIPOL STUDENT HOMES

England & Wales - Charity number 1063492

Accounts

Charity registration: 1063492
Company registration: 3401440

UNIPOL STUDENT HOMES

Annual Report and Group

Financial Statements

Year Ended 31 July 2022

UNIPOL STUDENT HOMES

ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS 2022

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UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

LEGAL AND ADMINISTRATIVE INFORMATION

BOARD

The Board comprises the following representatives:

The University of Leeds

Mr Ian Robertson, Head of Residential Accommodation

Chair of Unipol

Mr Christopher Warrington

Ms Catherine Cho

Contactable at University of Leeds, Leeds LS2 9JT

Leeds Beckett University

Ms Victoria Johnson

Ms Caroline Thomas (resigned 24/02/2022)

Ms Joanne Norry (appointed 24/03/2022)

Contactable at Leeds Beckett University, Calverley Street, Leeds, LS1 3HE

Leeds University Union

Ms Bethany Eaton (resigned 01/07/2022)

Ms Nicole Jimenez Mogrovejo (resigned 01/07/2022)

Ms Emily Tabern (appointed 01/07/2022)

Ms Vicky Zhou (appointed 01/07/2022)

Ms Hannah Brian

Contactable at Leeds University Union, PO Box 157, Leeds LS1 1UH.

Leeds Beckett University Students' Union

Ms Mpango Simwaka (resigned 01/07/2022)

Ms Anna Crooks (resigned 01/07/2022)

Ms Lucy MacDonald (appointed 12/07/2022)

Ms Ashleigh Pinnock (appointed 12/07/2022)

Ms Jacqui Short

Contactable at Leeds Beckett University Students' Union, Calverley Street, Leeds LS1 3HE.

Bradford College

Vacant

Co-Opted Directors

Mr Michael Wilkinson

Deputy Chair (Partnerships) of Unipol

Mr Andrew William Welsh

Deputy Chair (Properties and Portfolio) of Unipol

Ms Meri Braziel

Mr Stephen Denton (appointed 29/08/2022)

Mr Michael Lees (resigned 25/08/2022)

Ms Jennifer Share

Deputy Chair (Finance) of Unipol

Mr Steven Gilley (appointed 01/11/2022)

Contactable at Unipol Student Homes, 155/157 Woodhouse Lane, Leeds, LS2 3ED

UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

Charity registration number	1063492
Company registration number	3401440
Registered address	155/157 Woodhouse Lane, Leeds, LS2 3ED

OFFICERS OF UNIPOL STUDENT HOMES

Mr M J Blakey	Chief Executive
Ms N Verity	Deputy Chief Executive
Ms C Rygalska	Director of Finance
Ms R Campey	Assistant Chief Executive – Housing Services
Ms N Brown	Assistant Chief Executive - Hub Services
Mr A Livesey	Assistant Chief Executive - IT and Communications
Ms V Tolmie-Loverseed	Assistant Chief Executive – Standards & Company Secretary
Mr A Vyse	Assistant Chief Executive - Developments

BANKERS

National Westminster Bank plc Leeds Commercial Office 4 th Floor 2 Whitehall Quay Leeds LS1 4HR	Svenska Handelsbanken AB 5th Floor 3 The Embankment Sovereign Street Leeds LS1 4BJ
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SOLICITORS

Lupton Fawcett Stamford House Piccadilly York YO1 9PP	Pinsents 1 Park Row Leeds LS1 5AB	Hatch Legal 12 Park House 11 Park Row Leeds LS1 5HB	Walker Morris 33 Wellington Street Leeds LS1 4DL
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AUDITOR

BHP LLP
First Floor, Mayesbrook House
Lawnswood Business park
Redvers Close
Leeds
LS16 6QY

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

The annual report and the audited financial statements are for the year ended 31st July 2022 in the 47th year of operation of Unipol Student Homes as a registered charity (two years after it was founded initially as part of the University of Leeds in 1973). On 1st August 1997 Unipol was incorporated as a charitable company limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Its current *Forward Look 2023-2026* was adopted by trustees in September 2022 and this sets out the main strategic direction of the organisation for the next three years and it makes sense to review the year with reference to the Forward Look. A copy of this can be found at <https://www.unipol.org.uk/forwardlook> on Unipol's website.

Values

The values of the charity have always been important and have always been placed at the centre of its operations and aspirations. The values are a touchstone by which Unipol can assess what it is doing and why.

As part of the *Forward Look* discussion, trustees reviewed the charity's seven core values and identified four themes which place additional emphasis on these values:

- *standards*: the charity sets high standards which match its values
- *responsibility*: both now and in the longer term
- *student focussed*: caring about its services, trusted and reassuring
- *leadership*: using its expertise to create impact in the sector and innovate.

Unipol's values have been used to define Unipol as an organisation that is different from any other. During the pandemic, the charity based its actions on these values and messaged its culture to those it worked with and for. Unipol's values underpin everything it does and they remain at the core of the charity's actions. Those values are:

To be trusted - as a source of help and advice to both students and landlords who want to rent and provide good quality student accommodation that contributes to a great student experience.

To be impartial experts - giving student consumers information and advice, based on 47 years' experience in the sector, which empowers them to make good housing choices and get the best deal available. Establishing, promoting and publicising best practice in student accommodation, encouraging innovation and cooperation between providers, institutions, local and national Government to work together to the benefit of student tenants.

To provide value for money - providing a first class service to our users which uses the latest technology to allow on-line global accessibility; recognising the importance of meeting differing students' needs and providing value for money and choice throughout the housing process.

To promote safety and wellbeing - setting and checking standards to make student accommodation as safe and secure as possible to give peace of mind to all concerned and providing a good quality living environment that is so important in the learning process.

To promote community - whilst promoting individuality the charity encourages positive attitudes to equality, cultural diversity and the internationalism inherent in undertaking study in higher education.

To be ethical - valuing our human resources, investing in training and sector expertise and ensuring we pay our employees the living wage. Providing information for our tenants on how to use less energy in a comfortable living environment and use local suppliers and trades wherever possible.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

To be transparent and accountable - being answerable as a charity to our Board of trustees and to our users and making the charity's agenda and operations as clear and open as possible.

Purposes, Activities and Public Benefit

The charity's objects are the advancement of education by providing and managing accommodation and related services for educational institutions, their students and other persons associated with educational institutions and to develop and foster excellence and expertise in this field. Students (and the institutions being supported) rate their living experience and the acquisition of life skills and personal development as a very important aspect of their overall education.

Unipol was founded in Leeds by trustees with a vision of a charity offering dedicated expertise in student housing. From the outset the charity has worked nationally with education institutions and housing providers to give students better information and help on available housing options and to champion better housing standards which now takes place through local services based in Leeds, Nottingham and Bradford and nationally. Although Leeds continues to be a principal financial focus of the charity's activities, housing services in Nottingham continue to expand. The charity also operates on a national stage in respect of student-related housing regulation, legislation and policies and seeks to improve choice, affordability and standards in student housing.

As a student housing charity of nearly 50 years' standing and the largest not-for-profit student housing organisation in the UK, Unipol:

- develops, takes into ownership and manages properties and lets them directly to students. Unipol is currently responsible for housing some 3,000 students plus around 210 student families. Of these, 2,250 students live in Leeds, 649 in Nottingham and 59 in Bradford. Its direct housing function sits at the heart of the charity's operations and is a beacon of good practice and innovation for others working in the sector
- runs local accreditation schemes in Leeds, Nottingham and Bradford, and operates two Government-approved Codes of Practice for larger student developments UK-wide. In Leeds, Unipol also runs the *Leeds Rental Standard* for Leeds City Council (<http://www.leedsrentalstandard.org.uk/>) and in Nottingham (together with *Decent and Safe Homes* and Nottingham City Council) it runs the *Nottingham Standard* (<https://www.nottinghamcity.gov.uk/nottinghamstandard>).
- Within these, Unipol sets professional standards for purpose-built student accommodation (PBSA) and its management. Owners and agents who are scheme members voluntarily commit themselves to meeting these standards. Unipol undertakes compliance checks in order to give students assurance and confidence about the quality of what they are signing up for when they rent a Code property. The accreditation schemes also give students a robust complaints process to use if things go wrong. Unipol currently accredits around 440,000 bed spaces
- runs three Housing Hubs which give students (and their parents) information and advice on finding a suitable home. The Hubs also provide a forum in which owners (including Unipol) can advertise their properties. Although Unipol charges a fee for services to owners, services for students are free. The Housing Hubs are part-funded by educational institutions and local authorities. Unipol also runs a *Rate Your Landlord* review site (jointly with Leeds University Union), which provides an effective platform for the student voice to influence housing choice in Leeds and in Coventry (University of Warwick)
- provides help and training, both locally to support landlords, and nationally to improve policy, management and the development of student accommodation. Unipol has in-house training facilities in both Nottingham and Leeds. As part of this set of activities, Unipol runs the UK Student Accommodation Forum, an online conferencing facility that enables member practitioners to meet regularly and talk about issues of the moment.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

Overview of 2021-2022: Coronavirus and the Cost of Living Crisis

It is easy to forget to what extent the coronavirus pandemic continued to affect the financial year that has just concluded. This year also saw the beginnings of what is now called "*the Cost of Living Crisis*" as energy costs and inflation rose rapidly towards the latter half of the year.

Coronavirus

Just as the 2021-2022 academic year was settling, in November 2021 new restrictions were announced in response to the Omicron variant which saw the reintroduction of wearing face masks and enhanced safety measures for work places.

In September 2021, as part of its "vaccine passport" considerations, the Government floated the idea that only students who had been "double jabbed" with the vaccine would be able to return to campus. As this was entirely impractical because the vast majority of students would not have completed their vaccination programme (as set by the Government) the idea was dropped but in December 2021 the idea was revived as a possible condition for students returning to study in the New Year. The disruption this could have caused was taken sufficiently seriously by Unipol's trustees that the possibility of a special Board meeting was contemplated in January 2022, if this condition was imposed, causing absent students to ask for further rent refunds.

The idea also prompted most students to return to their place of study to live much earlier in January than they might otherwise have done, to escape any possible impending restrictions. By the end of the first week of January, Unipol's properties were occupied to mid-term levels, although 50% of its Residents' Assistants were isolating with Covid.

The various waves of coronavirus cases that occurred throughout the year, saw continuing disruption to the pattern of staff working and student living and Unipol had to put its previous plan for a full return to work on hold until April 2022 when three day office working was increased to four. Also in April, Unipol's Board decided that in-person Committee and Board meetings could now be held: in person meetings had been briefly restored in September 2021 when the first face-to-face Board meeting was held since 7th February 2020.

The working pattern continued to be disrupted by high levels of Covid infections which rose rapidly in December 2021 and then peaked after the Christmas and New Year celebrations in January 2022. Some property works planned over the Christmas break had to be postponed.

Covid testing ceased in April 2022 but the ONS survey showed that by May 2022 6% of the population in England were infected. These waves of infection affected students, contractors and Unipol's staff and Covid infections continue to cause enhanced staff absences to the present day.

At the half year point (Q2 31st January 2022) it was clear that Covid factors were still having significant effects on the year's budgetary performance and the hope that these could be consigned to the previous two financial years faded. The planned budgeted surplus for 2021-2022 of £176K became unachievable as higher cleaning costs continued, energy costs increased with students also spending a larger proportion of their time in their residences. Government advice to keep good ventilation by opening windows made energy conservation difficult and the later delivery of Oak House into a depressed international student market saw a reduction of some rental income in this financial year.

Strenuous efforts were made throughout the remainder of the year to restrict expenditure and the aim of achieving a break-even budget was achieved, with a small surplus being recorded.

Cost of Living Crisis

In September 2021 energy costs began rising quickly and inflation was also beginning to rise but the expectation at that stage was that inflation would reach around 4.5% over the next year and that energy prices may have peaked. At the beginning of the year, Unipol had renewed its electricity contract for one year which had seen a 28% rise in costs. Unipol's existing gas contract continued to run until the end of June 2022.

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The combined effects of higher inflation and much higher energy costs began to become apparent around the half year (Q2) point. The combination of a global energy shortage caused by the speeding up of the world economy after many Covid restrictions ended, coupled with the invasion of Ukraine (on 24th February 2022) and the subsequent weaponising of energy supplies saw energy prices soar to levels entirely unforeseen. Supply-chain and labour shortages stoked the inflationary pressure. Both inflation and energy costs continue to rise with the Bank of England predicting inflation of 13% by December 2022. The subsequent rise in interest rates and the squeeze on household spending was also predicted to drive the UK economy into recession for the next five quarters.

The Unipol Mission

Because Unipol's own housing portfolio is so central to the activities of the charity, it is worth dwelling on how Unipol's values translate into housing values as a provider.

Unipol's stock has been acquired and shaped to meet the diverse needs of the student population. Unipol offers housing to all kind of students: undergraduates, postgraduates, international and UK students, first-years and returners, students under 18, couples, students with dependents and students with additional needs.

Unipol aims to offer the best deal possible to its tenants as a not for profit provider. In this year, the decision was taken to stop charging deposits altogether for shared student housing in 2022-2023 and, as a step towards this, to reduce deposits in 2021-2022 to an upper level of £100 (from a peak two years ago of £240). Deposits are now only levied on longer-stay family tenants. This means the Unipol offer to students is that they simply pay rent with no other fees or hidden charges, no guarantors and with each student tenant getting an individual tenancy agreement: a far cry from many other accommodation providers.

Housing revenue normally goes to support investment in higher-quality properties and helps subsidise the advice and standards mission but in this year, with housing taking the weight of the economic challenges outlined, that internal subsidy has been lessened.

It has, however, been possible to maintain continuing investment into the portfolio because of reserves held for that purpose and the designated works reserve continues to provide sufficient funds for that purpose and now stands at just over £1m, after expenditure in this year.

Unipol aims to give tenants a great housing experience, providing good value, promoting social/academic interaction and high-quality housing - a Unipol property should be a home from home.

Helping Students to Make the Best Decisions about their Housing

Unipol empowers consumers by providing accurate, transparent and comparable information, together with help and support to build both the knowledge and confidence to assist them in negotiating the housing market within which they operate and helping them decide what to rent.

Unipol's services to students continued either on-line or in-person with its offices remaining open throughout this year. Unipol also runs a number of successful web-based services in order to assist both students and landlords. The Housing Hubs continued to give good advice and provide relevant information to both students and landlords alike:

- in this year, Unipol.org.uk had 236,961 users, there were 404,247 searches and 888,259 views. Booking requests were 24% up on previous years at 15,121. The main website continues to be an important source of information, help and advice in Leeds, Nottingham and Bradford
- Unipolhousing.org.uk which deals with Unipol's own housing and is mainly used by tenants and potential tenants had 139,765 users during the year. There were over 10,000 page views on "how we help families" and just over 6,000 on "Covid safe house hunting". Repairs are increasingly being reported through this site with 2,221 issues logged (a 28% increase on the previous year). This use will diminish over the next year as tenants increasing use the *StarRez* portal, Unipol's housing management system

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- Web chat continues to be an important channel for advice and help with 5,506 engagements
- The review site *Rate Your Landlord* <https://www.rateyourlandlord.org.uk/> saw the target of harvesting a minimum of 1,000 new reviews being met with 1,419 reviews being acquired: no mean feat as campuses remained quiet because of Covid restrictions. 2,769 reviews were available to consult and these were consulted on 26,004 occasions (a small 4% increase on the previous year) with 36,721 sessions being undertaken (up 47% in the previous year)
- The *National Code* website <https://www.nationalcode.org/> saw a significant drop in users as Government advice on the pandemic and its implications for Code members reduced. The site is still a key source of guidance and information to students and members with 24,205 users, a 26% increase on pre-pandemic traffic.

All of these websites and services are free to access. For some time income from landlords advertising their properties on the website has declined but this year this decline stabilised with a 6% increase in landlord fee income.

Improving Standards

Accreditation is an important vehicle for improving standards. It is about persuading suppliers voluntarily to meet higher than regulatory standards, based on reasonable consumer expectations.

Unipol is a founder member of the accreditation movement and has designed and operates several Unipol Codes, which share a common core of standards. There are Codes geared to the specific housing and market conditions where Unipol works and there are two National Codes. Robust verification procedures are used to ensure Code compliance. The Codes offer accountability through a complaints system and dispute resolution through an independent Tribunal system. Three-yearly reviews, including broad consultation, ensure regular updating.

In Leeds, the local Code for off-street properties covered 13,454 tenants. In Nottingham the Code covered 5,436 tenants. In Bradford the Code covered 64 tenants. Throughout the year 340 verification visits were undertaken to properties and any deficiencies rectified.

The National Codes continued to grow and (as of May 2022) both Codes had a total of 157 members (108 private providers and 49 educational establishments) and the total number of tenants covered by both Codes was 405,538 (up from 378,846 bed spaces in 2021) and there were 2,250 different developments registered under both Codes (compared with 2,166 in 2021). 156 verification visits were undertaken to buildings plus an additional 16 visits made to a whole-City verification in Leicester.

After much work, spanning two years, a new National Code for Private Providers was approved by Parliament on 1st March 2022 The Housing (Approval of Code of Management Practice) (Student Accommodation) (England) Order 2022 ("the Order") and came into force on 22nd March 2022.

The changes in the new Code were considerable, but three stand out as important:

- a) changes to the way in which students with disabilities and specified characteristics are charged for their rooms. The changes will financially benefit all those students affected but those who require serious alterations to their rooms will see rents falling to the lowest rent possible, making a real difference to their disposable income to help them with living costs that are much higher than those of most students
- b) automatic compensation to students who suffer disruption because of late construction
- c) better help and support to assist those with mental health problems is outlined, together with better staff training and information.

These three areas address the residential concerns of the moment: access to education, disruption to education and mental health and wellbeing issues. They stress and codify the private sector's obligations in these areas which has never been achieved before.

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The new Code preamble was also changed to stress that Members must "*act in the best interests of students*" in running their accommodation.

The Educational Establishments Code is currently being reviewed, to come into effect in 2023 and work was undertaken on updating the self-assessment methodology used by members of the Code with the aim of linking this process more closely with the requirements of verifiers and the Audit Panel that oversees the maintenance of Code standards.

The Public Mission

The Unipol/NUS Accommodation Cost Survey for 2021 was published and launched in London at the British Library on 10th December 2021. <https://www.unipol.org.uk/news/accommodation-costs-survey-2021-launched>

Around 50 people attended the launch in-person and just over 80 people watched the event on a live stream. There was considerable media interest and a briefing on the survey was given to both DLUHC and DfE. An APPG was also held to consider the importance of affordability in student housing.

Off the back of this survey, Unipol's profile on the issue of affordable student accommodation increased considerably and this is being carried forward across 2022-2023 by promoting transparent affordability policies and student living strategies for their own local housing markets to educational institutions. The recommendation that accommodation bursaries could be used effectively by private providers to widen participation and give housing choice to poorer students also gained traction.

Unipol continued to be consulted about a variety of forthcoming regulation and legislation and made representations on *The Building Safety Act*, *the Decent Homes Standard*, fire standards, *The Renters' Reform Act* and took part as a panel member in the Scottish Government's review of the PBSA. Unipol also made representations in respect of various local accreditation schemes (including the London Plan, and schemes in Leeds, Nottingham, Leicester and Liverpool). These representations were often in co-operation with the *British Property Federation* and their Student Committee, on which Unipol sits. Work with the National Union of Students has unfortunately been on hold following their on-going restructuring.

As part of the Scottish Government's review of PBSA Unipol is discussing with the Scottish Government the possibility of a separate Code for Scotland based on the existing Unipol/ANUK Code. This Code would then be recognised with Scottish legislation.

The proposals made in the *Renters Reform Bill* would have several important outcomes for student housing. The Government partially accepted the argument that student housing was different and the proposal was that PBSA suppliers who are members of the National Codes would be exempted from the more general suggestions for the private rented sector.

Whilst Unipol supports the additional powers for regulatory enforcement, the changes proposed to tenure, whereby students living in off-street housing would have security of tenure and be able to give two months' notice at any stage, would have a highly disruptive effect on the academic year cycle by which that accommodation is made available and let. Treating students in the same way as longer-term renters is likely to cause a contraction of rented accommodation supply for students (as has happened in response to similar proposals enacted two years ago in Scotland), make finding student accommodation more difficult for the beginning of the academic year and raise rents.

Unipol's training role <https://www.unipol.org.uk/training-and-events/all> remained curtailed by the lack of face-to-face events until the mid-point of this year. The *UK Student Accommodation Forum*, a series of one hour free on-line events that had run in the previous year were continued until March 2022 and continued to be popular and well-attended. In the second half of the year more specific face-to-face and virtual training took place and it is planned to launch a full training programme beginning at the end of January 2023.

Unipol remains grateful to *CRM Students* for continuing their sponsorship throughout this year which has helped make these events possible.

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Strategic Report and Achievements and Performance - The 2021-2022 Year

Strategic Report In accordance with section 414c (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has prepared a Strategic Report which includes information that would have previously been included in the Trustees' Report. The trustees authorise both the Strategic Report and the Trustees' Report.

Overview

It may be useful to have an overview of the charity's turnover which has varied from 3.2% (2018-2019 to 2019-2020) to 16.7% (2020-2021 to 2021- 2022). These figures have been impacted by the net cost of rebates in 2019-2020 (of £555K or 4.9%) and 2020-2021 (of £497K or 3.8%). In 2021-2022 Oak House joined the portfolio adding just under £1.2m to turnover

The charity moved into deficit in 2019-2020 of -£169,818, the first deficit recorded by the charity since 1988 but recovered in 2020-2021 with a surplus of £339,782 including the sale of two properties yielding a gain on disposal of £257,822. In 2021-2022 the charity has returned a surplus of £215,995 including the sale of one property yielding a gain on disposal of £197,789. This is the last of the three properties to be sold to mitigate part of the costs borne by the charity as a result of Covid and to strengthen cash flow.

The future growth of Unipol will depend upon the renewal and extension of leasehold assets, new leasehold commitments within the PBSA arena and acquisitions, maintaining a strong lettings record and underwrite relationship with educational institutions.

The Financial Framework

88% of the charity's funds come from rent paid to it by students and this rental stream is central to the survival of the charity. This was the third financial year both revenue and operations were negatively affected by the pandemic.

The charity can sustain the reduction in real term funding from other sources so long as its housing operation continues to operate successfully and voids are minimal. Housing continues to bear an increasing proportion of the charity's operational overheads and, looking forward, it is vital that rental revenue meets the overhead and operational expenditure required.

The National Codes also now make a significant contribution to the organisation's output and overheads. The fees from the National Codes are currently around £600K and the Code makes an increasingly significant contribution to both the charity's mission and overheads. Because of the growing size of this budget the setting of fees and budget-reporting is now undertaken within Unipol's overall budgetary framework rather than by the National Codes Committee of Management.

The importance of rental revenue is against a backdrop where the charity's more traditional income from its housing hubs are static and are continuing to lose its real terms value. The level of funding required to run a good service to students through the housing hubs is brought into sharper focus by the level of subsidy required by the charity to run those services with a -£112,395 deficit being met in 2021-2022. Because of the pandemic, income from funding partners has been rolled forward on a level-funding year-by-year basis for the last two years (until July 2023) but longer term arrangements need to be in place after that.

Demands placed on hub services have increased as institutions have recruited more international postgraduate taught students who entered the housing market in late summer and where some students started their courses in January (on a calendar, rather than a traditional academic year) meaning that services are running at levels of high activity across most of the year.

As part of the growth in international postgraduate taught students, a significant minority of those students, particularly those coming from India and Nigeria, are bringing their families with them and need family housing. In many cases these students are finding it very difficult to rent affordable housing. Unipol is doing its best to help these students with good quality information and advice and, as mentioned earlier, its web-based general advice is much used and is frequently updated and developed.

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The provision of family housing has always been a high priority for Unipol, but the conclusion reached in the *Forward Look* is that family housing is not viable without subsidy, and economic, administrative and legislative pressures is compounding the challenge of maintaining viability. Unipol must also be careful not to find itself in the front line of increased demand it cannot meet and is considering the extent of the burden it can take on in the direct provision of family housing.

Operations during 2021-2022

Operationally, the year went well and can be summarised as:

Housing Hubs

The housing hubs remained a more important central resource in providing students with information, help and advice, increasingly through virtual engagement. Demand for help increased with the number of international students being recruited, particularly those studying at Leeds Beckett University and Nottingham Trent University with a significant number of students with families looking for affordable accommodation. Towards the end of the year, Unipol responded to the increase in demand for advice by supplementing its *Housing Hub Advisor* with a new *International Student Housing Advisor* post.

Homestay activity was limited for most of this year as arrivals were affected by Covid restrictions but activity started to pick up from June 2023.

As house hunting commenced in November 2021, concerns about the Omicron variant led to a cautious approach to actual viewings. To reduce the risk to staff, but to enable these viewings to continue, the team met individuals or groups at the property. Around 900 in-person viewings were undertaken during the year (about half of that pre-Covid). Individual accompanied viewings only commenced in spring 2022, so the vast majority of lettings were undertaken in this way or virtually. Virtual viewings allow viewing of individual properties on video and will remain an additional resource for students going forward.

There was considerably more work undertaken with the *University of Bradford* which began to move into a housing shortage (particularly for those with families) after a decade of excess accommodation supply. Regular meetings were held and additional assistance was made available. The link with *Bradford College* continued to be weak and the College has still failed to take up its nominated trusteeship on the Board, although a trustee has now been appointed from the University of Bradford that will strengthen the Bradford link.

Unipol Housing

In Leeds Unipol directly let £6,782K of properties over the year compared with £5,434K in 2020-2021, an overall increase of 24.7% of which all but 1.3% was due to Oak House entering the portfolio. In Nottingham Unipol let £1,992K of properties over the year compared with £1,752K in 2020-2021 an increase of 14%, reflecting further growth.

In Bradford Unipol was fully let after letting only 34 of its 59 rooms in 2020-2021. Letting was, however, slower than in 2019-2020 raising £214K of the £220K budget.

Overall this year saw a strong lettings performance even when compared with the previous year's strong lettings performance. Unipol was a relatively resilient provider because it was not heavily dependent upon newly arriving international students or new undergraduates (where the institutions tend to bear that risk within underwrite agreements).

Oak House, in Leeds came on line at a difficult time, in the middle of September 2021 (housing 188 students of whom 66 were underwritten by the University of Leeds). This late tenancy start, which made lettings more difficult, was because of planning and building delays over the previous 18 months, linked to Covid disruption. Although the building was fully let, there was a loss of several weeks' rental income because of the later start. The development was a success in terms of its design and tenant satisfaction and has let without difficulty for the following year on its planned 51 week term.

Sandhills, in Nottingham, came on line in September 2020 and houses 330 students, mainly NTU undergraduates. The building has been very popular with students and is well-priced. The builder, a large national operator, went into liquidation over autumn 2021 and this meant that much of the defects work

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planned for summer 2021 failed to happen. Later in the year, some of this work was undertaken but still some work remains. Little of the work is "tenant-sensitive" but it is important that the remedial works need to be completed and, although Unipol is in a strong position to enforce that, the delays have meant that the building has required a much heavier senior staffing load that otherwise would have been necessary. After making a significant financial surplus in the previous year, this year, because of higher security, cleaning and energy costs (mostly Covid-related) the building operated at a loss.

Following a number of independent and thorough surveys Unipol received a Certificate EWS1 (as was also received by Mill Street in the previous year) showing that the building has been properly constructed and was properly operated in line with its risk assessment. The fact that no remediation work was required is reassuring in respect of the charity's concern for the safety of its tenants.

Underwrite v Direct Let

The balance between underwritten arrangements with institutions and direct let properties (where Unipol bears the risk of voids) increased slightly to 51.6% underwritten and 48.4% direct let. There were no significant shifts in institutional underwrite agreements but the underwrite arrangement for Grayson Heights ended in August 2022.

Tenant Satisfaction

In this year Unipol was able to reinstate both of its normal surveys.

The *Family Tenant Satisfaction Survey* normally undertaken every two years, was the first survey for three years (with the postponement of the 2020 survey because of the pandemic). The overall response rate was high at 69% and overall satisfaction with Unipol family housing stood at 83.1% compared to 82.4% in 2018. This improvement covered a period when rents had to increase in real terms by around 25% in order to reduce the level of subsidy the charity could sustainably meet.

The *Tenants' Satisfaction Survey* dealing with shared student accommodation resumed in January 2022 (the first since 2020) and tenants gave Unipol housing an overall satisfaction rating of 82.8%, slightly down on that previously recorded in 2020 at 84.1%, and 84.2% in 2019 but still comparing favourably to other local provider surveys. The University of Leeds ran a comparable survey and overall satisfaction with respondents' stay in University Accommodation for UOL properties at 81.5%.

This year, Unipol's value-for-money rating increased (with 79.4% of tenants saying Unipol provided value for money, up from 78.8% in 2020) even though cost pressures saw rents increase by around 4.7% for that year.

Both of these surveys showed that the portfolio and services provided to students continued to hold up well to the strain of enhanced use and limited accessibility caused by Covid and provided much useful detailed information on how different parts of the portfolio were performing.

Unipol is also rated on its own *Rate Your Landlord* site and, in 2022, had a rating of 4.4 (with 5 as best and 1 as poor) with 305 reviews in 139 properties. This compared with a rating of 4.2 in the previous year.

Despite the financial uncertainty and additional work caused by the pandemic, the charity has prioritised continuing investment in wellbeing and mental health and ran the most comprehensive Residents' Life events programme ever. The monthly family housing events also returned after a three year break and was much appreciated.

Unipol has continued to invest in its portfolio and undertake refurbishment works and despite being affected by delivery delays, the shortage of skilled contractors and fluctuating and rising prices for work, its reliance on local contractors has stood it in good stead as their supply and labour issues have tended to be more resilient than the national larger contractors. Overall this year, Unipol spent £1,118K, slightly less than the £1,148K spent in 2020-2021.

At *Alexander Court* the building was upgraded over summer 2021 for the opening year of the new 25 year lease. The programme to refit *Dyers Court* for family use saw 17 out of the 18 flats being fully refurbished and an extensive programme of external works began to be completed towards the end of 2022.

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At *Shay Street/Holborn Terrace*, a rolling refurbishment of flats took place using the development's designated works reserve allocation for this purpose and the external play area was revamped after a period of excessive wear when schools were closed and access to other public spaces was limited.

At *Woodsley Terrace* the internal refurbishments of the kitchen and lounge areas of the smaller ground floor flats was completed and external works commenced, to be completed by the end of 2022.

The *Mill Street* kitchen refurbishment works that were suspended in April 2020 restarted in June 2021 and were completed by September of that year.

A number of small house refurbishments also took place over the year including *92 Lenton Boulevard*, *250 Cardigan Road*, *172 Burley Road*, *23a Hanover Square*, *12 St Michaels Grove*, *36 Ebor Place*, *4 Walmsley Road* and *6 Ashville Avenue*.

Unipol's planned acquisitions were frozen in March 2020 to protect cash-flow and future borrowing capacity should that be necessary with planned debt repayment continuing. No acquisitions were therefore made during this year.

Risk, Forward Strategy and Going Concern

Unipol's financial, development and Covid-19 strategy for 2021-2022 was based on that set for the previous year:

- to make use of Unipol's role as a central and engaged national player to gain high quality intelligence and use this to assess how students are likely to react to the pandemic
- to obtain good intelligence about the plans the educational institutions (whose students Unipol houses) were developing and use this to identify and mitigate risk
- to maintain an investment programme so that future lettings were not compromised and refurbishment capacity was not lost: this flow of work also improved contractor loyalty and service
- to reduce the acquisitions process until the forward year was clearer and to maintain flexibility on future capital spend
- to determine where future staff economies could be achieved and where additional human resources would be important
- to define actual and known risk as closely as possible.

This strategy has been successfully followed. In relation to the *Forward Look 2019-2022* Unipol stuck to its plan and continued to deal with Covid-19 as an operational, rather than a strategic, matter. Strategic changes are flagged in the new *Forward Look 2023-2026*.

Over the last year, as in the previous year, Unipol has been relatively resilient. It has:

- sought to share risk with the educational institutions through underwrite agreements. This stood it in good stead at Mill Street and with the University of Leeds at Grayson Heights, Royal Park Flats and most family accommodation
- maintained balance within its portfolio to ensure risk was spread across different user groups
- given cash-flow a high priority enabling the charity to plan for sustaining a loss of income across a significant period of time whilst remaining operational and solvent. In this year that cash has not had to be called on
- cut back on expenditure, saving £107K on staffing by delaying or postponing appointments reduced major works designated reserve expenditure, contributing £356K in 2021-2022 but spending only £234K. The dispersed houses reserve grew by a further contribution of £40K. Combined these two reserves now stand at £1,001K
- always seen Unipol's owned property holdings as provided an important reserve that could be liquidated if additional funds were required in hard times. In order to ease cash flow and counter-balance rent refunds the charity sold one property designed to improve cash flow by £367K and added £198K to Unipol's bottom line.

Unipol's *Risk Analysis* was fully revised and approved by Unipol's Board in May 2021 and so its content remains unchanged from that detailed in the Trustees' Report last year. The *Risk Analysis* will be further

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reviewed in December 2022 which will see risks moving from Covid-related matters towards cost-of-living factors.

Lettings Risk in 2022-2023

Although the outcome of Unipol's lettings does not fall within the 2021-2022 financial year, the actual lettings process does and is vital to the ongoing viability of the charity. Lettings in 2022-2023 are an important revenue counterbalance to the negative economic pressures that will affect the outturn for that year.

Unipol's portfolio let stronger for 2022-2023 than it did in the previous year, with the decline in the popularity of city centre flats reversing. Unipol had let 94% of its portfolio by August 2022 compared with 88% at the same time in 2021 and by September 2022 the portfolio was fully let. This is against a background that Unipol's direct let portfolio had increased from £8,797K to £9,985K. Family housing occupancy also returned to normal occupancy levels as international postgraduates students returned, with almost 100% occupancy compared with 75% occupancy in the previous year.

Unipol directly let *Oak House* for its second year (a significant achievement as international intake remained depressed at the start of the year) and the building is now mainly occupied by both home and international postgraduates over 51 weeks, as originally intended. *Grayson Heights*, coming out of a long-term underwrite by the University of Leeds, was a lettings challenge because of its location in Kirkstall, but a competitive rent level saw the building fully let.

Unipol was also helped by the overall buoyancy of the Leeds and Nottingham student property markets but made significant inroads into retaining satisfied and loyal tenants with a 36% retention rate, the highest retention achieved since 2015.

Although Unipol does not rely on income from any summer lets to students, this market partly recovered over summer 2022 from a complete wipe-out in the previous two summers.

Enhanced Health and Safety Measures

The Building Safety Act will require all high-rise buildings to be registered with a new regulator in 2023. Unipol has prepared for this by undertaking enhanced intrusive surveys of relevant buildings, updating all of its health and safety documentation and FRAs and obtaining EWS1 certifications which also verifies the buildings' fire and safety plans. The charity is as well-prepared for this as possible and its buildings are safe.

Financial Review

The charity's bottom line for 2021-2022 shows a surplus of £215,995. This reflects an operational loss before the sale of one property and transfer to the major works reserve of -£144K. The net gain on the property disposal was £197,789.

The major works reserve has also strengthened with expenditure being £162,024 lower than the contribution for the year. The charity has total reserves of £5,612,754 (2021: £5,396,759).

Unipol now holds £4,611,935 (2021: £4,557,964) of its unrestricted reserves in an undesignated form to offset cash demands within the organisation. The trustees and management considered the funding arrangements of the charity during the year and continue to operate an overdraft arrangement for working capital requirements. Significant investment in the charity's own assets and longer term lease properties continues by means of ring-fenced loan funding.

Charities of this type, which are fixed asset rich and generate significant rental income on a monthly basis, often have net current liabilities and consequently negative free reserves. The charity has net current liabilities of £3,327K (2021: £3,794K) and is in a negative free reserves position, however; as part of management's going concern assessment it has produced cash flow forecasts that show adequate funding for the future, including the next 12 months. It is the charity's intention to continue to improve its unrestricted reserves and reduce its net current liabilities over the medium term.

Unipol's fixed assets decreased by £151,631 in the year from £14,178,255 (2021) to £14,026,624.

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Investment Powers

The Articles of Association of the charity permit wide powers of investment. The borrowing threshold set within the charity's powers is £15 million although the amount currently being borrowed at this time stood at £5,663,543 (2021: £6,122,386).

Policy on Reserves

The charity has no free reserves as its asset base is property and is not revalued for accounting purposes. Properties are maintained to a high standard which together with a range of banking facilities and underwrites enables the Charity to raise finance in times of need and reduce or defer expenditure if appropriate.

The charity will continue to accumulate its unrestricted funds to improve cash flow whilst investing in property to provide a strong and growing asset and reserves base (if liquidated) for the charity. The level of reserves required is likely to fall within a range of £5,250K and £5,750K over the medium term.

It is important to note that the year has absorbed a number of development risks and one-off legal costs as part of preparing for the addition of new purpose-built developments planned between 2022-2023 whilst continuing to invest in its own assets and communications and IT systems (primarily software and expert software support) to provide for better data management and the maintenance and development of a strong platform for housing management, lettings and revenue generation expansion.

Future Plans

The next year, 2022-2023, is in many ways an intermediary year, linking the last year of the previous *Forward Look* to the next phase of Unipol's development. Growth in turnover will be marginal at 2.2% as there are no new developments or properties scheduled to enter the portfolio in 2022-2023.

Growth will continue in 2023-2024 with the new *Carlton Hill* building in Leeds coming into the portfolio adding £4.3m to turnover, together with the newly leased *Cotton Mills* in Nottingham that will add a further £1.8m. A combined total of £6.1m. Unipol has also agreed to retain *New York Buildings* for a further 25 years and is finalising a lease for that, effective from 2023.

A small proportion of this growth will be offset by *Grayson Heights* leaving the portfolio (-£652K) over summer 2023.

This will see the charity's turnover increase by 44.6% and 2023-2024 will be a significant year of growth.

Finance

The previous two years have seen a significant increase in financial management with rental refunds having to be processed, tenants released, rooms re-let more frequently and increased on-going financial planning having to factor in risk possibilities that might cause revenue to falter. This additional effort has continued with the need to negotiate new energy contracts and improve information on energy (and other) expenditure.

Regulation has continued to add to the financial administrative burden and much of the year was spent seeking to comply with *Client Money Protection* requirements, achieved in November 2022. Tighter anti-money laundering procedures and enhanced due diligence on Unipol's partners where significant sum of money are involved has also been put into place.

The 2022-2023 budget

The budget strategy for 2022-2023 has been overshadowed by the energy crisis resulting in higher costs and the rate of inflation.

Energy costs rose by 110% across the portfolio and this took place after Unipol had set and contracted its rents for the 2022-2023 academic year, and so "bills included" rents cannot be adjusted until the 2023-2024 letting year. As a result the charity is planning for a deficit of £993,288 across the year. Measures are being implemented to monitor energy use more closely and encourage tenants to be responsible in their use of energy.

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Before the energy cost and inflationary rises were apparent, 2022-2023 saw relatively modest rental increases with actual rental revenue increasing by around 2.6% on 2021-2022. Trustees had previously decided that there would be no attempt to "claw back" previous rent refunds by increasing existing student rents more than they would otherwise have risen

The increase in inflation has also affected lease costs which are RPI based. Although most leases have caps and collars, the *Mill Street* lease is uncapped and has suffered a 12.3% lease increase, an increase that would be unsustainable if more than a one-off event. The lease expires in August 2029 in six years' time.

An allowance for a 3% staffing cost increase consisting of a cost of living increase together with a 1.25% increase in national insurance to fund health and social care has been made. A further £100K contingency has been allowed for and the staffing budget has absorbed the increase in the Living Wage.

The Board agreed to freeze contributions towards the major works and dispersed houses funds once these reached £1m and that threshold has now been reached.

A rental void provision has been made of £405K to cover shortfalls in letting or discounting rents if needed and a bad debt provision of £44K has been made.

In 2023-2024, Unipol will need to ensure that it passes on its higher costs in higher rents. Rent-setting for 2023-2024 has already taken place and rents have increased generally by around 8%-12% (although some are higher and some are lower). The charity has been careful to take note that its own rents need to sit within a competitive rental market and initial impressions are that Unipol's rents remain both competitive and good value for money.

Student Views, Mental Health and Well Being

Covid dramatically affected the student learning experience. This year's first year students had their sixth form teaching badly disrupted with many days of education missed. They also missed the traditional competitive exams system. For those already studying at University, they missed their freshers' experience and most of their face-to-face teaching for a two year period. The outcomes from this are apparent to Unipol and those involved in accommodation.

To what extent Covid has permanently changed student patterns of living is still up for consideration but some short and medium term outcomes can be seen. So far, there is no evidence that students do not want to move away from home to study and demand for accommodation, even during periods of restriction, remained undimmed. That demand has changed between institutions, with growth of demand at the *University of Leeds*, more students being recruited locally by *Leeds Beckett University*, slower growth at the *University of Nottingham* and a stabilising of growth at *Nottingham Trent University*. Growth is also shifting away from home undergraduates to international students, particularly taught postgraduates. All of these cohorts have different housing needs.

The measures of student satisfaction with their higher education experience post-Covid, although recovering, are still not good. The annual *HEPI Student Experience Survey 2022* <https://www.hepi.ac.uk/2022/06/09/2022-student-academic-experience-survey/> showed that whilst 35% of students felt they had received good or very good value (an increase of 8% on 2021) 32% of students felt they had received poor or very poor value.

Also given in that survey are wellbeing indicators. Happiness and life satisfaction improved to 16% of Students feeling that things done in life are worthwhile from 14% in 2020 and 14% in 2020. But anxiety levels did not follow this positive trend and HEPI concluded that "*Even as life returns to normal, the disruption caused by Covid may keep student anxiety levels raised for some time yet.*" All indicators remain far below the general public as measured by the *Office for National Statistics*, regardless of whether measured during the pandemic, showing that higher education continues to be a stressful time in students' lives.

These Covid changes, coupled with anxiety and mental health difficulties can be expected to play a significant role in the mood of students. As the cost of living problems begin to bite on the student

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population during the 2022-2023 academic year, this could easily see the student cohort experiencing a "feel bad" mood.

Unipol has, over the last three years, committed increasing resources to social programmes and mental health and student wellbeing. The charity has three mental health experts who ensure that all front-facing staff can recognise and report mental health concerns. Over 2021-2022 Unipol ran its strongest and largest social programme with events being well-attended and in late 2022 added a further member of staff to its social team with an emphasis on promoting sustainability.

A few comments from the Tenants Satisfaction Survey give a flavour of the importance of these events:

"These social events was a very good idea as it helped me gain confidence and meet new people. This was a brilliant way to help tenants settle in their new homes for university and I hope more social events can take place."

"Moving onto a new city and new place it was a bit scary but coming onto this lovely accommodation made me feel at home and I truly loved it, every event organised by Sandhills Unipol, everyone that worked at the accommodation, everyone that is living in here were very welcoming and so nice that's what made me feel at ease."

"I really enjoyed the refreshers fair because it was very suited to being a student and everyone there was really helpful and there was a lot of caring understanding people."

"I feel like Unipol really care about our mental health, and meeting all the wonderful people at the socials made me comfortable in Mill Street. And I felt very safe."

"All of those places for me were very nice and cosy, I can say that I would feel at home. Everything was nice and simple yet with a touch of friendliness and I feel like everyone felt the same way. We can hang out together in the common area, study together and chill."

Unipol has also designed its new PBSA buildings to have centrally located and active social spaces and has enhanced those with free tea, coffee and hot chocolate available most of the day. In the smaller postgraduate buildings at *Royal Park Flats* and *Oak House*, a free printer is available. These spaces need managing and promoting, but can be a vital amenity in reducing anxiety and isolation for those living there.

Unipol's houses all have attractive lounges with enough eating space and sofas to ensure that they are at the heart of the house.

In 2021-2022 Unipol undertook an experiment, allowing its tenants living around *Oak House* to have access to the communal facilities in the building (the lounge, the workspace areas, the cardio studio and bike store). The initial evaluation of this initiative shows that most students (around 60 of the 80 offered) took up this offer and most used the facilities regularly. Unipol will build on this notion of "social hubs" in other new buildings and will look to see whether, as office traffic falls and most interaction is now on-line, some of its office space can be converted for use as social hubs.

The Changing Shape of the Portfolio

Unipol has always valued its diverse portfolio and that diversity brought welcome resilience over the pandemic. The charity's recent development, coupled with changes in the regulatory regime and the need to cope with increased financial pressures, will see the balance within the portfolio change.

The *Nottingham* portfolio is growing, fuelled by two lease deals, both involving PBSA (*Cotton Mills* in summer 2023 and *Ilkeston Road* in summer 2024). At present Unipol manages 293 bed spaces in Nottingham, but 88 of these are at the *Student Hideout* (which is a PBSA) and these are likely to be leased to Unipol over summer 2023 leaving just over 205 managed off-street bed spaces together with 26 owned off-street bed spaces, so the ratio of PBSA: off-street will be 418:225. With the addition of *Cotton Mills* and *Ilkeston Road* that will change to 847:225 (this assumes no further growth of the managed

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properties, although some limited growth could be expected). Unipol currently houses no families in Nottingham.

In Leeds, Unipol manages 210 off-street bed spaces with a much larger owned or leased off-street segment of 606 bed spaces. The ratio of PBSA to off-street in Leeds is 898:816. With the addition of *Carlton Hill* this will change to 1,392:816. In addition, Unipol houses around 210 families in Leeds.

This shift to PBSA, which is considerably more pronounced in Nottingham than Leeds, reflects the overall national shift towards PBSA where around 681,000 students live in PBSA and 551,000 students live in off-street properties. Unipol's overall ratio will be 63% PBSA: 37% off-street and the national picture is 55% PBSA: 45% off-street and this balance is constantly shifting towards PBSA.

Part of Unipol's risk-management, particularly on managed properties and leasing, is that, over time, it is possible to shed properties that are no longer popular or economically viable. Although shedding properties has some impact on overall overhead expenditure, this staged impact is comparatively limited and can be absorbed year-on-year unless there was a significant contraction in the portfolio, which is unlikely.

Structure, Governance and Management

Structure

The charity is governed by a Board of Directors (who are also the trustees) 13 of whom are nominated by the five member institutions (the University of Leeds, Leeds Beckett University, Leeds Beckett University Students' Union, Leeds University Union and Bradford College). The Board can co-opt up to 6 further trustees and currently there are six co-opted trustees with three nominated places from Bradford College, Leeds Beckett University and Leeds Beckett Students' Union being vacant.

In relation to age and gender Unipol has a relatively diverse Board with three trustees aged between 18-24 and more female members (14) than male (4). The Board's overall role in accountability and governance of the charity is assisted by a number of committees and from time to time the Board establishes specific working groups or project groups to consider more detailed policy options open to them.

Governance - The Board

The Board met 6 times during the year, including a special meeting to consider matters related to the future *Forward Look*. The annual meeting to visit a selection of Unipol properties was reinstated and it became possible to show incoming trustees properties as part of their induction.

5 of the 6 meetings were held in person with only one meeting being held on Zoom. Because the Board room has been re-equipped it is now possible to have mixed meetings with some participants on Zoom and others present in person and several trustees availed themselves of this option. Generally, there are no more than 4 trustees attending virtually at any face-to-face meeting.

The Board maintains a number of systems to ensure the maintenance and development of its effectiveness, including ensuring regular attendance at Board meetings and Committee meetings. Attendance of trustees at Board meetings is monitored and reported on Unipol's website. Attendance at meetings for the Board remains high: <https://www.unipol.org.uk/footer/governance/the-board/unipol-board-attendance>

This was a relatively quiet year for changes in governance: there was a "spring clean" of certain inactive Groups and other governance mechanisms, values and ethical standards were reviewed. Considerable work was undertaken recruiting a new Chair and two new Board members, both in senior positions within their own universities, and the benefits of this expertise should be felt in 2023.

The Board places a high value on the processes for the recruitment and induction of trustees by stressing the individual aspect of becoming a trustee and giving adequate time and energy to being a trustee. All trustees, on appointment, receive a substantial pack of information about the charity, including key policy and procedure documents, information about the powers of the Board, and how those powers are exercised, the details of the devolution of specific responsibilities to Officers of the Board, the Chief

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Executive and senior staff members. The Company Secretary is available to deal with any specific issues relating to this pack and trustees confirm to the Board at the first available opportunity that they have read and understood the material sent to them.

All trustees also receive a full day's dedicated induction. The day consists of an opportunity to meet the senior management team, talk with the Chief Executive and take part in an induction presentation that outlines the financial and administrative structure of the charity. In addition to the internal induction, a dedicated training day facilitated by NCVO took place on How to Be an Effective Trustee.

Trustee review was enhanced by peer-to-peer interviews conducted by the Chair the Deputy Chairs and Ms Catherine Cho but with the addition of some administrative support from the Deputy Chief Executive. The structure and framework on the review process was overhauled and a report issued flagging issues and how these would be taken forward.

Unipol's compliance and response to the Charity Governance Code for Larger Charities (that applies to Unipol) was reviewed. The latest compliance statement can be consulted at: <https://www.unipol.org.uk/footer/governance/corporate-documents-unipol-board/the-good-governance-code-for-the-voluntary-and-com>

The charity assessed itself against the new Charity Ethical Principles published by NCVO, and the self-assessment document can be consulted at: <https://www.unipol.org.uk/footer/governance/corporate-documents-unipol-board/ethical-principles>

The Chair, Mr Mike Wilkinson, indicated that he felt it would be time to stand down towards the end of 2021, once a replacement had been found. In the event he remained Chair until September 2022 when Mr Ian Robertson took the Chair. Mike Wilkinson remains on the Board as Deputy Chair – Partnerships and trustees were pleased to have retained his expertise and service.

Group on Governance

The Group on Governance met twice during this year and in addition to working on the *Charity Ethical Principles* and the *Charity Governance Code*, followed through on a number of matters raised during the trustee review process. The Group became responsible for overseeing Unipol's accreditation systems, rather than this going straight to the Board, and was upgraded to a Committee with the Chairs of the *Leeds and Bradford Group* and the *Nottingham Group* being added to its membership.

Senior Management Team

The Senior Management Team remained unchanged and is in good shape and capable of delivering what needs to be achieved. The Team continues to meet every week to review development and operations.

The Chief Executive announced in June 2022 that he intended to stand down in November 2023, upholding a pledge given several years ago to give a full year's notice. It is likely he will continue to undertake some part time work with the charity after this date, maintaining some institutional memory and undertaking some public realm policy work. The Chair and trustees are now involved in what will be a key recruitment process.

Health and Safety Policy

The Board continues to annually review its two health and safety policies, available at:

<https://www.unipol.org.uk/footer/governance/corporate-documents-unipol-board/health-and-safety-policy-for-housing>

<https://www.unipol.org.uk/footer/governance/corporate-documents-unipol-board/health-and-safety-policy-for-offices-and-staff>

Unipol is a member of the *Leeds Rental Standard*, the *National Code for Larger Student Developments* and *The Nottingham Standard* (where, in its housing management role, it falls under the scrutiny of *DASH*) all of which provide external scrutiny of its own standards and performance.

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Unipol continues to have all new and refurbished properties independently assessed under the *Housing Health and Safety Ratings System* (HHSRS) and any points raised within these assessments are addressed.

Under the *Housing Act 2004* many of Unipol's properties fall under mandatory licensing and a licence is issued for 5 years. In Nottingham both additional and selective licensing applies. The licences are held in the name of the company.

Conclusion

The pervasiveness of the effects of Covid and the economic shocks now being felt within the UK economy have not only constrained development and services in this year, but will continue to be a brake on development going forward.

This does not mean that there will be no development and that things have to stay the same and throughout this report the growth that will take place in summer 2023 has been flagged and that has involved a great deal of preparatory work. Further work has also been undertaken on sustainability and the options associated with zero carbon and the climate crisis to enable a longer term plan to be fully considered and adopted over 2023-2024.

Next year will see an opportunity to raise Unipol's profile with a celebration of 50 years since Unipol's foundation in 1973.

Overall, this has been another difficult year, the third in a row, requiring constant readjustment of services and projects. Despite this, the organisation has managed to retain its sense of purpose, enthusiasm and optimism as the challenges of higher energy costs, inflation and regulation mount.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT STATEMENT OF TRUSTEES' RESPONSIBILITIES

Statement of responsibilities of the Trustees of Unipol Student Homes Limited in respect of the Trustees' annual report and the financial statements

The trustees (who are also directors of Unipol Student Homes for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors and signed on behalf of the Board on 8th December 2022 by



Mr Ian Robertson



Ms Jennifer Share

155/157 Woodhouse Lane, Leeds, LS2 3ED

BHP LLP
First Floor, Mayesbrook House
Lawnswood Business Park
Redvers Close
Leeds
LS16 6QY

Independent auditor's report to the members of Unipol Student Homes

Opinion

We have audited the financial statements of Unipol Student Homes (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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 parent charitable company's affairs as at 31 July 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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:

- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their 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 journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

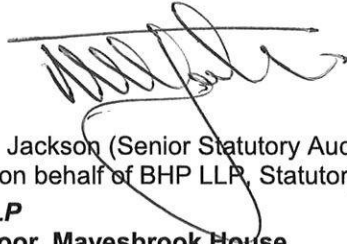
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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 Auditors' 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 trustees those matters we are required to state to them in an Auditors' 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.



Michael Jackson (Senior Statutory Auditor)
for and on behalf of BHP LLP, Statutory Auditor

BHP LLP
First Floor, Mayesbrook House
Lawnswood Business park
Redvers Close
Leeds
LS16 6QY

8th December 2022

UNIPOL STUDENT HOMES
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 July 2022

	Note	Unrestricted funds	Restricted funds	Total 2022	Total 2021
		£	£	£	£
Income					
Charitable activities	4	15,357,294	84,353	15,441,647	13,064,764
Other trading activities	5	-	18,000	18,000	18,000
Investments	6	655	-	655	97
Total Income		15,357,949	102,353	15,460,302	13,082,861
Expenditure					
Charitable activities	7	15,339,743	102,353	15,442,096	13,000,901
Total Expenditure		15,339,743	102,353	15,442,096	13,000,901
Gain on disposal of Fixed Asset	14	197,789	-	197,789	257,822
Net (Deficit)/Surplus	10	215,995	-	215,995	339,782
Net Income to Designated funds		162,024	-	162,024	239,242
Net Gain on disposal of Fixed Assets		197,789	-	197,789	257,822
Net (Expenditure) to Other Charitable funds		(143,818)	-	(143,818)	(157,282)
NET MOVEMENT IN FUNDS		215,995	-	215,995	339,782
Total funds brought forward at 1 August	21/22	5,396,759	-	5,396,759	5,056,977
Total funds carried forward at 31 July	21/22	5,612,754	-	5,612,754	5,396,759

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The accompanying notes are an integral part of the financial statements.

**UNIPOL STUDENT HOMES
CONSOLIDATED AND CHARITY BALANCE SHEET
31 July 2022**

	Note	2022 Group £	2021 Group £	2022 Charity £	2021 Charity £
FIXED ASSETS					
Tangible assets	14	14,026,624	14,178,255	14,026,624	14,178,255
Investment	15	-	-	1	1
		14,026,624	14,178,255	14,026,625	14,178,256
CURRENT ASSETS					
Stock	16	5,677	415	5,677	415
Debtors	17	1,248,294	1,390,264	1,251,481	1,393,451
Cash at bank and in hand		224,713	675,808	224,713	675,808
		1,478,684	2,066,487	1,481,871	2,069,674
CREDITORS: amounts falling due within one year	18	(4,805,870)	(5,860,694)	(4,805,870)	(5,860,694)
NET CURRENT LIABILITIES		(3,327,186)	(3,794,207)	(3,323,999)	(3,791,020)
TOTAL ASSETS LESS CURRENT LIABILITIES		10,699,438	10,384,048	10,702,626	10,387,236
CREDITORS: amounts falling due after more than one year	19	(5,086,684)	(4,987,289)	(5,086,684)	(4,987,289)
		5,612,754	5,396,759	5,615,942	5,399,947
FUNDS					
Unrestricted funds:					
Designated funds	20/21/22	1,000,819	838,795	1,000,819	838,795
Other Charitable funds	20/21/22	4,611,935	4,557,964	4,615,123	4,561,152
		5,612,754	5,396,759	5,615,942	5,399,947


The notes at pages 30 to 48 form part of these accounts

These financial statements were approved by the Board on 8th December 2022

Signed on behalf of the Board



I Robertson



J Share

Company registration: 3401440

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2022

	Note	2022 £	2021 £
Net cash inflow from operating activities	A	1,170,860	2,649,826
Returns on investments and servicing of finance	B	(189,005)	(209,637)
Capital expenditure	C	(1,118,700)	(1,148,347)
		<u>(136,845)</u>	<u>1,291,842</u>
Net cash inflow/(outflow) before use of financing			
Management of financing	D	(314,251)	(719,554)
		<u>(451,096)</u>	<u>572,288</u>
Increase in cash	E		

NOTES TO CASH FLOW STATEMENT:

A. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM ACTIVITIES

	2022 £	2021 £
Incoming/(Outgoing) resources for the year before unrealised gains	215,995	339,782
Interest receivable	(655)	(97)
Interest payable	200,860	206,833
Depreciation charges	1,100,634	1,072,521
Disposal of fixed asset	169,697	250,680
(Increase)/Decrease in stock	(5,262)	1,623
Decrease/(Increase) in debtors	141,970	(39,643)
(Decrease)/Increase in creditors	(652,379)	818,127
	<u>1,170,860</u>	<u>2,649,826</u>

B. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2022 £	2021 £
Interest received	655	97
Interest paid	(189,660)	(209,734)
	<u>(189,005)</u>	<u>(209,637)</u>

C. NET CAPITAL EXPENDITURE

	2022 £	2021 £
Purchase of fixed assets	(1,118,700)	(1,148,347)
	<u>(1,118,700)</u>	<u>(1,148,347)</u>

D. MANAGEMENT OF FINANCING

	2022 £	2021 £
Increase/(Decrease) in overdraft	144,593	(914,645)
(Decrease)/Increase in bank loans	(458,844)	195,091
	<u>(314,251)</u>	<u>(719,554)</u>

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2022

E. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2022	2021
	£	£
(Decrease)/Increase in cash in the year	(451,096)	572,288
Cash inflow from financing	314,251	719,554
	<hr/>	<hr/>
Movement in debt in the year	(136,845)	1,291,842
Net debt at 1 August	(5,446,578)	(6,738,420)
	<hr/>	<hr/>
Net debt at 31 July	(5,583,423)	(5,446,578)
	<hr/> <hr/>	<hr/> <hr/>

Analysis of net debt

	1 August 2021	Cash flow	Non-Cash Movement	31 July 2022
	£	£	£	£
Cash at bank and in hand	675,808	(451,095)	-	224,713
Decrease in overdraft	-	(144,593)	-	(144,593)
Debt due within one year	(1,641,173)	659,866	-	(981,307)
Debt due after one year	(4,481,213)	(201,023)	-	(4,682,236)
	<hr/>	<hr/>	<hr/>	<hr/>
	(5,446,578)	(136,845)	-	(5,583,423)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of the financial statements.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

1. ACCOUNTING POLICIES

The group financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)) and the Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) issued on 16 July 2014 and updated in 2019.

The particular accounting policies adopted by the Board are described below and have been applied consistently throughout the current and preceding year.

Accounting convention

The group financial statements are prepared under the historical cost convention.

Basis of consolidation

The group financial statements comprise the results of the Charity and its subsidiary on a line by line basis, for the year ended 31 July 2022.

Preparation of financial statements – Going Concern basis

The group financial statement have been prepared on a going concern basis which assumes the Charity will be able to meet its liabilities as they fall due for the foreseeable future. The Board of Unipol reviews the risk of existing and new business on a regular basis in order to keep a balance in order to mitigate the reliance on any one type of work.

Although the majority of income comes from rent receivable, risk is mitigated by several factors: Unipol's market works across three Universities cities, Leeds, Nottingham and Bradford; its housing is geared to a cross-section of student demand (undergraduate, postgraduate, international and those with families); institutional underwrite arrangements are in place for the majority of first year student allocations where demand fluctuation is greatest. This spread of risk aims to mitigate against any single market fluctuation. On the cost side Unipol leases and Management Agreements see rents adjusted annually: short term one year Agreements are agreed annually based on previous lettings experience and longer term lease arrangements have payments decided on a pre-agreed formula with some leases being on fixed inflators and others linked to RPI to act as a "basket of risk" against high inflation or possible deflation.

Turning to staffing, some staff are on fixed term contracts which link to the length of various leases of properties/projects so if Unipol lost some of its work and were unable to replace that work then staffing could be adjusted to compensate.

Finally, Unipol is fortunate to be able to purchase individual properties to use for its core purpose which is to provide high quality affordable housing to students. This also gives Unipol the ability to borrow against these individual properties in times of need.

The charity meets its day to day working capital requirements through cash generated from charitable activities and has a £1.5m overdraft facility in place with NatWest Bank, Unipol's current account bankers. Property purchases are funded through long-term bank loans whose repayment is met by cash generated from charitable activities.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

1. ACCOUNTING POLICIES (continued)

The trustees have reviewed the charity's forecasts and projections, taking into account possible changes in operating performance. As a consequence, the trustees believe that the charity is well placed to manage its financial risks successfully despite the current uncertain economic outlook.

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and group financial statements.

Fund accounting

The Charity maintains various types of restricted and unrestricted funds as follows:

Unrestricted funds – Designated funds

Designated funds consist of the following reserves:

Major works reserve represents a provision for future expenditure on large complexes.

Dispersed Houses reserve represents a provision for future expenditure on Unipol owned houses.

The level of designated funds have been capped at £1m and are expected to be spent and replenished over a ten to fifteen year period in order to carry out refurbishment works

Unrestricted funds – Other Charitable funds

Other unrestricted funds represent unrestricted income which is expendable at the discretion of the Board in the furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

Incoming resources

All income is recognised in the statement of financial activities when the charity has entitlement to the funds and any conditions for receipt have been met and it is probable that the income will be received and the amount can be measured reliably.

Operating leases

Rental costs under operating leases are charged to the Statement of Financial Activities in equal amounts over the lease term and the value of any rent free periods are spread over the term of the lease.

Allocation of costs

Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Charity.

Governance costs relate to expenditure incurred in the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The allocation of costs can be seen in Notes 7 and 9. General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

1. ACCOUNTING POLICIES (CONTINUED)

Key judgements and estimates

Preparation of the financial statements requires the Trustees to make significant judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources and estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to the timing of when depreciation is commenced and changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are considered annually. They are amended when necessary to reflect current estimates, based on, amendments to leases or management agreements, economic utilisation and the physical condition of assets

Provision for doubtful debts

The provision for doubtful debts is the estimated amount of bad debt that will arise from rents receivable and other debtors that have been billed but not yet collected.

Future rental income

Future rental income is the budgeted rental income for the following financial year only.

Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings, computer equipment, fixtures and fittings, furniture and motor vehicles would normally be capitalised when in excess of £5,000 and carried in the balance sheet at historical cost.

Other expenditure incurred in the normal day-to-day running of the Charity and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation

Depreciation is provided to write off the cost of all relevant tangible fixed assets, less their estimated residual value, in equal annual instalments over their expected useful economic lives. Depreciation is charged from the year following acquisition as follows:

Freehold buildings	2% on purchase of property. Between 10 and 20% on cost of refurbishment of property
Freehold land	Nil
Leasehold land and buildings	Between 10% and 50%
Computer equipment and software	Between 10% and 33%
Motor Vehicles	20%
Office fixtures and fittings	Between 10% and 25%
Unipol property furniture	20%

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

1. ACCOUNTING POLICIES (continued)

Assets under the course of construction

Expenditure to properties, purchased or leased, which are undergoing renovation at the year end is classified as assets under the course of construction. These properties are transferred to the relevant fixed asset category on completion and depreciated accordingly from the date of transfer.

Stock

Stock is valued at the lower of cost and net realisable value.

Taxation

Unipol Student Homes is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2012 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2012 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Investments

Investments held as fixed assets are valued at cost less any provision for impairment.

Pension schemes

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). Under auto enrolment regulations the DC Plan is the default scheme. USS and PAS are defined benefit schemes which are externally funded and contracted out of the State Earnings Related Pension Scheme. The funds are valued every three years by actuaries with the rates of contribution payable being determined by the trustees on the advice of the actuaries. The amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable for the year.

2. LEGAL STATUS OF THE CHARITY

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

3. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary Leeds Student Homes Ltd a dormant company that ceased trading on 31st July 2015.

The summary financial performance of the charity alone is:

	Total 2022	Total 2021
	£	£
Income		
Charitable activities	15,441,647	13,064,764
Other trading activities	18,000	18,000
Investments	655	97
Total Income	15,460,302	13,082,861
Expenditure		
Charitable activities	(15,442,096)	(13,000,901)
Total Expenditure	(15,442,096)	(13,000,901)
Net Income/(Expenditure)	18,206	81,960
Gain on disposal of tangible assets	197,789	257,822
NET MOVEMENT IN FUNDS	215,995	339,782
Total funds brought forward at 1 August	5,399,947	5,060,165
Total funds carried forward at 31 July	5,615,942	5,399,947
Represented by:		
Unrestricted income funds	5,615,942	5,399,947
	5,615,942	5,399,947

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2022 £	Unrestricted £	Restricted £	2021 £
Unipol Housing	13,924,917	-	13,924,917	11,680,094	-	11,680,094
Housing Hubs	430,030	40,000	470,030	350,491	55,000	405,491
Code of Standards	106,658	44,353	151,011	95,372	39,100	134,472
National Code of Standards	613,814	-	613,814	581,482	-	581,482
Property Management	254,887	-	254,887	246,112	-	246,112
Conference	26,988	-	26,988	17,113	-	17,113
	<u>15,357,294</u>	<u>84,353</u>	<u>15,441,647</u>	<u>12,970,664</u>	<u>94,100</u>	<u>13,064,764</u>

Unipol Student Homes is split into the following areas of activity:

Unipol Housing – includes a portfolio of properties that are either owned, leased or rented by Unipol. The main source of income is rent receivable.

Housing Hubs (Leeds, Bradford and Nottingham) – are services provided to students funded by private owners' registration fees and grants received from various institutions. This service provides advice on general student accommodation issues. It is also used as a centre for advertising student accommodation in the private rented sector. In Bradford there is additional income for accommodating overseas students on short courses.

Leeds receives funding from Leeds Beckett University, the University of Leeds, the Leeds Beckett Students' Union and Leeds University Union.

Bradford receives funding from Bradford University and Bradford College.

Nottingham receives funding from the Nottingham City Council and Nottingham Trent University.

Code of Standards (Leeds, Bradford and Nottingham) – establishes a minimum standard for accommodation and its management in the private rented sector in Leeds, Bradford and Nottingham.

National Code of Standards – establishes a minimum standard for high density student accommodation and its management nationally.

Property Management Service (Leeds and Nottingham) – includes a portfolio of properties that Unipol manages on behalf of private owners. The primary income in the area is rent commission.

Unipol Conferences – is the part of Unipol developed as "Unipol Training", and is the main national trainer in the niche market of student accommodation. Income is made up of conference fees and sponsorship money. Unipol Conferences now carries out the ANUK (Accreditation Network UK) conference).

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

5. INCOME EARNED FROM OTHER ACTIVITIES

	2022 £	2021 £
Sponsorship	<u>18,000</u>	<u>18,000</u>
	<u>18,000</u>	<u>18,000</u>

During the year the Charity received sponsorship from CRM Ltd to support the conference and educational activities of the Charity.

6. INVESTMENT INCOME

The group's investment income of £655 (2021: £97) arises from money held in interest bearing bank accounts.

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2022 Total £
Direct Costs	2,732,282	24,052	23,742	238,255	26,280	14,560	3,059,171
Repairs & Refurbs	2,047,557	-	-	-	50	124	2,047,731
Staffing	934,214	167,330	47,987	192,632	152,543	19,994	1,514,700
Lease & Management charges	5,682,476	-	-	-	-	-	5,682,476
Major Works	233,520	-	-	-	-	-	233,520
Loan interest	191,437	3,448	689	3,677	1,379	230	200,860
Depreciation	1,022,226	-	-	-	-	-	1,022,226
Support	864,508	374,927	76,495	172,649	67,681	33,997	1,590,257
Governance	<u>39,515</u>	<u>12,668</u>	<u>4,586</u>	<u>25,693</u>	<u>5,232</u>	<u>3,461</u>	<u>91,155</u>
	<u>13,747,735</u>	<u>582,425</u>	<u>153,499</u>	<u>632,906</u>	<u>253,165</u>	<u>72,366</u>	<u>15,442,096</u>

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2021 Total £
Direct Costs	2,378,872	46,675	19,161	186,837	19,047	6,343	2,656,935
Repairs & Refurbs	1,877,121	-	-	-	1,055	-	1,878,176
Staffing	833,817	138,177	49,948	179,751	144,845	11,095	1,357,633
Lease & Management charges	4,223,037	-	-	-	-	-	4,223,037
Major Works	89,974	-	-	-	-	-	89,974
Loan interest	198,391	3,089	618	3,294	1,235	206	206,833
Depreciation	947,875	-	-	-	-	-	947,875
Support	841,179	398,157	75,819	142,704	65,508	26,634	1,550,001
Governance	<u>39,754</u>	<u>12,786</u>	<u>4,520</u>	<u>25,522</u>	<u>5,384</u>	<u>2,471</u>	<u>90,437</u>
	<u>11,430,020</u>	<u>598,884</u>	<u>150,066</u>	<u>538,108</u>	<u>237,074</u>	<u>46,749</u>	<u>13,000,901</u>

Expenditure on charitable activities was £15,442,096 (2021: £13,000,901) of which £15,339,743 (2021: £12,888,801) was unrestricted and £102,353 (2021: £112,100) was restricted.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

8. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

The table shows the cost of the six main charitable activities and the sources of income directly to support those activities.

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2022 Total £
Costs	(13,747,735)	(582,425)	(153,499)	(632,906)	(253,165)	(72,366)	(15,442,096)
Rent	13,659,783	-	-	-	(1,525)	-	13,658,258
Covid Net Rebate	420	-	-	-	-	-	420
Subventions & College Fees	-	227,244	44,353	-	-	-	271,597
Fees	-	146,596	106,658	561,285	20,914	26,371	861,824
Membership Fees	-	32,533	-	-	-	617	33,150
Commission	-	-	-	-	231,832	-	231,832
Sundry Income	<u>264,714</u>	<u>63,657</u>	<u>-</u>	<u>52,529</u>	<u>3,666</u>	<u>-</u>	<u>384,566</u>
Net Cost	<u>177,182</u>	<u>(112,395)</u>	<u>(2,488)</u>	<u>(19,092)</u>	<u>1,722</u>	<u>(45,378)</u>	<u>(449)</u>

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2021 Total £
Costs	(11,430,020)	(598,884)	(150,066)	(538,108)	(237,074)	(46,749)	(13,000,901)
Rent	11,939,603	-	-	-	(1,905)	-	11,937,698
Covid Net Rebate	(496,750)	-	-	-	-	-	(496,750)
Subventions & College Fees	-	226,205	54,100	-	-	-	280,305
Fees	-	131,182	80,372	526,814	22,467	17,013	777,848
Membership Fees	-	30,647	-	-	-	100	30,747
Commission	-	-	-	-	222,242	-	222,242
Sundry Income	<u>237,241</u>	<u>17,457</u>	<u>-</u>	<u>54,668</u>	<u>3,308</u>	<u>-</u>	<u>312,674</u>
Net Income	<u>250,074</u>	<u>(193,393)</u>	<u>(15,594)</u>	<u>43,374</u>	<u>9,038</u>	<u>(29,636)</u>	<u>63,863</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the six main charitable activities undertaken (see note 8) in the year. Refer to the table below for the analysis of support and governance costs and the comments beneath for the basis of apportionment.

	Support	Governance	2022	Support	Governance	2021
	£	£	Total	£	£	Total
			£			£
General Office Costs	377,183	-	377,183	239,096	-	239,096
IT Expenditure	283,034	-	283,034	357,787	-	357,787
Staff Costs	765,777	66,105	831,882	781,435	64,844	846,279
Depreciation	78,408	-	78,407	124,644	-	124,644
Other Finance Charges	85,855	-	85,855	47,039	-	47,039
Audit	-	25,050	25,050	-	25,593	25,593
Net Cost	<u>1,590,257</u>	<u>91,155</u>	<u>1,681,412</u>	<u>1,550,001</u>	<u>90,437</u>	<u>1,640,438</u>

General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

10. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2022	2021
	£	£
Auditor's remuneration: audit of these financial statements	25,050	25,593
Interest payable	200,860	206,833
Operating leases and management agreements	5,774,826	4,309,564
Depreciation on tangible fixed assets	1,100,634	1,072,521
Directors' liability insurance	3,136	3,136
Interest receivable	(655)	(97)
	<u> </u>	<u> </u>

11. STAFF NUMBERS AND COSTS

	2022	2021
	No	No
Average number of full-time equivalent employees	<u>57</u>	<u>53</u>
BREAKDOWN OF STAFF PER SECTION		
Housing	35	33
Housing Hubs & Code of Standards	11	10
National Code	5	5
Property Management	5	4
Conferences and ANUK	1	1
	<u> </u>	<u> </u>
TOTAL	<u>57</u>	<u>53</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

11. STAFF NUMBERS AND COSTS (CONTINUED)

Average number of employees	81	72
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BREAKDOWN OF STAFF PER SECTION

Housing	51	47
Housing Hub & Code of Standards	17	15
National Code	5	5
Property Management	7	4
Conferences and ANUK	1	1
TOTAL	81	72

	2022	2021
	£	£

Staff costs

Wages and salaries	1,916,849	1,802,003
Employer's National Insurance	168,188	148,417
Employer's pension costs (see note 25)	238,989	228,493

Sub-total before administration charge	2,324,026	2,178,913
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Administration Charge	22,556	24,999
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TOTAL	2,346,582	2,203,912
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Employees receiving remuneration amounting to more than £60,000	2022	2021
	No	No
£60,000 - £69,999	1	1
£70,000 - £79,999	-	1
£80,000 - £89,999	2	1
£120,000 - £129,999	-	1
£140,000 - £149,999	1	-

Four higher paid employees (2021: four) had benefits accruing under the defined benefit pension scheme.

The key management personnel of the Charity comprise the trustees, the Chief Executive, Deputy Chief Executive, Director of Finance, Assistant Chief Executive - Housing Services, Assistant Chief Executive - Hub Services, Assistant Chief Executive - Communication and IT, Assistant Chief Executive - Standards, Assistant Chief Executive - Development and Delivery Officer. The total employee benefits of the key management personnel were £620,484 (2021: £593,912).

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

11. STAFF NUMBERS AND COSTS (CONTINUED)

Payments to Board Members

	2022	2021
	£	£
Andrew Welsh – Consultancy	-	6,720
Michael Wilkinson – Travel expenses as a Board Member	385	-
	<u>385</u>	<u>-</u>

Board Members (or any person connected with them) have not received any remuneration from Unipol Student Homes.

The Charity purchased insurance costing £3,136 (2021: £3,136) to provide trustees and officers £5m of cover against loss arising from their neglect or default.

12. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13. INTEREST PAYABLE AND SIMILAR CHARGES

Group and charity

	2022	2021
	£	£
Included in Unipol Housing expenditure:		
Bank and other loans	200,860	206,833
	<u>200,860</u>	<u>206,833</u>

**UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022**

14. TANGIBLE FIXED ASSETS

Group and charity

	Freehold land and buildings £	Leasehold land and buildings £	Computer equipment £	Fixtures and fittings £	Unipol property furniture £	Motor Vehicles £	Assets under the course of construction £	Total £
Cost								
At 1 August 2021	16,687,454	9,311,246	1,044,829	871,241	815,723	53,046	101,917	28,885,456
Transfer	36,142	65,775	-	-	-	-	(101,917)	-
Additions	535,379	537,964	45,357	-	-	-	-	1,118,700
Disposals	(224,596)	(34,582)	-	-	(4,467)	-	-	(263,645)
At 31 July 2022	17,034,379	9,880,403	1,090,186	871,241	811,256	53,046	-	29,740,511
Accumulated depreciation								
At 1 August 2021	5,760,889	6,446,646	949,059	828,801	678,076	43,730	-	14,707,201
Transfer	-	-	-	-	-	-	-	-
Charge for the year	512,880	497,182	44,072	6,429	34,163	5,908	-	1,100,634
Disposals	(54,899)	(34,582)	-	-	(4,467)	-	-	(93,948)
At 31 July 2022	6,218,870	6,909,246	993,131	835,230	707,772	49,638	-	15,713,887
Net book value								
At 31 July 2022	10,815,509	2,971,157	97,055	36,011	103,484	3,408	-	14,026,624
At 31 July 2021	10,926,565	2,864,600	95,770	42,440	137,647	9,316	101,917	14,178,255

The Charity sold one property in August 2022 resulting in a gain of £197,789 to mitigate part of the costs borne by the Charity as a result of Covid and to strengthen cash flow.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

15. INVESTMENTS HELD AS FIXED ASSETS

Charity

The Charity holds 100% of the issued share capital in Leeds Student Homes Ltd, a dormant company. With effect from 31st July 2015 the subsidiary ceased trading the results of the subsidiary are given below.

	2022	2021
	£	£
Turnover	-	-
Interest receivable	-	-
Administrative expenses	-	-
	<hr/>	<hr/>
Operating (loss)/profit	-	-
Deed of gift to Unipol Student Homes	<hr/>	<hr/>
	<hr/>	<hr/>
(Loss)/Profit for the financial year	-	-

The aggregate of the assets, liabilities and funds was:

	2022	2021
	£	£
Total assets	-	-
Total liabilities	(3,187)	(3,187)
	<hr/>	<hr/>
	(3,187)	(3,187)
	<hr/>	<hr/>
Represented by:		
Called up share capital	1	1
Profit and loss account	(3,188)	(3,188)
	<hr/>	<hr/>
	(3,187)	(3,187)
	<hr/>	<hr/>

As permitted by FRS 8 - *Related Party Transactions* the company has taken advantage of the exemption to not disclose transactions entered into between the parent company and its wholly owned subsidiary.

16. STOCKS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Furniture	5,677	415	5,677	415
	<hr/>	<hr/>	<hr/>	<hr/>
	5,677	415	5,677	415
	<hr/>	<hr/>	<hr/>	<hr/>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

17. DEBTORS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Owed from subsidiary undertaking	-	-	3,187	3,187
Rents receivable	40,304	557	40,304	557
Other debtors	325,486	749,604	325,486	749,604
Prepayments and accrued income	882,504	640,103	882,504	640,103
	<u>1,248,294</u>	<u>1,390,264</u>	<u>1,251,481</u>	<u>1,393,451</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Overdraft	144,593	-	144,593	-
Loans (see note 19)	981,307	1,641,173	981,307	1,641,173
Returnable deposits	156,400	339,290	156,400	339,290
Trade creditors	953,509	1,695,537	953,509	1,695,537
Taxation and social security costs	17,468	13,650	17,468	13,650
Other creditors	512,515	393,593	512,515	393,593
Accruals	1,353,177	836,580	1,353,177	836,580
Deferred income (see below)	686,901	940,871	686,901	940,871
	<u>4,805,870</u>	<u>5,860,694</u>	<u>4,805,870</u>	<u>5,860,694</u>

ANALYSIS OF DEFERRED INCOME

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Rental income	363,493	618,773	363,493	618,773
Contribution from Landlords towards capital works	101,040	102,084	101,040	102,084
Subventions, fees and funding income	222,368	220,014	222,368	220,014
	<u>686,901</u>	<u>940,871</u>	<u>686,901</u>	<u>940,871</u>

Deferred income arose due to invoices due for payment at the start of the next financial year were raised at the end of the previous financial year and are simply timing issues. In addition contractual capital contributions have been made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	4,682,236	4,481,213	4,682,236	4,481,213
Deferred Income	404,448	506,076	404,448	506,076
	<u>5,086,684</u>	<u>4,987,289</u>	<u>5,086,684</u>	<u>4,987,289</u>

The bank loans are secured on a number of properties within the portfolio. One bank lends to Unipol with loans expiring between 2027 and 2029, one bears an interest rates of 2.25% over base and two further loans are at a fixed rate of 3.32% and 3.87%. A further bank lends to Unipol with loans expiring between 2024 and 2032 with interest rates of 2.68% over Bank of England Base rate and six fixed rate loans of 3.14%, 3.53%, 3.6%, 4.11%, 4.14%, and 4.16%.

Deferred income arose due to contractual capital contributions made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation

	Group and Charity	
	2022	2021
	£	£
Analysis of loan repayments		
Bank loans and other loans		
Within one year or on demand (see note 18)	981,307	1,641,173
Between one and two years	885,899	787,280
Between two and five years	3,139,858	2,231,871
After five years	656,479	1,462,062
	<u>5,663,543</u>	<u>6,122,386</u>

20. ANALYSIS OF GROUP ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds		Total 2022	Total 2021
	Designated funds	Undesignated funds		
	£	£	£	£
Fixed assets		14,026,624	14,026,624	14,178,255
Current assets	1,000,819	477,503	1,478,684	2,066,487
Creditors: amounts falling due within one year		(4,805,870)	(4,805,870)	(5,860,694)
Creditors: amounts falling due after more than one year		(5,086,684)	(5,086,684)	(4,987,289)
	<u>1,000,819</u>	<u>4,611,935</u>	<u>5,612,754</u>	<u>5,396,759</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

21. STATEMENT OF MOVEMENT ON RESERVES

Charity as at 31 July 2022	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2021	838,795	4,561,152	5,399,947
Net movement in funds	(233,520)	449,515	215,995
Transfers	395,544	(395,544)	-
At 31 July 2022	1,000,819	4,615,123	5,615,942
Charity as at 31 July 2021	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2020	599,553	4,460,612	5,060,165
Net movement in funds	(89,974)	429,756	339,782
Transfers	329,216	(329,216)	-
At 31 July 2021	838,795	4,561,152	5,399,947
Group as at 31 July 2022	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2021	838,795	4,557,964	5,396,759
Net movement in funds	(233,520)	449,515	215,995
Transfers	395,544	(395,544)	-
At 31 July 2022	1,000,819	4,611,935	5,612,754
Group as at 31 July 2021	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2020	599,553	4,457,424	5,056,977
Net movement in funds	(89,974)	429,756	339,782
Transfers	329,216	(329,216)	-
At 31 July 2021	838,795	4,557,964	5,396,759

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

22. MOVEMENT IN GROUP FUNDS

As at 31 July 2022

	Balance 31 July 2021	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2022
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	638,795	-	(233,520)	355,546	-	760,821
Dispersed Houses reserve	200,000	-	-	39,998	-	239,998
	<u>838,795</u>	-	<u>(233,520)</u>	<u>395,544</u>	-	<u>1,000,819</u>
Undesignated funds:						
Other unrestricted funds	4,557,964	15,357,949	(15,106,223)	(395,544)	197,789	4,611,935
Total unrestricted funds	<u>5,396,759</u>	<u>15,357,949</u>	<u>(15,339,743)</u>	<u>-</u>	<u>197,789</u>	<u>5,612,754</u>
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	59,353	(59,353)	-	-	-
Sponsorship	-	18,000	(18,000)	-	-	-
Total restricted funds	<u>-</u>	<u>102,353</u>	<u>(102,353)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>5,396,759</u>	<u>15,460,302</u>	<u>(15,442,096)</u>	<u>-</u>	<u>197,789</u>	<u>5,612,754</u>

As at 31 July 2021

	Balance 31 July 2020	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2021
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	439,553	-	(89,974)	289,216	-	638,795
Dispersed Houses reserve	160,000	-	-	40,000	-	200,000
	<u>599,553</u>	-	<u>(89,974)</u>	<u>329,216</u>	-	<u>838,795</u>
Undesignated funds:						
Other unrestricted funds	4,457,424	12,970,761	(12,798,827)	(329,216)	257,822	4,557,964
Total unrestricted funds	<u>5,056,977</u>	<u>12,970,761</u>	<u>(12,888,801)</u>	<u>-</u>	<u>257,822</u>	<u>5,396,759</u>
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	69,100	(69,100)	-	-	-
Sponsorship	-	18,000	(18,000)	-	-	-
Total restricted funds	<u>-</u>	<u>112,100</u>	<u>(112,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>5,056,977</u>	<u>13,082,861</u>	<u>(13,000,901)</u>	<u>-</u>	<u>257,822</u>	<u>5,396,759</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

22. MOVEMENT IN GROUP FUNDS (continued)

The Unrestricted Funds are:

Designated funds consisting of the following reserves:

Major works reserve represents a provision for future capital expenditure on large complexes.

Dispersed Houses reserve represents a provision for future capital expenditure on Unipol owned houses.

The Restricted Funds are:

Housing Hub and Code of Standards - Bradford - This is income from Bradford University for running its Accommodation services.

Housing Hub and Code of Standards - Nottingham - This is £30,000 from Nottingham Trent University to run the Hub and support accreditation in Nottingham together with £29,353 from Nottingham City Council to run accreditation in Nottingham.

Sponsorship - This is sponsorship funding for the conference section.

Transfers

The movement of £395,544 represents a transfer from the general reserve to the designated reserves for major works and works to dispersed houses.

23. CAPITAL COMMITMENTS

	2022	2021
	£	£
Unipol had contracted commitments at 31st July for future capital projects totalling	-	152,139
	<u> </u>	<u> </u>

24. LEASE COMMITMENTS

The Charity has operating lease commitments due over the lease term as follows:

	2022	2021
	£	£
Amount due within one year	6,601,373	5,807,103
Amount due between one and five years	27,271,930	25,336,804
Amount due after more than five years	93,834,125	93,099,912
	<u>127,707,428</u>	<u>124,243,819</u>

Lease commitments include longer term management agreements where a contractual obligation exists.

The Charity budgets to receive rental income in respect of properties held on lease and management agreements of £13,658,678 (2021: £11,587,684)

25. PENSION SCHEMES

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). The assets of the schemes are held in separate trustee-administered funds. USS and PAS are defined benefit schemes which are externally funded and are valued every three years by actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The DC Plan, which was introduced from 1 March 2013, is the main auto-enrolment vehicle for staff. The investment of scheme contributions for the DC Plan is managed by The People's Pension.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2022

25. PENSION SCHEMES (continued)

The triennial valuation of Universities Superannuation Scheme showed that as at 31 March 2020 the scheme had a deficit of £14.1bn. A further report was commissioned as to the funding position as at 31 March 2021 that showed the scheme deficit had reduced to £5.6bn. Employer contribution levels rose to 21.6% of salary from 1 April 2022 previously 21.4%.

The triennial valuation of the University of Leeds Pension and Assurance Scheme as at 31 March 2020 showed that the Scheme had a deficit of £66.2m, equivalent to a funding level of 87%. Given the unusual market conditions prevailing in March 2020, a further valuation was carried out as at 31 March 2021. This valuation showed that there was a surplus of £24.2m, equivalent to a funding level of 105%. During the year the employer contribution rate was 16%, with the employee contribution rate at 7.5% both unchanged from the previous year. The University continues to pay the annual PPF levy and the cost of any ill health early retirement benefit enhancements.

The pension cost for the year was £238,989 (2021: £228,493).

26. POST BALANCE SHEET EVENTS

On 15 November 2022 an Agreement to Lease for a twenty five year term was signed with Clarendon Cotton Mill Limited for a building known as Cotton Mills, Norwood Road, Radford Boulevard, Nottingham, NG7 3BR – consisting of 273 en-suite beds at an initial lease fee of £1,113,329.

UNIPOL STUDENT HOMES

England & Wales - Charity number 1063492

Accounts

Charity registration: 1063492
Company registration: 3401440

UNIPOL STUDENT HOMES

Annual Report and Group

Financial Statements

31 July 2021

UNIPOL STUDENT HOMES

ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS 2021

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UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

LEGAL AND ADMINISTRATIVE INFORMATION

BOARD

The Board comprises the following representatives:

The University of Leeds

Mr Ian Robertson, Head of Residential Accommodation

Deputy Chair (Partnerships) of Unipol

Mr Christopher Warrington

Ms Catherine Cho

Contactable at University of Leeds, Leeds LS2 9JT

Leeds Beckett University

Ms Victoria Johnson

Ms Caroline Thomas

Contactable at Leeds Beckett University, Calverley Street, Leeds, LS1 3HE

Leeds University Union

Ms Charlotte Morton (resigned 30/06/2021)

Mr Jian Feng (resigned 30/06/2021)

Ms Bethany Eaton (appointed 01/07/2021)

Ms Nicole Jimenez Mogrovejo (appointed 01/07/2021)

Ms Hannah Brian

Contactable at Leeds University Union, PO Box 157, Leeds LS1 1UH.

Leeds Beckett University Students' Union

Ms Mpango Simwaka

Ms Anna Crooks (appointed 01/07/2021)

Ms Kay Rhoden-Campbell (resigned 30/06/2021)

Ms Jacqui Lawton

Contactable at Leeds Beckett University Students' Union, Calverley Street, Leeds LS1 3HE.

Bradford College

Vacant

Co-Opted Directors

Mr Michael Wilkinson (Chair of Unipol)

Mr Andrew William Welsh

Deputy Chair (Properties and Portfolio) of Unipol

Ms Meri Braziel

Mr Michael Lees

Ms Jennifer Share

Deputy Chair (Finance) of Unipol

Contactable at Unipol Student Homes, 155/157 Woodhouse Lane, Leeds, LS2 3ED

UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

Charity registration number 1063492
Company registration number 3401440
Registered address 155/157 Woodhouse Lane, Leeds, LS2 3ED

OFFICERS OF UNIPOL STUDENT HOMES

Mr M J Blakey Chief Executive
Ms N Verity Deputy Chief Executive
Ms C Rygalska Director of Finance
Ms R Campey Assistant Chief Executive – Housing Services
Ms N Brown Assistant Chief Executive - Hub Services
Mr A Livesey Assistant Chief Executive - IT and Communications
Ms V Tolmie-Loverseed Assistant Chief Executive – Standards & Company Secretary
Mr A Vyse Assistant Chief Executive - Developments

BANKERS

National Westminster Bank plc Leeds Commercial Office 4 th Floor 2 Whitehall Quay Leeds LS1 4HR	Svenska Handelsbanken AB (publ) 5th Floor 3 The Embankment Sovereign Street Leeds LS1 4BJ
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SOLICITORS

Lupton Fawcett Denison Till Stamford House Piccadilly York YO1 9PP	Pinsents 1 Park Row Leeds LS1 5AB	Hatch Legal 12 Park House 11 Park Row Leeds LS1 5HB	Walker Morris 33 Wellington Street Leeds LS1 4DL
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AUDITOR

BHP LLP
First Floor, Mayesbrook House
Lawnswood Business park
Redvers Close
Leeds
LS16 6QY

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

The annual report and the audited financial statements are for the year ended 31st July 2021 in the 46th year of operation of Unipol Student Homes as a registered charity (two years after it was founded initially as part of the University of Leeds in 1973). On 1st August 1997 Unipol was incorporated as a charitable company limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Its current *Forward Look 2019-2022* was adopted by trustees in December 2018 and this sets out the main strategic direction of the organisation for the next three years and it makes sense to review the year with reference to the *Forward Look*. A copy of this can be found at <https://www.unipol.org.uk/footer/governance/corporate-documents-policies/forward-look-2019-2022> on Unipol's website.

Values

As part of the *Forward Look* review process Unipol's values were reviewed and updated and remain a touchstone for all of its current and forthcoming activities. Those values are:

To be trusted - as a source of help and advice to both students and landlords who want to rent and provide good quality student accommodation that contributes to a great student experience.

To be impartial experts - giving student consumers information and advice, based on 45 years' experience in the sector, which empowers them to make good housing choices and get the best deal available. Establishing, promoting and publicising best practice in student accommodation, encouraging innovation and cooperation between providers, institutions, local and national Government to work together to the benefit of student tenants.

To provide value for money - providing a first class service to our users which uses the latest technology to allow on-line global accessibility; recognising the importance of meeting differing students' needs and providing value for money and choice throughout the housing process.

To promote safety and wellbeing - setting and checking standards to make student accommodation as safe and secure as possible to give peace of mind to all concerned and providing a good quality living environment that is so important in the learning process.

To promote community - whilst promoting individuality the charity encourages positive attitudes to equality, cultural diversity and the internationalism inherent in undertaking study in higher education.

To be ethical - valuing our human resources, investing in training and sector expertise and ensuring we pay our employees the living wage. Providing information for our tenants on how to use less energy in a comfortable living environment and use local suppliers and trades wherever possible.

To be transparent and accountable - being answerable, as a charity to our Board of trustees and to our users and making the charity's agenda and operations as clear and open as possible.

These values are at the core of our actions.

Purposes, Activities and Public Benefit

The charity's objects are the advancement of education by providing and managing accommodation and related services for educational institutions, their students and other persons associated with educational institutions and to develop and foster excellence and expertise in this field. Students (and the institutions being supported) rate their living experience and the acquisition of life skills and personal development as a very important aspect of their overall education.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

Unipol was founded in Leeds by trustees with a vision of a charity offering dedicated expertise in student housing. From the outset the charity has worked nationally with education institutions and housing providers to give students better information and help on available housing options and to champion better housing standards which now takes place through local services based in Leeds, Nottingham and Bradford and nationally. Although Leeds continues to be a principal financial focus of the charity's activities, housing services in Nottingham continue to expand. The charity also operates on a national stage in respect of student-related housing regulation, legislation and policies and seeks to improve choice, affordability and standards in student housing.

There are four main strands to *Unipol's mission*. Unipol:

- has its own Housing Section which develops, takes into ownership and manages refurbished properties and lets them directly to students. Unipol is currently responsible for housing around 3,200 students (including over 210 student families) located in Leeds, 640 students in Nottingham and 59 students in Bradford.

- runs three Housing Hubs providing expertise to assist both students and landlords and operates a number of websites, which centralise private sector vacancies. Unipol's websites are a major source of information and advice for students and receive around 100 million hits a year

- runs a number of successful voluntary accreditation schemes (in Leeds, Nottingham and Bradford) and two Government Approved Codes of Practice dealing with larger student developments in the United Kingdom designed to maintain and improve property and management standards. Together these schemes cover an estimated 406,000 student bed spaces. In Leeds, Unipol runs the *Leeds Rental Standard* for the City Council (<http://www.leedsrentalstandard.org.uk/>) and in Nottingham (together with DASH - Decent and Safe Homes) runs the Nottingham Standard (<https://www.nottinghamcity.gov.uk/nottinghamstandard>).

- through its training arm, "Unipol Training" Unipol is the main national trainer in the niche market of student accommodation, running a full annual programme. The training arm also undertakes some bespoke in house training and a number of briefings for different constituencies. Unipol has in-house training facilities in both Nottingham and Leeds.

The Coronavirus Pandemic

The 2020-2021 year continued to be dominated by the Coronavirus pandemic that presented an enormous risk to public health and the economy and therefore to Unipol. Some 87% of the charity's funds comes from rent paid to it by students and this rental stream is central to the survival of the charity.

This financial year, as predicted in last year's report, has been dominated by the effects of the Coronavirus pandemic and although the vaccination programme has seen a lifting of restrictions, it is still likely to have some implications for the next financial year 2021-2022. This year's achievements and performance were affected by the pandemic across the whole year and it makes sense to report those at this stage.

Unipol had hoped that the year would see a relatively uninterrupted academic year and this assessment looked reasonable as Covid-19 cases fell across the summer of 2020. At the same time as students were returning to their accommodation in September 2020 Covid-19 cases dramatically increased and face-to-face teaching was effectively suspended for the whole year with only a small number of students being taught on-campus from January and the remainder of students being told by the Government to stay away from campus until May 2021.

Throughout the year students demonstrated their keenness to occupy their homes in their place of study and up to December 2020 occupancy was at near normal levels (excepting the non-arrival of international students because of travel difficulties and restrictions).

The fall in the number of international students able to come and study in the UK saw a significant reduction in accommodation demand in 2020-2021. Leeds saw an estimated overall reduction in demand by 5,224 bed spaces or an 11% reduction. In Nottingham there was a smaller overall reduction of 1,592 bed spaces, a 3% reduction. Bradford saw a 8% reduction in demand.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

There was a relatively small shift of undergraduate students who had originally planned to live away from home but decided to change their plans and commute. It was estimated that 500 students in Leeds and 600 students in Nottingham made this change.

In Unipol's own portfolio occupancy was always above national averages and above the occupancy figures being recorded by institutional and private sector PBSA. Both Leeds and Nottingham also saw students wanting to reside there and occupy their properties when possible. From late March most students, despite Government guidance to educational providers not to reopen, were again living, almost at normal levels of occupancy, in their student accommodation.

Unipol's family accommodation, and its family tenants (mainly international postgraduates) were badly affected by travel restrictions: many could not go home and many could not arrive. Occupancy, normally 97%, fell across summer 2020 to 70%, slowly recovering to 89% by June 2021. Unipol devised a case-by-case strategy to reassure its tenants that they would not become homeless and changed its letting conditions. It worked closely with the universities, particularly the University of Leeds, to ensure that students received proper financial and academic support and it set up a £10K immediate hardship fund to enable staff to take sensible and humane decisions about living arrangements quickly and without fuss.

The reduction in demand for accommodation had little direct effect on Unipol which was fully let in Leeds and Nottingham across 2020-2021 (with around 20 empty rooms in Bradford) but the public health restrictions had the potential to badly disrupt the letting season for 2021-2022 with in-person viewings being replaced by using virtual tours and images.

Fairness

In the *Forward Look 2019-2022* the charity acknowledged the importance of fairness saying:

"The concept of fairness has a renewed profile in the student community. Unipol has little power to address unfairness in the world at large, but it can ensure that its own actions are viewed as fair. Value for money in renting from Unipol must be seen through the lens of fairness. The charity needs to be transparent about what it is charging rent for."

This continued to remain a foundation stone upon which considerations were made.

Trustees wanted to be able to say that Unipol had treated tenants affected by the pandemic fairly whilst balancing this against forgoing contracted rent and limiting financial damage to the charity. Trustees concluded that this did not mean treating everyone the same. Nor did it mean the charity was doing as much as it might like but trustees would be able to say "we are doing the best we can" and convey that to tenants and other users. Unipol responded, as best it could, to the changing demands of its student tenants:

- it gave most of its shared-house tenants a 50% rent reduction across August and September
- it allowed around 70 students out of their contracts in September who had chosen to study at home and managed to relet almost all of those rooms with only limited income loss
- it gave an across the board £420 reduction in rent to its tenants in Mill Street and Sandhills paid in April 2021
- it provided a "Peace of Mind Promise" to students renting early in the year for 2021-2022 to enable them to change their mind up to April 2021 without penalty and extended this to international students to the end of July 2021
- it invited any special cases to apply for tenancy release and released 50 tenants at an additional cost of £164K.

Student Reaction and Views

In making what could be called "Covid adjustments" Unipol's trustees were fully involved and staff and trustees worked together to maintain Unipol's values and humanity in trying to deal with students fairly but within its means. One important touchstone, established in the previous year, was that Unipol, as a housing charity, did not link rent rebates to not living in the property: in other words the charity did not pay students to stay at home.

The charity aimed to be transparent to its users and increased its communications with both tenants, institutions and staff about what we were doing and why.

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It is worthy of note that in 2020-2021 (as in 2019-2020) not a single student lodged a complaint related to the pandemic with the charity, nor were there any negative review comments on *Rate Your Landlord*.

Research was undertaken in May-June seeking the views of 781 students and a *Report on House Hunting Behaviour in Leeds in 2021* <https://www.unipol.org.uk/news/survey-on-house-hunting-behaviour-2021> produced. This revealed a number of open text comments from Unipol's tenants:

- *"During the months June, July and August 2020 our landlord offered 50% reduced rate without being asked*
- *At the beginning of the year Unipol gave us 50% off the rent for two months and kept in contact with us about why they couldn't offer refunds as a charity. I am extremely happy with how that was all handled.*
- *whilst living in Unipol Halls (One Mill Street) I was able to apply for some kind of rental bursary that I was emailed about and managed to have some payments covered."*

and this reputation was reflected in comments about future house hunting:

- *"Unipol being a charity have been fairly trustworthy this year*
- *Unipol are a well trusted organisation who have treated me well in first year*
- *Unipol offered a friendly and helpful service when signing for a student home and will be protective landlords*
- *Unipol are known to be trust worthy*
- *I'm with Unipol - they're your safest bet*
- *Unipol. It's trustworthy and seemed more likeable for students.*
- *Unipol because they are so helpful and have students' welfare at the heart of their company*
- *Unipol because their prices were affordable, bills included and there was a communal space."*

Running the Government approved National Codes meant Unipol was consulted by Government and the educational sector to offer policy advice and assistance on what accommodation providers could do to respond to the pandemic. Local landlords also saw Unipol as an important source of information and advice. Unipol also was asked to provide national information on occupancy by the Office of National Statistics and Public Health England and worked with the Cabinet Office to improve health and guidance messaging to students.

Further information on the financial approach and the effects of the pandemic on the charity are reported later.

The Unipol Mission

Because Unipol's own housing portfolio is so central to the activities of the charity, it is worth dwelling on how Unipol's values translate into *Housing Values* as a provider.

Unipol's stock has been acquired and shaped to meet the diverse needs of the student population. Unipol offers housing to all kind of students: undergraduates, postgraduates, international and UK students, first-years and returners, students under 18, couples, students with dependents and students with additional needs.

Unipol offers the best deal possible to its tenants as a not for profit provider:

- there are no fees or hidden charges
- deposits are kept low and are being lowered year-on-year
- students over the age of 18 are not asked to provide guarantors
- each student tenant gets an individual tenancy agreement, removing their liability for the acts or omissions of their co-tenants
- housing revenue goes to support investment in higher-quality properties and helps subsidise the advice and standards mission
- investment continues to improve the sustainability of properties with better infrastructure
- tenants get detailed information on their energy use and responsible energy use is incentivised
- where possible local traders are used to provide services and improve buildings.

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Unipol aims to give tenants a great housing experience, providing good value, promoting social/academic interaction and high-quality housing - a Unipol property should be a home from home.

Helping Students to Make the Best Decisions about their Housing

Unipol empowers consumers by providing accurate, transparent and comparable information, together with help and support to build both the knowledge and confidence to assist them in negotiating the housing market within which they operate and helping them decide what to rent.

With the exception of two weeks in March 2020, Unipol never closed its offices and has continued its services to its customers either on-line or in-person through those offices. Unipol also runs a number of successful web-based services in order to assist both students and landlords. The Housing Hubs continued to give good advice and provide relevant information to both students and landlords alike:

- users visiting Unipol.org.uk were up 7% in 2020-2021 academic year and this followed on from a 40% increase in 2019-2020
- there were 42,531 users visiting the housing site between September and December 2020 which was 76% more than the same period in 2019
- the blog had a 13% increase in users compared to the same period in 2019
- usage of web chat was up 86%.

The *Rate Your Landlord* project <https://www.rateyourlandlord.org.uk/> saw the target of harvesting a minimum of 1,000 new reviews being met with 1,096 reviews being acquired, no mean feat considering house-hunting virtually stopped between March and June. 3,850 reviews were therefore available under the service for 2020-2021. During the year 25,034 reviews were consulted, down from 25,034 in the previous year, reflecting a slower house-hunting process with around 15% of students waiting to rent in August and September rather than committing earlier.

The National Code website saw 48,086 users compared to 64,189 over the previous year (although that year had seen a 234% increase in use) reflecting a lower level of advice from the Government relating to the coronavirus pandemic.

All of these website are free to access and, although income from landlord advertising continues to decline, usage of all the sites has held up well reflecting Unipol's role as a source of trusted information and advice to both landlords and students during a year of unpredictable change.

Improving Standards

Accreditation is an important vehicle for improving standards. It is about persuading suppliers voluntarily to meet higher than regulatory standards, based on reasonable consumer expectations.

Unipol is a founder member of the accreditation movement and has designed and operates several Unipol Codes, which share a common core of standards. There are Codes geared to the specific housing and market conditions where Unipol works and there are two National Codes. Robust verification procedures are used to ensure Code compliance. The Codes offer accountability through a complaints system and dispute resolution through an independent Tribunal system. Three-yearly reviews, including broad consultation, ensure regular updating.

In Leeds a new Code was introduced and in its first year of operation covered 9,158 bed spaces: membership is on track to continue to grow to over 13,000 during the next two years. In Nottingham the Code covered 5,977 bed spaces, just moving into the second year of its three year cycle. In Bradford the Code covered 259 tenants.

The National Codes, which Members join annually, accredits 365,029 bed spaces (up from 338,190 in the previous year) and covers 2,179 developments in 94 different locations throughout the UK.

Importing its Values into Leading and Assisting the Student Accommodation Sector to Evolve and Improve

Unipol has continued to play a significant role in assisting both the Department for Education (DfE) and the Ministry of Housing, Communities and Local Government (MHCLG) with planning and guidance issued in the area of student accommodation and have held regular meetings with both ministries.

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The Chief Executive attended the UUK Roundtable dealing with student accommodation and also was invited on to the Ministerial Task Group (chaired by the Minister of State for Higher Education) when it was discussing accommodation-related issues.

Over the summer (on August 6th), a report was produced through the *Higher Education Policy Institute* (HEPI) written by Sarah Jones and the Chief Executive called *Student Accommodation: The Facts* <https://www.hepi.ac.uk/2020/08/06/student-accommodation-the-facts/> which called for a new approach on the affordability, regulation and cost of student accommodation and was well-received.

Unipol has also issued several national reports: *Late Buildings and the Improvements Made* <https://www.nationalcode.org/news/new-and-late-buildings-2020-overview> *House Hunting Behaviour in Leeds in 2021* <https://www.unipol.org.uk/news/survey-on-house-hunting-behaviour-2021> and the Chief Executive wrote a blog for the Higher Education Policy Institute during the year <https://www.hepi.ac.uk/2020/12/04/home-sweet-home-so-long-as-someone-else-is-there/> Unipol also commissioned a report on *International Students and Factors Affecting Accommodation in the UK* <https://www.nationalcode.org/news/report-international-students-and-factors-affecting-accommodation-in-the-uk>

Unipol has also undertaken considerable work on *Student Income and Expenditure* in the context of housing affordability which is awaiting publication and worked on the opening stages of the *Unipol NUS Accommodation Cost Survey*, providing a data-based survey of purpose built student accommodation in the UK. The survey report will be launched in December 2021.

Unipol has responded to a number of Government consultations seeking to address a number of issues identified by Ministers particularly the post-Grenfell *Building Safety Bill* and *rights of redress, post-qualification admissions (PQA)* and the *Renters Reform Bill*. Unipol has also responded to a number of Local Authority consultations relating to licensing of properties. Unipol have stressed that student tenants have special needs and must be treated as a special tenant group.

Unipol's training role <https://www.unipol.org.uk/training-and-events/all> has been curtailed by the current Coronavirus restrictions ending face-to-face events in February 2020. Following the return to the "new normal" a series of free virtual events branded under the *UK Student Accommodation Forum* banner were held with 26 Forums attracting 1,181 delegates. Unipol is particularly grateful to *CRM Students* for continuing their sponsorship throughout this year which has helped make these events possible.

Strategic Report and Achievements and Performance - The 2020-2021 Year

Strategic Report In accordance with section 414c (11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has prepared a Strategic Report which includes information that would have previously been included in the Trustees' Report. The Trustees authorise both the Strategic Report and the Trustees' Report.

Overview

It may be useful to have an overview of the charity's turnover and income across the previous five years (2017-2021). 2017-2018 saw an 8% rise in turnover on the previous year excluding the gift of Dyers Court in 2017, followed in 2018-2019 by a further 8.2% rise, both of these increases being attributable to a growing small house leased portfolio. 2019-2020 saw a year of consolidation with slower growth of 3.2% and 2020-2021 saw the addition of Sandhills (in Nottingham) to the portfolio but also the temporary loss (until 2023) of Carlton Hill with a net effect of 12.1% growth.

These figures have been impacted by the net cost of rebates during the pandemic in 2019-2020 (of £555K or 4.8%) and 2020-2021 (of £497K or 3.8%).

The charity moved into deficit in 2019-2020 of -£169,818, the first deficit recorded by the charity since 1988 but has recovered in 2020-2021 with a surplus of £339,782 including the sale of two properties yielding a gain on disposal of £257,822.

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The future growth of Unipol will depend upon the renewal and extension of leasehold assets, new leasehold commitments within the PBSA arena and acquisitions and maintaining a strong lettings record and underwrite relationship with educational institutions.

The Financial Framework

87% of the charity's funds come from rent paid to it by students and this rental stream is central to the survival of the charity. This was the second year both revenue and operations have been negatively affected by the pandemic, which may also affect a third academic year (2021-2022).

The charity can sustain the reduction in real term funding from other sources so long as its housing operation continues to operate successfully and voids are minimal. Housing continues to bear an increasing proportion of the charity's operational overheads and, looking forward, it is vital that rental revenue meets the overhead and operational expenditure required.

The National Codes also now make a significant contribution to the organisation's output and overheads. The revenue from the National Code is currently around £581K and the Code makes an increasingly significant contribution to both the charity's mission and overheads.

This is against a backdrop where the charity's more traditional income from its Housing Hubs are all contracting and will continue to contract and where there may be reticence on the part of funding partners to continue contributions at their current (or increased) level. It is of note that although Covid-19 has re-emphasised the importance of the household and the residential experience, future funding for services (particularly in the off-street market where 50% of students live) may be restricted. The level of funding required to run a good service to students through the housing hubs is brought into sharper focus by the rising cost of those services with a £193,393 deficit being run in 2020-2021 (2019-2020: -£151,472), even after overheads have been spread across an expanding number of services.

The provision of family housing has always been a high priority for the charity, but both 2019-2020 and 2020-2021 is seeing the *Forward Look* conclusions being actioned which is seeing the subsidy to family housing being reduced. Generally, family housing is being upgraded to a higher product level with greater inclusivity of costs and higher rents.

Operations during 2020-2021

Operationally, the year went well and can be summarised as:

Housing Hubs

As has been previously mentioned, the housing hubs were seen by students and landlords as an important central resource in finding out how to respond to the pandemic and how to find housing for the following year when lockdown was in force. It would be easy to forget some achievements that are, in themselves, highly significant and important building blocks for Unipol's on-going services:

- Unipol's *Homestay* arrangement was expanded for a further three years with the University of Leeds.
- *virtual viewings* were implemented to allow viewing of individual properties on video and will remain an additional resource for students going forward.
- arrangements were confirmed with the *University of Bradford* to run the Unipol service there for a further 5 years with revamped funding
- the four *Leeds founding partners* all agreed to roll forward their subventions for 2021-2022 without dissent
- the five year *Rate Your Landlord* partnership with Leeds University Union was renewed for a further five years
- additional on-line help was made available to help students to rent houses where the pandemic had given them only limited chances to meet others, allowing networking and successful renting.

The link with Bradford College has continued to be weak following a downsizing of the College and significant staff turnaround and the College has still failed to take up its nominated trusteeship on the Board. Now the arrangements with Bradford University are finalised, Unipol will turn its attention to redefining this relationship.

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Unipol Housing

In Leeds Unipol directly let £5,434K of properties over the year compared with £5,340K in 2019-2020, an overall increase of 3%. In Nottingham Unipol let £1,719K of properties over the year compared with £1,482K in 2019-2020 an increase of 16%.

In Bradford Unipol let only 34 of its 59 rooms raising only £157K of the £224K rent that would have come from a fully let building. By the end of the year the actual loss of rental income was £67K. This disappointing outcome came from a mixture of reduced intake at both the University and College, coupled with the non-arrival of international students together with a heavy over-supply of student accommodation in the City.

Overall this was still a strong lettings performance even when compared with the previous year's strong lettings performance. Unipol was a relatively resilient provider because it was not heavily dependent upon newly arriving international students or new undergraduates (where the institutions tend to bear that risk within underwrite agreements).

Sandhills

Sandhills, a new development in Nottingham, came on line in September 2020 and houses 330 students, mainly NTU undergraduates. The development was built during the teeth of the 2020 Covid storm. This is also the first major building Unipol had leased and partnered with a developer since 2004.

The building's design aimed to reflect all that Unipol wanted to import into a modern and affordable student residence based on promoting sociability and improving well-being. The building's design is a great success and the vast majority of rooms were allocated and underwritten by Nottingham Trent University meaning the building had full occupancy from the first day of operation.

After a year of operation it can be concluded that the in-flat communal areas work as intended, the outside space has been vital during the pandemic and the large communal lounge and workspaces have sustained periods of student self-isolation and have been at the centre of those residents' lives.

In this year, Sandhills has also made a significant financial contribution to the charity producing a "one-off" significant surplus.

The balance between underwritten arrangements with institutions and direct let properties (where Unipol bears the risk of voids) has increased slightly to 51% underwritten and 49% direct let from 50% underwritten and direct let. There were no significant shifts in institutional underwrite agreements except the new agreement with Nottingham Trent University.

Mill Street

Post Grenfell further information was required on the construction of the building (particularly the cladding system) to ensure it complied with MHCLG guidance and this required a survey to be undertaken. The outcome of this process was the completion of Certificate EWS1, which says the building is properly constructed and that the fire precautions within the building are in line with its original risk level.

It is pleasing to report that, following a number of independent and thorough surveys, the building has been satisfactorily constructed and is being properly run and maintained. Unipol has now received a Certificate EWS1, a new cause and effect document on the fire detection system and has completed a new FRA in the light of these findings. The fact that no remediation work is required is reassuring in respect of the charity's concern for the safety of its tenants and has removed a significant potential financial risk to Unipol.

Tenant Satisfaction

Unipol regrettably suspended its two planned *Tenant Satisfaction Surveys* (shared students and families) and this continuous data set has now been broken by a year but resources simply were not available to either undertake or assess any information that might have been harvested. Both surveys are being run in 2021-2022. Unipol can, however, take comfort from its *Rate Your Landlord* rating rising in September 2021 from 4.1 to 4.4 from 215 reviews on 117 properties. *The University of Leeds Satisfaction Survey* also ran in 2021 and Unipol's complex at *Royal Park Flats* performed well across all ratings in that survey.

Despite the financial uncertainty and additional work caused by the pandemic, the charity has continued its increased investment in wellbeing and mental health and:

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- appointed a second *Tenancy Support Coordinator* and now has three staff fully trained (and able to train others) in *Mental Health First Aid*
- expanded its Residents' Assistants team (to 25) and ensuring it truly represents the diversity of Unipol's tenants
- restructured its Residents Assistant support and how it undertook social activities (both on-line and, when permitted, actually) and increasing its social events and *ResLife* building this into the recently reviewed communications area
- appointed a new *Delivery Officer* who is concentrating on driving the sustainability agenda through 2021-2022.

Unipol has continued to invest in its portfolio and undertake refurbishment works, despite the restrictions imposed because of the pandemic. It has also suffered from the larger national problems relating to delivery delays, shortage of skilled contractors and fluctuating and rising prices for work. In this regard, Unipol's reliance on local contractors has stood it in good stead as their supply and labour issues have tended to be more resilient than the national larger contractors. Overall, Unipol spent £1,148K slightly more than the £920K spent in 2019-20 but considerably less than a more normal year.

The programme of works this year is essentially completing previous programmes identified and keeping up to date with the portfolio.

At *Alexander Court* the building was upgraded for the opening year of a new 25 year lease. The programme to refit *Dyers Court* for family use saw 12 out of the 18 flats being fully refurbished.

At *Shay Street/Holborn Terrace*, as some of the flats were empty, a rolling refurbishment of flats was started using the development's full sinking fund allocation for this purpose.

At *Woodsley Terrace* the 32 bathroom refurbishments were completed and at Mill Street the kitchen refurbishment works that were suspended in April 2020 restarted in June 2021

Turning to smaller off-street houses, Unipol's planned acquisitions were frozen in March 2020 to protect cash-flow and future borrowing capacity should that be necessary with planned debt repayment continuing. Only one property was acquired during the year *92 Lenton Boulevard in Nottingham* which had a full refurbishment across summer 2021.

A number of other small house refurbishments also took place over the year including *250 Cardigan Road, 172 Burley Road and 23a Hanover Square*.

Accreditation and the National Code

The year saw a review of standards in the Leeds Code with a new Code coming into effect. Funding towards the Leeds and Nottingham Codes was again obtained from both Nottingham City Council and Leeds City Council in difficult financial times for them.

During the year the National Code for private providers underwent a full revision, with a public consultation and the final draft now awaits approval from the Department for Levelling Up, Housing and Communities (previously MHCLG) and Parliament and is expected to come fully into force in January 2021.

The National Codes have increased in both profile and importance over the pandemic and the complaints systems has been used to more effect. Regular statistics on complaints received and processed are now available at <https://www.nationalcode.org/complaints-data> The National Codes have also continued to work on late construction issues, ensuring that students who may be affected receive timely and effective communications about any problems and also that they obtain compensation when things are not going according to plan.

Throughout the pandemic student accommodation has, in the main, been occupied and all systems operated by accommodation suppliers have continued to run and have had to absorb the frequent changes in Government Guidance whilst trying to ensure tenants have the best possible experience in difficult circumstances. The National Code has played its part in trying to help those in the sector do the right thing despite the financial and operational difficulties encountered.

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Unipol has worked closely with both the National Union of Students (NUS) and the British Property Federation (BPF) on a number of National Code initiatives and values their support and involvement.

Risk, Unipol's Forward Strategy and Going Concern

Unipol's financial, development and Covid-19 strategy for 2020-2022 was:

- to make use of Unipol's role as a central and engaged national player to gain high quality intelligence and use this to assess how students are likely to react to the pandemic
- to obtain good intelligence about the plans the educational institutions (whose students Unipol houses) were developing and use this to identify and mitigate risk
- to maintain an investment programme so that future lettings were not compromised and refurbishment capacity was not lost: this flow of work also improved contractor loyalty and service
- to reduce the acquisitions process until the forward year was clearer and to maintain flexibility on future capital spend
- to take advantage of furloughing wherever possible but also to determine where future staff economies could be achieved and where additional human resources would be important (because Unipol's services were fully up and running, furloughing was not used in 2020-2021)
- to define actual and known risk as closely as possible.

This strategy has been successfully followed. In relation to the *Forward Look* Unipol has stuck to its *Forward Look* plan. It has dealt with Covid-19 as an operational, rather than a strategic, matter. The strategic approach will come in the next *Forward Look*.

It is worth reflecting that over the last year, and perhaps over the three years the pandemic will run, Unipol has been relatively resilient. As it has expanded it has:

- sought to share risk with the educational institutions through underwrite agreements. This stood it in good stead at *Mill Street* and with *the University of Leeds at Grayson Heights, Royal Park Flats* and most family accommodation. Without that cover income loss would have been much more significant
- always maintained balance within its portfolio to ensure risk was spread across different user groups. First year students were more badly affected than returning students. International no-shows were much more significant than home student fall-out. By spreading the risk, although Unipol picked up a share of pain, the danger areas represented only a small proportion of the overall activities of the charity
- over the last decade, given cash flow a high priority. Unipol was able to put a £750K Covid loan in place within a matter of days in March 2020. It was able to assure itself that, given a number of serious scenarios, it could sustain a loss of income across a significant period of time and remain operational and solvent. In the 2021-2022 academic year, it also initially allowed for £0.5 million of additional voids, if lettings turned out to be badly affected.
- cut back on expenditure, saving £87K on staffing by delaying or postponing appointments. It reduced major works reserve expenditure, contributing £329K in 2020-2021 but spending only £90K.
- always seen Unipol's owned property holdings as provided an important reserve that could be liquidated if additional funds were required in hard times. In order to ease cash flow and counter-balance rent refunds the charity sold two properties designed to improve cash flow by £475K and add £215K to Unipol's bottom line, In 2021-2022 it will sell a further property adding a further £280K to cash flow and £249K to Unipol's bottom line.

These aspects of the charity's structure and risk management have been built, over a number of years, into the very DNA of Unipol and have enabled it to sustain two very difficult years and lay down some reserves if a third year is also difficult.

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It is not good news to "sell the family silver" but by throttling back some expenditure and liquidating three houses (housing 11 students) this has enabled the charity to continue to invest and grow so that imposed financial stringency has not compromised its mission, its values and its property standards going forward.

Lettings Risk in 2021-2022

Although the outcome of Unipol's lettings does not fall within the 2020-2021 financial year, the actual lettings process does and is vital to the ongoing viability of the charity. Although Unipol had a certain resilience by having student tenant groups across all types of students, the public health restrictions had the potential to badly disrupt the letting season for 2021-2022 with in-person viewings being replaced by the use of virtual tours and images.

The house-hunting season started off in the teeth of increasing restrictions to stop the spread of the Covid-19 virus with students being restricted to their households, often self-isolating, the close down of public entertainment venues and most hospitality and the virtual closure of universities with blended learning being replaced by on-line teaching. Unsurprisingly, the season got off to a slower start but by March Unipol's letting activity was down by only 11% in Leeds, in Nottingham it was up 3% and in Bradford lettings were similar to the depressed activity in 2020-2021. By June 2021 Leeds was only 3% behind a normal year, Nottingham was level with last year and Bradford continued to follow the previous year's letting pattern.

In addition to this, Unipol was bringing on-line a new building *Oak House* which was designed for taught postgraduate students, most of which were international students. It is pleasing to report that the charity has battled through these risks and by early September *Oak House* was fully let, and at the end of October only one bed space at Bradford remains.

This letting position was achieved giving students the flexibility to leave their arrangements if circumstances changed and Unipol's future tenants had sufficient trust in the organisation to rent houses and rooms entirely on-line, without the prospect of an actual viewing.

Financial Review

The Charity's bottom line for 2020-2021 shows a surplus of £339,782. This reflects an operational loss before the sale of two properties and transfer to the major works reserve of -£157K (which includes Covid rent rebates amounting to £496,750 and depressed income caused by releasing a higher number of tenants from their contracts than would be normal). The net gain on the two property disposals was £257,882.

The major works reserve has also strengthened with expenditure being £239,242 lower than the contribution for the year. The Charity has total reserves of £5,396,759 (2020: £5,056,977).

Unipol now holds £4,557,964 (2020: £4,457,424) of its unrestricted reserves in an undesignated form to offset cash demands within the organisation. The trustees and management considered the funding arrangements of the charity during the year and continue to operate an overdraft arrangement for working capital requirements. Significant investment in the Charity's own assets and longer term lease properties continues by means of ring-fenced loan funding.

Charities of this type, which are fixed asset rich and generate significant rental income on a monthly basis, often have net current liabilities and consequently negative free reserves. The charity has net current liabilities of £3,794K (2020: £3,633K) and is in a negative free reserves position, however; as part of management's going concern assessment it has produced cash flow forecasts that show adequate funding for the future, including the next 12 months. It is the Charity's intention to continue to improve its unrestricted reserves and reduce its net current liabilities over the medium term.

Unipol's fixed assets decreased by £174,854 in the year from £14,353,110 (2020) to £14,178,256.

Policy on Reserves

The charity has no free reserves as its' asset base is property and is not revalued for accounting purposes. Properties are maintained to a high standard which together with a range of banking facilities and underwrites enables the Charity to raise finance in times of need and reduce or defer expenditure if appropriate.

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The Charity will continue to accumulate its unrestricted funds to improve cash flow whilst investing in property to provide a strong and growing asset and reserves base (if liquidated) for the charity. The level of reserves required is likely to fall within a range of £5,250K and £5,750K over the medium term.

It is important to note that the year has absorbed a number of development risks and one-off legal costs as part of preparing for the addition of new purpose-built developments planned between 2021-2023 whilst continuing to invest in its own assets and communications and IT systems (primarily software and expert software support) to provide for better data management and the maintenance and development of a strong platform for housing management, lettings and revenue generation expansion.

Future Plans

Finance

The previous two years have seen a significant increase in financial management with rental refunds having to be processed, tenants released, rooms re-let more frequently and increased on-going financial planning having to factor in risk possibilities that might cause revenue to falter. Unipol has also borrowed funding, both in the context of its Covid loan and for on-going investment and the loan portfolio has been restructured in readiness for the ending of LIBOR on 31st December. Throughout this period financial management has been good and the outcome of the loan review has been to return greater flexibility to resources that the charity can call upon to forward its mission.

Greater regulation continued to add to the financial administrative burden and much of the year was spent seeking to comply with Client Money Protection requirements where the few schemes that were not specifically geared to estate agents raised a number of seemingly unrelated issues on rights to redress, ring-fenced client accounts, money laundering requirements and the role of HMRC regulation. After a great deal of work, these issues are now close to resolution.

The pandemic has highlighted the need for robust, agile systems and has seen greater investment and an acceleration in the improvement of IT systems within companies globally. Recognising the importance of reviewing and updating systems is now an essential activity for the finance teams and the team has been restructured to enable the Finance Manager to concentrate more on these aspects.

A move to *Business Central 365* was undertaken and went live in August 2021. Unipol was ahead of the curve in many respects including adopting a Document Management System for processing invoices in 2016. A major rewrite was undertaken in 2020 that went live in 2021. In the coming year further efficiencies should be gained by linking the system more closely to the housing management software StarRez.

HMRC introduced the first phase of its digital tax initiative *Making Tax Digital* in April 2019. This is particularly challenging for charities and other businesses that operate partial exemption methods whereby only a fraction of VAT can be reclaimed that can vary between areas of the business. Unipol's financial software system's provider *Azzure* have now written an extension for the system to manage this and this extension is now fully working and in place and will enable VAT reporting to be utilised more fully within the finance system.

In 2021-2022 a new payment platform is being developed to come online in time for lettings for 2022-2023 and will continue the development and integration of the StarRez housing system to finance activities. Unipol's approach to StarRez and the finance system by keeping them inline has meant that tenants utilise the StarRez student portal more fully for financial as well as housing information providing a seamless, transparent service.

The 2021-2022 budget

The budget strategy for 2021-2022 has been based on an uninterrupted academic year taking place but has built into the budget some contingencies should student arrivals be affected by travel restrictions or the lettings market is again disrupted.

An allowance for a 3% staffing cost increase consisting of a cost of living increase together with an increase in employer's pension contributions from September 2021 in relation to USS has been made. A further £100K contingency has been allowed for and the staffing budget has absorbed the increase in lower wages to the Living Wage level.

UNIPOL STUDENT HOMES

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The budget provided for sinking fund provisions of £396K up from £329K in 2020-2021 which should see the fund reach over £1m.

A rental void provision has been made of £309K to cover shortfalls in letting or discounting rents if needed and a bad debt provision of £43K has been made.

2021-2022 will see relatively modest rental increases with actual rental revenue increasing by around 2.5% on 2020-2021. Trustees decided that there would be no attempt to "claw back" previous rent refunds by increasing existing student rents more than they would otherwise have risen

On this basis, the budget is planning for a surplus of £175,739 across the year.

In 2021-2022 some off-street 52 week lettings have been reduced to 51 weeks. The pandemic had implications for tenant-turnaround and cleaning and caused a re-think about the length of lettings. For 2021-2022, an experimental 325 bed spaces are covered by an offer to have a 51 week letting rather than a 52 week letting and 41% of tenants preferred the 51 week letting period. The loss of a week's income has been absorbed within the rental line.

Oak House is now fully let but uncertainty relating to the international student market will mean that Unipol will need to re-let this for a second year, without any up-front underwrite from an institution (although the University of Leeds helpfully underwrote the 66 available rooms in July 2021 for their first year undergraduates and will probably do the same later in the year unless there is serious disruption).

The Fire Safety Bill - will have specific implications for staffing over the next two years as higher rise buildings will come under a much more rigorous health and safety system.

It is necessary to agree on funding arrangements for the Leeds Hub in respect of the normal four year funding pattern (2022-2026) and this will take place over January and February 2022 with decisions being reached by all parties in April 2022. Likewise, the funding agreement with *Nottingham City Council* is renewed annually. The budget assumes funding continues at a flat lined level of £39,100 placed entirely in the Nottingham Code budget.

In the light of difficult lettings at *Doris Birdsall Hall* and a declining partnership with Bradford College discussions will be held with the College on any arrangements beyond 2023.

Property Based Developments

The 2021-2022 year will see a fairly low level of activity with no substantial new building coming on line over summer 2022. Some on-going works will be completed at *Woodsley Terrace* and *Dyers Court* and four off-street houses will be refurbished. The main focus of attention will be on maintaining quality control and improving areas related to climate change, wellbeing and mental health. There will also be considerable preparation for 2023.

2022-2023 sits between the enhanced development activity that is taking place in 2021-2022 and is just before what will be a significant expansion in 2023-2024 of housing stock in both Leeds and Nottingham. The letting and management arrangements relating to *New York Buildings*, *Grayson Heights*, *Argie Avenue Phase 2* and *Shay Street/Holborn Terrace* come to an end in 2023. 2021-2022 and 2022-2023, will therefore be one of preparation for finalising the renewing or shedding of those arrangements.

In 2022 there will be decisions to be taken about the transitioning of *Grayson Heights* from part shared student housing to being entirely a family development - hopefully underwritten by the University of Leeds. This transition will see Unipol taking a significant financial hit in the last year of the Grayson Heights Lease/Management Agreement in 2022-2023 as the University of Leeds underwrite ends in September 2022. It is likely that in this final year *Grayson Heights* will record a significant deficit of around £150K which will need to be absorbed into Unipol's cost base.

One significant development is that 2022-2023 will see the ending of deposits for shared student and couple housing. This will be a further example of Unipol leading the way in tenant-friendly letting.

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Assuming no further Covid-related disruption, Unipol will need to re-start its acquisitions programme in Nottingham if it is to continue maintaining a balance in its portfolio and should look to invest £2m in that venture across an 18 month period ending in July 2023.

There are two major developments either on-site or about to be on-site, both of which will come on line in summer 2023.

Carlton Hill, Leeds

The 604 bed spaces in this new development is being underwritten by the University of Leeds for a significant period of time. Carlton Hill has been designed around a particular mid-range price point for first year undergraduate students and seeks to maximise social opportunity and wellbeing. It will have good internal lounges as well as several communal areas, including two roof terraces, where students will be encouraged to meet and interact. The next few months will see the underwrite agreement being finalised.

Ilkeston Road, Nottingham

Heads of Terms have just been agreed on this building with the Agreement to Lease and Lease still being worked on. This is a smaller building with 155 bed spaces and is part new-build and part restoration of an Edwardian School building. The development is geared primarily towards returning home undergraduates looking for a purpose built alternative in the popular off-street area of Lenton. The rooms vary in size and the building is designed to have a distinctive communal feel. This is part of ensuring that, as the Nottingham portfolio develops, it (like that in Leeds) caters to a complete cross-section of students wanting to live in Nottingham.

This development will also increase the number of students Unipol houses to 619 as the charity creeps closer to its *Forward Look* target of 1,000.

The Student Hideout

Unipol has managed this 88 bed development for five years and is considering whether it wishes to lease the building, located in a prime spot in Market Square for 20-25 years. Discussions are on-going and a conclusion will be reached in early 2022 with any arrangement starting in summer 2022.

Social Activity, Mental Health and Wellbeing

As part of increasing its social support, Unipol will tighten its branding and conceptualisation of its *ResLife* programme. From the beginning of September 2021 tenancies, all of Unipol's Tenant Socials and Support and Wellbeing projects will be branded as the *U Experience* and all events and activities will fit under the following pillars:

- U are supported
- U are connected
- U are equipped.

Communications and IT

The IT function was reviewed across 2020-2021. The area of IT is a constant source of change and innovation and Unipol is a complex organisation with wide and variegated IT needs.

The initial review was framed as a binary choice of whether Unipol should keep and develop its expertise in-house or whether more support and development should be outsourced. Closer examination found that Unipol was using its IT team more effectively at the same time as buying in specialist help to build new systems. It was also clear that security and server management needed a senior specialist staff input and that it was important to ensure that all of Unipol's complex systems could talk to each other and that this still required a dedicated in-house function.

Over the year there were two important developments that resulted in improved working within this team. Firstly, the shift of the communications function into the team the previous year helped to sharpen the purpose and role of the IT staff within the charity and secondly, the importance of Unipol responding rapidly to providing new technology for staff to work at home during the pandemic created a much closer relationship between operational IT staff and individual members of staff and reinforced the advantages of having in-house services that could offer bespoke services that were responsive to organisational needs.

A whole raft of technological change has been, and is, on-going:

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- migrating further functions to the Cloud
- the introduction of a new email system
- the updating of the finance system *Azure*
- the introduction of a new payment platform
- refreshing of the Unipol main website.

Structure, Government and Management

Structure

The charity is governed by a Board of Directors (who are also the trustees) 13 of whom are nominated by the five member institutions (the University of Leeds, Leeds Beckett University, Leeds Beckett University Students' Union, Leeds University Union and Bradford College). The Board can co-opt up to 6 further trustees and currently there are five co-opted trustees.

In relation to age and gender Unipol has a diverse Board with four trustee aged between 18-24 and more female members than male. The Board's overall role in accountability and governance of the charity is assisted by a number of Committees and from time to time the Board establishes specific working groups or project groups to consider more detailed policy options open to them.

Governance - The Board

The Board met 6 times during the year, with two single-agenda items looking at the continuing response to the coronavirus pandemic and a detailed consideration of risk. The normal annual meeting to visit a selection of Unipol properties was not possible, nor was it possible to show incoming trustees properties as part of their induction.

All meetings were held on Zoom and some student trustees therefore never actually met each other and virtual meetings are problematic in widening connectivity and familiarisation for new trustees.

The Board maintains a number of systems to ensure the maintenance and development of its effectiveness, including ensuring regular attendance at Board meetings and Committee meetings. Attendance of Trustees at Board meetings is monitored and reported on Unipol's website. Attendance at meetings for the Board remains high: <https://www.unipol.org.uk/footer/governance/the-board/unipol-board-attendance>

The Board places a high value on the processes for the recruitment and induction of trustees by stressing the individual aspect of becoming a trustee and giving adequate time and energy to being a trustee. All trustees, on appointment, receive a substantial pack of information about the charity, including key policy and procedure documents, information about the powers of the Board, and how those powers are exercised, the details of the devolution of specific responsibilities to Officers of the Board, the Chief Executive and senior staff members. The Company Secretary is available to deal with any specific issues relating to this pack and trustees confirm to the Board at the first available opportunity that they have read and understood the material sent to them.

All trustees also receive a full day's dedicated induction. The day consists of an opportunity to meet the senior management team, talk with the Chief Executive and take part in an induction presentation that outlines the financial and administrative structure of the charity. In addition to the internal induction, a dedicated training day facilitated by NCVO took place on *How to Be an Effective Trustee*.

This year the trustee review process was reviewed with an external consultant undertaking the reviews. This process was evaluated by the Group on Governance who concluded that there had also been a lack of continuity in the external staff involved in this project and that some of the earlier knowledge of the organisation had not been passed on throughout the project. It was also clear that the extent of specialist governance knowledge on Unipol's Board exceeded that available from the consultants. Reflecting on this, the Group felt that the new process had not met its aims and did not represent good value for money for the charity, and therefore it was agreed to revert to the previous process of peer-to-peer interviews conducted by the Chair and Deputy Chairs but with the addition of some administrative support from the Deputy Chief Executive. The structure and framework on the review process was overhauled and the initial phases of this new arrangement are working well.

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Unipol's compliance and response to the *Charity Governance Code for Larger Charities* (that applies to Unipol) was reviewed. The latest compliance statement can be consulted at: <https://www.unipol.org.uk/footer/governance/corporate-documents-unipol-board/the-good-governance-code-for-the-voluntary-and-com>.

The charity assessed itself against the new Charity Ethical Principles published by NVCO, and the self-assessment document can be consulted at: <https://www.unipol.org.uk/footer/governance/corporate-documents-unipol-board/ethical-principles>

The post of Treasurer was replaced by Deputy Chair - Finance and Jenny Share, now CEO of *Ampleforth Abbey Trust* kindly took on the role which includes chairing the Financial Affairs and Staffing Committee. There is now a Chair and three Deputy Chairs: Partnerships, Portfolio and Finance with all three trustees taking an active part in the charity.

The Chair, Mr Mike Wilkinson, indicated that he felt it would be time to stand down towards the end of 2021, once a replacement had been found. Discussions are on-going about that but Mr Wilkinson will remain on the Board as a co-opted trustee and will continue to Chair the Nottingham Group.

Group on Governance

The *Group on Governance* met three times during this year and aside from working on the *Charity Ethical Principles* and the *Charity Governance Code*, followed through on a number of matters raised during the trustee review process and, as a result, a number of operational governance changes have been made. They also looked at Unipol's risk system with a view to updating this during the forthcoming year.

Senior Management Team

The Senior Management Team is now more resilient and there is greater expertise with the organisation under localised leadership. There are additional resources needed in Nottingham to build that operation and this will need addressing but the key message is that the Senior Management Team is in good shape and capable of delivering what needs to be achieved.

Health and Safety Policy - The Board continues to annually review its two health and safety policies, available at:

<https://www.unipol.org.uk/footer/governance/corporate-documents-unipol-board/health-and-safety-policy-for-housing>

<https://www.unipol.org.uk/footer/governance/corporate-documents-unipol-board/health-and-safety-policy-for-offices-and-staff>

Ms Hannah Brian, who is Chair of the *Health and Safety Review Board* has done an excellent job of work and has added focus and rigour to the workings of the Group and her input and work has been much appreciated.

Unipol is a member of the *Leeds Rental Standard* and the *National Code for Larger Student Developments* and *The Nottingham Standard* (where, in its housing management role, it falls under the scrutiny of DASH) all of which provide external scrutiny of its own standards and performance.

Unipol continues to have all of its own and managed properties independently assessed under the *Housing Health and Safety Ratings System* (HHSRS) on a five year cycle and any points raised within these assessments are addressed.

Under the Housing Act 2004 many of Unipol's properties fall under mandatory licensing and a licence is issued for 5 years. In Nottingham both additional and selective licensing applies. The holder of the licences is held in the name of the company.

Investment Powers

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TRUSTEES' REPORT

The Articles of Association of the charity permit wide powers of investment. The borrowing threshold set within the charity's powers is £15 million although the amount currently being borrowed at this time stood at £6,122,386 (2020: £5,927,295).

Principal Risks and Uncertainties

Unipol undertakes an annual *Risk Analysis* and, in the light of the considerable changes that take place within both the local property market and the general higher education environment throughout the year, revisions are made to that analysis.

The risk analysis was previously undertaken in December 2019 and the Board decided that, because of the array of uncertainties connected with the pandemic, to postpone the review until later in the year. Accordingly, the whole Risk Analysis was overhauled and a special meeting of the Board was held in May 2020 to review its contents.

In 2021 there remained 32 risks. There were 7 "Red Risks" with 5 of these being new:

- changes in higher education funding and fluctuating accommodation demand and its impact on Unipol (new)
- the development of large PBSA fails to result in a scheme being undertaken or being occupied fully in its first year (new)
- damage to property or injury to a tenant resulting from fire
- fire risk assessments for residential buildings
- increase in expenditure without increasing income (new)
- the impact of the Housing Act 2004 Part II - Licensing and Tenancy Deposit Protection (new)
- increase in legislative standards (new).

Three of these risks reflected increased risk because of the pandemic.

One previously red risk reduced: the housing management service in Nottingham failing to take root and expand.

Other than the red risks there were no identified single risks that could not be contained. Only if there was a conjoining of several of high risk impacts would the position be uncontrollable.

Unipol, along with the institutions and housing providers generally, live in an uncertain world where cost, supply and demand are all subject to significant variations on an annual basis and accurate long term planning horizons are difficult to achieve.

Conclusion

2020-2021 has been a second difficult year, but the charity has hopefully come through the worst of the pandemic. Despite the disruption to students' education with A level exams being assessed and almost no face-to-face teaching between March 2020 and May 2021, students have continued to want to live in our properties and occupancy levels have remained high.

The optimism of students in believing in better times ahead is reflected in the desire to continue to make arrangements to live in their place of study and many international students have returned to the UK to study despite numerous difficult obstacles relating to international travel being placed in their way.

Unipol has operated fully throughout the year with only the conferences programme badly affected. Unipol has let almost all of its properties and took the financial hit from refunding some rents to students recognising that many had reduced budgets as part-time work dried up or parents suffering financially themselves, were less able to help. Where students had experienced life changing events in their families, then the charity was sympathetic and took the income loss that flexibility demanded.

For many in the charity this year will have the feel of a "job of work" to be done in the context of building resilience and planning for future growth and diversity. The development of the charity has continued with two new successful buildings coming on line across the last two summers. Lettings for 2021-2022 are as

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strong as ever. Trustee and partnership engagement has been interested, strong and supportive, without which the charity could not have overcome the problems that it did in the way it has.

In 2022, Unipol needs to come into what hopefully will be a post-Covid phase refreshed and refocussed, using that difficult experience to reimagine its future. The decisions taken this coming year will determine both the atmosphere and the horizon of that challenge as Unipol moves towards its next *Forward Look*.

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TRUSTEES' REPORT STATEMENT OF TRUSTEES' RESPONSIBILITIES

Statement of responsibilities of the Trustees of Unipol Student Homes Limited in respect of the Trustees' annual report and the financial statements

The trustees (who are also directors of Unipol Student Homes for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors and signed on behalf of the Board on 9th December 2021 by



Mr Michael Wilkinson



Ms Jennifer Share

155/157 Woodhouse Lane, Leeds, LS2 3ED

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Lawnswood Business Park
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Independent auditor's report to the members of Unipol Student Homes

Opinion

We have audited the financial statements of Unipol Student Homes (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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 parent charitable company's affairs as at 31 July 2020, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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:

- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charity, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their 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 journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

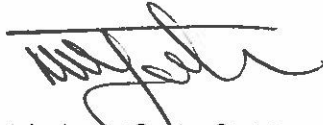
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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 Auditors' 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 trustees those matters we are required to state to them in an Auditors' 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, as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Jackson (Senior Statutory Auditor)
for and on behalf of BHP LLP, Statutory Auditor

BHP LLP
First Floor, Mayesbrook House
Lawnswood Business park
Redvers Close
Leeds
LS16 6QY

 December 2021

UNIPOL STUDENT HOMES
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 July 2021

	Note	Unrestricted funds	Restricted funds	Total 2021	Total 2020
		£	£	£	£
Income					
Charitable activities	4/27	12,970,664	94,100	13,064,764	11,650,807
Other trading activities	5	-	18,000	18,000	18,000
Investments	6	97	-	97	2,151
Total Income		12,970,761	112,100	13,082,861	11,670,958
Expenditure					
Charitable activities	7/27	12,888,801	112,100	13,000,901	11,840,776
Total Expenditure		12,888,801	112,100	13,000,901	11,840,776
Gain on disposal of Fixed Asset	14	257,822	-	257,822	-
Net (Deficit)/Surplus	10/27	339,782	-	339,782	(169,818)
Net Income to Designated funds		239,242	-	239,242	173,933
Net Gain on disposal of Fixed Assets		257,822	-	257,822	-
Net (Expenditure) to Other Charitable funds		(157,282)	-	(157,282)	(343,751)
NET MOVEMENT IN FUNDS		339,782	-	339,782	(169,818)
Total funds brought forward at 1 August	21,22	5,056,977	-	5,056,977	5,226,795
Total funds carried forward at 31 July	21,22	5,396,759	-	5,396,759	5,056,977

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The accompanying notes are an integral part of the financial statements.

**UNIPOL STUDENT HOMES
CONSOLIDATED AND CHARITY BALANCE SHEET
31 July 2021**

	Note	2021 Group £	2020 Group £	2021 Charity £	2020 Charity £
FIXED ASSETS					
Tangible assets	14	14,178,255	14,353,109	14,178,255	14,353,109
Investment	15	-	-	1	1
		14,178,255	14,353,109	14,178,256	14,353,110
CURRENT ASSETS					
Stock	16	415	2,038	415	2,038
Debtors	17	1,390,264	1,350,621	1,393,451	1,353,808
Cash at bank and in hand		675,808	103,520	675,808	103,520
		2,066,487	1,456,179	2,069,674	1,459,366
CREDITORS: amounts falling due within one year	18	(5,860,694)	(5,089,276)	(5,860,694)	(5,089,276)
NET CURRENT LIABILITIES		(3,794,207)	(3,633,097)	(3,791,020)	(3,629,910)
TOTAL ASSETS LESS CURRENT LIABILITIES		10,384,048	10,720,012	10,387,236	10,723,200
CREDITORS: amounts falling due after more than one year	19	(4,987,289)	(5,663,035)	(4,987,289)	(5,663,035)
		5,396,759	5,056,977	5,399,947	5,060,165
FUNDS					
Unrestricted funds:					
Designated funds	20/21/22	838,795	599,553	838,795	599,553
Other Charitable funds	20/21/22	4,557,964	4,457,424	4,561,152	4,460,612
		5,396,759	5,056,977	5,399,947	5,060,165

The notes at pages 31 to 49 form part of these accounts

These financial statements were approved by the Board on 9 December 2021

Signed on behalf of the Board

M Wilkinson

J Share

Company registration: 3401440

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2021

	Note	2021 £	2020 £
Net cash inflow from operating activities	A	2,649,826	983,106
Returns on investments and servicing of finance	B	(209,637)	(213,037)
Capital expenditure	C	(1,148,347)	(920,285)
Net cash inflow/(outflow) before use of financing		1,291,842	(150,216)
Management of financing	D	(719,554)	176,220
Increase in cash	E	572,288	26,004

NOTES TO CASH FLOW STATEMENT:

A. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM ACTIVITIES

	2021 £	2020 £
Incoming/(Outgoing) resources for the year before unrealised gains	339,782	(169,818)
Interest receivable	(97)	(2,151)
Interest payable	206,833	216,342
Depreciation charges	1,072,521	1,079,958
Disposal of fixed asset	250,680	-
Decrease in stock	1,623	20,700
(Increase) in debtors	(39,643)	(238,315)
Increase in creditors	818,127	76,390
Net cash inflow from operating activities	2,649,826	983,106

B. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2021 £	2020 £
Interest received	97	2,151
Interest paid	(209,734)	(215,188)
Net cash outflow on investments and servicing of finance	(209,637)	(213,037)

C. NET CAPITAL EXPENDITURE

	2021 £	2020 £
Purchase of fixed assets	(1,148,347)	(920,285)
Net cash outflow on investments and servicing of finance	(1,148,347)	(920,285)

D. MANAGEMENT OF FINANCING

	2021 £	2020 £
(Decrease) in overdraft	(914,645)	(410,038)
Increase in bank loans	195,091	586,258
Net cash inflow from financing	(719,554)	176,220

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2021

E. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2021	2020
	£	£
Increase/(Decrease) in cash in the year	572,288	26,004
Cash inflow from financing	719,554	(176,220)
	1,291,842	(150,216)
Movement in debt in the year	(6,738,420)	(6,588,204)
Net debt at 1 August	(6,738,420)	(6,588,204)
Net debt at 31 July	(5,446,578)	(6,738,420)

Analysis of net debt

	1 August 2020	Cash flow	Non-Cash Movement	31 July 2021
	£	£	£	£
Cash at bank and in hand	103,520	572,288	-	675,808
Decrease in overdraft	(914,645)	914,645	-	-
Debt due within one year	(876,772)	(764,401)	-	(1,641,173)
Debt due after one year	(5,050,523)	569,310	-	(4,481,213)
	(6,738,420)	1,291,842	-	5,446,578

The accompanying notes are an integral part of the financial statements.

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2021

1. ACCOUNTING POLICIES

The group financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP (FRS 102)) and the Financial Reporting Standard 102 applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) issued on 16 July 2014 and updated in 2019.

The particular accounting policies adopted by the Board are described below and have been applied consistently throughout the current and preceding year.

Accounting convention

The group financial statements are prepared under the historical cost convention.

Basis of consolidation

The group financial statements comprise the results of the Charity and its subsidiary on a line by line basis, for the year ended 31 July 2021.

Preparation of financial statements – Going Concern basis

The group financial statement have been prepared on a going concern basis which assumes the Charity will be able to meet its liabilities as they fall due for the foreseeable future. The Board of Unipol reviews the risk of existing and new business on a regular basis in order to keep a balance in order to mitigate the reliance on any one type of work.

Although the majority of income comes from rent receivable, risk is mitigated by several factors: Unipol's market works across three Universities cities, Leeds, Nottingham and Bradford; its housing is geared to a cross-section of student demand (undergraduate, postgraduate, international and those with families); institutional underwrite arrangements are in place for the majority of first year student allocations where demand fluctuation is greatest. This spread of risk aims to mitigate against any single market fluctuation. On the cost side Unipol leases and Management Agreements see rents adjusted annually: short term one year Agreements are agreed annually based on previous lettings experience and longer term lease arrangements have payments decided on a pre-agreed formula with some leases being on fixed inflators and others linked to RPI to act as a "basket of risk" against high inflation or possible deflation.

Turning to staffing, some staff are on fixed term contracts which link to the length of various leases of properties/projects so if Unipol lost some of its work and were unable to replace that work then staffing could be adjusted to compensate.

Finally, Unipol is fortunate to be able to purchase individual properties to use for its core purpose which is to provide high quality affordable housing to students. This also gives Unipol the ability to borrow against these individual properties in times of need.

The charity meets its day to day working capital requirements through cash generated from charitable activities and has a £1.5m overdraft facility in place with NatWest Bank, Unipol's current account bankers. Property purchases are funded through long-term bank loans whose repayment is met by cash generated from charitable activities.

The trustees have considered the impact of COVID-19 on the charity's activities, beneficiaries, workforce and supply chain, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the trustees are confident that they have in place plans to deal with any financial losses that may arise including additional loan finance as detailed in note 26. The identifiable costs related to COVID-19 in the year are detailed in note 27.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

1. ACCOUNTING POLICIES (continued)

The trustees have reviewed the charity's forecasts and projections, taking into account possible changes in operating performance. As a consequence, the trustees believe that the charity is well placed to manage its financial risks successfully despite the current uncertain economic outlook.

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and group financial statements.

Fund accounting

The Charity maintains various types of restricted and unrestricted funds as follows:

Unrestricted funds – Designated funds

Designated funds consist of the following reserve:

Major works reserve represents a provision for future capital expenditure on large complexes.

Dispersed Houses reserve represents a provision for future capital expenditure on Unipol owned houses.

Unrestricted funds – Other Charitable funds

Other unrestricted funds represent unrestricted income which is expendable at the discretion of the Board in the furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds

Restricted funds represent grants and donations received which are allocated by the donor for specific purposes.

Incoming resources

All income is recognised in the statement of financial activities when the charity has entitlement to the funds and any conditions for receipt have been met and it is probable that the income will be received and the amount can be measured reliably.

Operating leases

Rental costs under operating leases are charged to the Statement of Financial Activities in equal amounts over the lease term and the value of any rent free periods are spread over the term of the lease.

Allocation of costs

Direct charitable expenditure includes all expenditure including support costs directly related to the objects of the Charity.

Governance costs relate to expenditure incurred in the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The allocation of costs can be seen in Notes 7 and 9. General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

1. ACCOUNTING POLICIES (CONTINUED)

Key judgements and estimates

Preparation of the financial statements requires the Trustees to make significant judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources and estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to the timing of when depreciation is commenced and changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are considered annually. They are amended when necessary to reflect current estimates, based on, amendments to leases or management agreements, economic utilisation and the physical condition of assets

Provision for doubtful debts

The provision for doubtful debts is the estimated amount of bad debt that will arise from rents receivable and other debtors that have been billed but not yet collected.

Future rental income

Future rental income is the budgeted rental income for the following financial year only.

Tangible fixed assets

Expenditure on the acquisition, construction or enhancement of land and buildings more than £1,000 together with expenditure on computer equipment, fixtures and fittings, furniture and motor vehicles more than £1,000 is capitalised and carried in the balance sheet at historical cost.

Other expenditure incurred in the normal day-to-day running of the Charity and its subsidiary is charged to the Statement of Financial Activities as incurred.

Depreciation

Depreciation is provided to write off the cost of all relevant tangible fixed assets, less their estimated residual value, in equal annual instalments over their expected useful economic lives. Depreciation is charged from the year following acquisition as follows:

Freehold buildings	2% on purchase of property. Between 10 and 20% on cost of refurbishment of property
Freehold land	Nil
Leasehold land and buildings	Between 10% and 50%
Computer equipment and software	Between 10% and 33%
Motor Vehicles	20%
Office fixtures and fittings	Between 10% and 25%
Unipol property furniture	20%

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

1. ACCOUNTING POLICIES (continued)

Assets under the course of construction

Expenditure to properties, purchased or leased, which are undergoing renovation at the year end is classified as assets under the course of construction. These properties are transferred to the relevant fixed asset category on completion and depreciated accordingly from the date of transfer.

Stock

Stock is valued at the lower of cost and net realisable value.

Taxation

Unipol Student Homes is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2012 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2012 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Investments

Investments held as fixed assets are valued at cost less any provision for impairment.

Pension schemes

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). Under auto enrolment regulations the DC Plan is the default scheme. USS and PAS are defined benefit schemes which are externally funded and contracted out of the State Earnings Related Pension Scheme. The funds are valued every three years by actuaries with the rates of contribution payable being determined by the trustees on the advice of the actuaries. The amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable for the year.

2. LEGAL STATUS OF THE CHARITY

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

3. FINANCIAL PERFORMANCE OF THE CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary Leeds Student Homes Ltd a dormant company that ceased trading on 31st July 2015.

The summary financial performance of the charity alone is:

	Total 2021	Total 2020
	£	£
Income		
Charitable activities	13,064,764	11,650,807
Other trading activities	18,000	18,000
Investments	97	2,151
	<hr/>	<hr/>
Total Income	13,082,861	11,670,958
	<hr/>	<hr/>
Expenditure		
Charitable activities	(13,000,901)	(11,840,776)
	<hr/>	<hr/>
Total Expenditure	(13,000,901)	(11,806,137)
	<hr/>	<hr/>
Net Income/(Expenditure)	81,960	(169,918)
Gain on disposal of tangible assets	257,822	-
	<hr/>	<hr/>
NET MOVEMENT IN FUNDS	339,782	(169,918)
Total funds brought forward at 1 August	5,060,165	5,229,983
	<hr/>	<hr/>
Total funds carried forward at 31 July	5,399,947	5,060,165
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Unrestricted income funds	5,399,947	5,060,165
	<hr/>	<hr/>
	5,399,947	5,060,165
	<hr/> <hr/>	<hr/> <hr/>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2021 £	Unrestricted £	Restricted £	2020 £
Unipol Housing	11,680,094	-	11,680,094	10,283,507	-	10,283,507
Housing Hubs	350,491	55,000	405,491	412,847	55,000	467,847
Code of Standards	95,372	39,100	134,472	67,064	39,100	106,164
National Code of Standards	581,482	-	581,482	526,968	-	526,968
Property Management	246,112	-	246,112	228,368	-	228,368
Conference	17,113	-	17,113	37,953	-	37,953
	<u>12,970,664</u>	<u>94,100</u>	<u>13,064,764</u>	<u>11,556,707</u>	<u>94,100</u>	<u>11,650,807</u>

Unipol Student Homes is split into the following areas of activity:

Unipol Housing – includes a portfolio of properties that are either owned, leased or rented by Unipol. The main source of income is rent receivable.

Housing Hubs (Leeds, Bradford and Nottingham) – are services provided to students funded by private owners’ registration fees and grants received from various institutions. This service provides advice on general student accommodation issues. It is also used as a centre for advertising student accommodation in the private rented sector. In Bradford there is additional income for accommodating overseas students on short courses.

Leeds receives funding from Leeds Beckett University, the University of Leeds, the Leeds Beckett Students’ Union and Leeds University Union.

Bradford receives funding from Bradford University and Bradford College.

Nottingham receives funding from the Nottingham City Council and Nottingham Trent University.

Code of Standards (Leeds, Bradford and Nottingham) – establishes a minimum standard for accommodation and its management in the private rented sector in Leeds, Bradford and Nottingham.

National Code of Standards – establishes a minimum standard for high density student accommodation and its management nationally.

Property Management Service (Leeds and Nottingham) – includes a portfolio of properties that Unipol manages on behalf of private owners. The primary income in the area is rent commission.

Unipol Conferences – is the part of Unipol developed as “Unipol Training”, and is the main national trainer in the niche market of student accommodation. Income is made up of conference fees and sponsorship money. Unipol Conferences now carries out the ANUK (Accreditation Network UK conference).

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

5. INCOME EARNED FROM OTHER ACTIVITIES

	2021 £	2020 £
Sponsorship	<u>18,000</u>	<u>18,000</u>
	<u>18,000</u>	<u>18,000</u>

During the year the Charity received sponsorship from CRM Ltd to support the conference and educational activities of the Charity.

6. INVESTMENT INCOME

The group's investment income of £97 (2020: £2,151) arises from money held in interest bearing bank accounts.

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2021 Total £
Direct Costs	2,378,872	46,675	19,161	186,837	19,047	6,343	2,656,935
Repairs & Refurbs	1,877,121	-	-	-	1,055	-	1,878,176
Staffing	833,817	138,177	49,948	179,751	144,845	11,095	1,357,633
Lease & Management charges	4,223,037	-	-	-	-	-	4,223,037
Major Works	89,974	-	-	-	-	-	89,974
Loan interest	198,391	3,089	618	3,294	1,235	206	206,833
Depreciation	947,875	-	-	-	-	-	947,875
Support	841,179	398,157	75,819	142,704	65,508	26,634	1,550,001
Governance	<u>39,754</u>	<u>12,786</u>	<u>4,520</u>	<u>25,522</u>	<u>5,384</u>	<u>2,471</u>	<u>90,437</u>
	<u>11,430,020</u>	<u>598,884</u>	<u>150,066</u>	<u>538,108</u>	<u>237,074</u>	<u>46,749</u>	<u>13,000,901</u>

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2020 Total £
Direct Costs	2,131,732	46,283	22,539	168,983	25,532	20,000	2,415,069
Repairs & Refurbs	1,722,604	-	-	-	2,867	-	1,725,471
Staffing	790,911	125,123	51,405	149,016	135,398	20,029	1,271,882
Lease & Management charges	3,530,341	-	-	-	-	-	3,530,341
Major Works	108,865	-	-	-	-	-	108,865
Loan interest	216,342	-	-	-	-	-	216,342
Depreciation	957,180	-	-	-	-	-	957,180
Support	812,278	435,765	76,162	120,142	62,751	21,892	1,528,990
Governance	<u>44,337</u>	<u>12,148</u>	<u>3,831</u>	<u>19,187</u>	<u>5,307</u>	<u>1,826</u>	<u>86,636</u>
	<u>10,314,590</u>	<u>619,319</u>	<u>153,937</u>	<u>457,328</u>	<u>231,855</u>	<u>63,747</u>	<u>11,840,776</u>

Expenditure on charitable activities was £13,000,901 (2020: £11,840,776) of which £12,888,801 (2020: £11,728,676) was unrestricted and £112,100 (2020: £112,100) was restricted.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

8. SUMMARY ANALYSIS OF EXPENDITURE AND RELATED INCOME FOR CHARITABLE ACTIVITIES

The table shows the cost of the six main charitable activities and the sources of income directly to support those activities.

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	Total £
Costs	(11,430,020)	(598,884)	(150,066)	(538,108)	(237,074)	(46,749)	(13,000,901)
Rent	11,939,603	-	-	-	(1,905)	-	11,937,698
Covid Net Rebate	(496,750)	-	-	-	-	-	(496,750)
Subventions & College Fees	-	226,205	54,100	-	-	-	280,305
Fees	-	131,182	80,372	526,814	22,467	17,013	777,848
Membership Fees	-	30,647	-	-	-	100	30,747
Commission	-	-	-	-	222,242	-	222,242
Sundry Income	<u>237,241</u>	<u>17,457</u>	<u>-</u>	<u>54,668</u>	<u>3,308</u>	<u>-</u>	<u>312,674</u>
Net Cost	<u>250,074</u>	<u>(193,393)</u>	<u>(15,594)</u>	<u>43,374</u>	<u>9,038</u>	<u>(29,636)</u>	<u>63,863</u>

9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the six main charitable activities undertaken (see note 8) in the year. Refer to the table below for the analysis of support and governance costs and the comments beneath for the basis of apportionment.

	2021			2020		
	Support £	Governance £	Total £	Support £	Governance £	Total £
General Office Costs	239,096	-	239,096	312,187	-	312,187
IT Expenditure	357,787	-	357,787	299,092	-	299,092
Staff Costs	781,435	64,844	846,279	735,331	61,763	797,094
Depreciation	124,644	-	124,644	122,778	-	122,778
Other Finance Charges	47,039	-	47,039	59,602	-	59,602
Audit	-	25,593	25,593	-	24,873	24,873
Net Cost	<u>1,550,001</u>	<u>90,437</u>	<u>1,640,438</u>	<u>1,528,990</u>	<u>86,636</u>	<u>1,615,626</u>

General office costs, IT expenditure and staff costs are attributed according to the estimated time spent on each activity. Depreciation costs are attributed according to the use made of the underlying assets. Other finance charges are attributed according to the level of activity.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

10. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:	2021 £	2020 £
Auditor's remuneration: audit of these financial statements	25,593	24,873
Interest payable	206,833	216,342
Operating leases and management agreements	4,309,564	3,634,899
Depreciation on tangible fixed assets	1,072,521	1,079,958
Directors' liability insurance	3,136	3,136
Interest receivable	(97)	(2,151)
	<u> </u>	<u> </u>

11. STAFF NUMBERS AND COSTS

	2021 No	2020 No
Average number of full-time equivalent employees	<u>53</u>	<u>53</u>

BREAKDOWN OF STAFF PER SECTION

Housing	33	33
Housing Hubs & Code of Standards	10	11
National Code	5	4
Property Management	4	4
Conferences and ANUK	1	1
	<u> </u>	<u> </u>

TOTAL	<u>53</u>	<u>53</u>
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Average number of employees	<u>72</u>	<u>73</u>
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BREAKDOWN OF STAFF PER SECTION

Housing	47	48
Housing Hub & Code of Standards	15	16
National Code	5	4
Property Management	4	4
Conferences and ANUK	1	1
	<u> </u>	<u> </u>

TOTAL	<u>72</u>	<u>73</u>
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	2021 £	2020 £
Staff costs		
Wages and salaries	1,802,003	1,689,264
Employer's National Insurance	148,417	140,476
Employer's pension costs (see note 25)	228,493	214,237
	<u> </u>	<u> </u>
Sub-total before administration charge	2,178,913	2,043,977
Administration Charge	24,999	24,999
	<u> </u>	<u> </u>
TOTAL	<u>2,203,912</u>	<u>2,068,976</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

11. STAFF NUMBERS AND COSTS (CONTINUED)

Employees receiving remuneration amounting to more than £60,000	2021	2020
	No	No
£60,000 - £69,999	1	-
£70,000 - £79,999	1	2
£80,000 - £89,999	1	-
£120,000 - £129,999	1	1

Four higher paid employees (2020: three) had benefits accruing under the defined benefit pension scheme.

The key management personnel of the Charity comprise the trustees, the Chief Executive, Deputy Chief Executive, Director of Finance, Assistant Chief Executive - Housing Services, Assistant Chief Executive - Hub Services, Assistant Chief Executive - Communication and IT, Assistant Chief Executive – Standards, Assistant Chief Executive - Development and Delivery Officer. The total employee benefits of the key management personnel were £593,912 (2020: £555,347).

Payments to Board Members

	2021	2020
	£	£
Andrew Welsh – Consultancy	6,720	1,022
Michael Wilkinson – Travel expenses as a Board Member	-	19

Board Members (or any person connected with them) have not received any remuneration from Unipol Student Homes.

The Charity purchased insurance costing £3,136 (2020: £3,136) to protect the Charity from loss arising from neglect or default of its trustees and officers.

12. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13. INTEREST PAYABLE AND SIMILAR CHARGES

Group and charity

	2021	2020
	£	£
Included in Unipol Housing expenditure:		
Bank and other loans	206,833	216,342

UNIPOOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

14. TANGIBLE FIXED ASSETS

Group and charity

	Freehold land and buildings £	Leasehold land and buildings £	Computer equipment £	Fixtures and fittings £	Unipol property furniture £	Motor Vehicles £	Assets under the course of construction £	Total £
Cost								
At 1 August 2020	16,485,164	8,833,500	1,044,829	872,709	821,967	53,046	13,574	28,124,789
Transfer	13,574	-	-	-	-	-	(13,574)	-
Additions	565,140	477,746	-	-	3,544	-	101,917	1,148,347
Disposals	(376,424)	-	-	(1,468)	(9,788)	-	-	(387,680)
At 31 July 2021	16,687,454	9,311,246	1,044,829	871,241	815,723	53,046	101,917	28,885,456
Accumulated depreciation								
At 1 August 2020	5,380,729	6,022,374	859,708	823,857	647,190	37,822	-	13,771,680
Transfer	-	-	-	-	-	-	-	-
Charge for the year	505,904	424,272	89,351	6,412	40,674	5,908	-	1,072,521
Disposals	(125,744)	-	-	(1,468)	(9,788)	-	-	(137,000)
At 31 July 2021	5,760,889	6,446,646	949,059	828,801	678,076	43,730	-	14,707,201
Net book value								
At 31 July 2021	10,926,565	2,864,600	95,770	42,440	137,647	9,316	101,917	14,178,255
At 31 July 2020	11,104,435	2,811,126	185,121	48,852	174,777	15,224	13,574	14,353,109

The Charity sold two properties in July 2021 resulting in a gain of £257,822 to mitigate part of the costs borne by the Charity as a result of Covid and to strengthen cash flow.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

15. INVESTMENTS HELD AS FIXED ASSETS

Charity

The Charity holds 100% of the issued share capital in Leeds Student Homes Ltd, a dormant company. With effect from 31st July 2015 the subsidiary ceased trading the results of the subsidiary are given below.

	2021 £	2020 £
Turnover	-	-
Interest receivable	-	-
Administrative expenses	-	-
	<hr/>	<hr/>
Operating (loss)/profit	-	-
Deed of gift to Unipol Student Homes		
	<hr/>	<hr/>
(Loss)/Profit for the financial year	-	-
	<hr/> <hr/>	<hr/> <hr/>
The aggregate of the assets, liabilities and funds was:		
	2021 £	2020 £
Total assets	-	-
Total liabilities	(3,187)	(3,187)
	<hr/>	<hr/>
	(3,187)	(3,187)
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Called up share capital	1	1
Profit and loss account	(3,188)	(3,188)
	<hr/>	<hr/>
	(3,187)	(3,187)
	<hr/> <hr/>	<hr/> <hr/>

As permitted by FRS 8 - *Related Party Transactions* the company has taken advantage of the exemption to not disclose transactions entered into between the parent company and its wholly owned subsidiary.

16. STOCKS

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Furniture	415	2,038	415	2,038
	<hr/>	<hr/>	<hr/>	<hr/>
	415	2,038	415	2,038
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

17. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Owed from subsidiary undertaking	-	-	3,187	3,187
Rents receivable	557	65,963	557	65,963
Other debtors	749,604	861,604	749,604	861,604
Prepayments and accrued income	640,103	423,054	640,103	423,054
	<u>1,390,264</u>	<u>1,350,621</u>	<u>1,393,451</u>	<u>1,353,808</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Overdraft	-	914,645	-	914,645
Loans (see note 19)	1,641,173	876,772	1,641,173	876,772
Returnable deposits	339,290	411,060	339,290	411,060
Trade creditors	1,695,537	561,134	1,695,537	561,134
Taxation and social security costs	13,650	29,714	13,650	29,714
Other creditors	393,593	317,052	393,593	317,052
Accruals	836,580	962,714	836,580	962,714
Deferred income (see below)	940,871	1,016,185	940,871	1,016,185
	<u>5,860,694</u>	<u>5,089,276</u>	<u>5,860,694</u>	<u>5,089,276</u>

ANALYSIS OF DEFERRED INCOME

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Rental income	618,773	624,373	618,773	624,373
Contribution from Landlords towards capital works	102,084	102,398	102,084	102,398
Subventions, fees and funding income	220,014	289,414	220,014	289,414
	<u>940,871</u>	<u>1,016,185</u>	<u>940,871</u>	<u>1,016,185</u>

Deferred income arose due to invoices due for payment at the start of the next financial year were raised at the end of the previous financial year and are simply timing issues. In addition contractual capital contributions have been made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	4,481,213	5,050,523	4,481,213	5,050,523
Deferred Income	506,076	612,512	506,076	612,512
	<u>4,987,289</u>	<u>5,663,035</u>	<u>4,987,289</u>	<u>5,663,035</u>

The bank loans are secured on a number of properties within the portfolio. One bank lends to Unipol with loans expiring between 2021 and 2029 and bear interest rates of 2.28%, 2.5% or 2.55% over base with one loan at a fixed rate of 3.32% and two further loans at a fixed rate of 3.87%. A further bank lends to Unipol with loans expiring between 2022 and 2032 with interest rates between 2.65% and 3.7% over LIBOR and six fixed rate loans of 3.14%, 3.53%, 3.6%, 4.11%, 4.14%, and 4.16%.

Deferred income arose due to contractual capital contributions made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation

	Group and Charity	
	2021	2020
	£	£
Analysis of loan repayments		
Bank loans and other loans		
Within one year or on demand (see note 18)	1,641,173	876,772
Between one and two years	787,280	862,380
Between two and five years	2,231,871	2,105,854
After five years	1,462,062	2,082,289
	<u>6,122,386</u>	<u>5,927,295</u>

20. ANALYSIS OF GROUP ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds		Total 2021	Total 2020
	Designated funds	Undesignated funds		
	£	£	£	£
Fixed assets	-	14,178,255	14,178,255	14,353,109
Current assets	838,795	1,227,692	2,066,487	1,456,179
Creditors: amounts falling due within one year	-	(5,860,694)	(5,860,694)	(5,089,276)
Creditors: amounts falling due after more than one year	-	(4,987,289)	(4,987,289)	(5,663,035)
	<u>838,795</u>	<u>4,557,964</u>	<u>5,396,759</u>	<u>5,056,977</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

21. STATEMENT OF MOVEMENT ON RESERVES

Charity as at 31 July 2021

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2020	599,553	4,460,612	5,060,165
Net movement in funds	(89,974)	429,756	339,782
Transfers	329,216	(329,216)	-
At 31 July 2021	838,795	4,561,152	5,399,947

Charity as at 31 July 2020

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2019	425,620	4,804,363	5,229,983
Net movement in funds	(108,865)	(60,953)	(169,818)
Transfers	282,798	(282,798)	-
At 31 July 2020	599,553	4,460,612	5,060,165

Group as at 31 July 2021

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2020	599,553	4,457,424	5,056,977
Net movement in funds	(89,974)	429,756	339,782
Transfers	329,216	(329,216)	-
At 31 July 2021	838,795	4,557,964	5,396,759

Group as at 31 July 2020

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2019	425,620	4,801,175	5,226,795
Net movement in funds	(108,865)	(60,953)	(169,818)
Transfers	282,798	(282,798)	-
At 31 July 2020	599,553	4,457,424	5,056,977

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

22. MOVEMENT IN GROUP FUNDS

As at 31 July 2021

	Balance 31 July 2020	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2021
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	439,553	-	(89,974)	289,216	-	638,795
Dispersed Houses reserve	<u>160,000</u>	-	-	<u>40,000</u>	-	<u>200,000</u>
	599,553	-	(89,974)	329,216	-	838,795
Undesignated funds:						
Other unrestricted funds	<u>4,457,424</u>	<u>12,970,761</u>	<u>(12,798,827)</u>	<u>(329,216)</u>	<u>257,822</u>	<u>4,557,964</u>
Total unrestricted funds	<u>5,056,977</u>	<u>12,970,761</u>	<u>(12,888,801)</u>	<u>-</u>	<u>257,822</u>	<u>5,396,759</u>
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	69,100	(69,100)	-	-	-
Sponsorship	-	18,000	(18,000)	-	-	-
Total restricted funds	<u>-</u>	<u>112,100</u>	<u>(112,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>5,056,977</u>	<u>13,082,861</u>	<u>(13,000,901)</u>	<u>-</u>	<u>257,822</u>	<u>5,396,759</u>

As at 31 July 2020

	Balance 31 July 2019	Income	Expenditure	Transfers	Balance 31 July 2020
	£	£	£	£	£
Unrestricted funds					
Designated funds:					
Major works reserve	305,620	-	(108,865)	242,798	439,553
Dispersed Houses reserve	<u>120,000</u>	-	-	<u>40,000</u>	<u>160,000</u>
	425,620	-	(108,865)	282,798	599,553
Undesignated funds:					
Other unrestricted funds	<u>4,801,175</u>	<u>11,558,858</u>	<u>(11,619,811)</u>	<u>(282,798)</u>	<u>4,457,424</u>
Total unrestricted funds	<u>5,226,795</u>	<u>11,558,858</u>	<u>(11,728,676)</u>	<u>-</u>	<u>5,056,977</u>
Restricted funds					
Housing Hubs and Code of Standards:					
Bradford	-	25,000	(25,000)	-	-
Nottingham	-	69,100	(69,100)	-	-
Sponsorship	-	18,000	(18,000)	-	-
Total restricted funds	<u>-</u>	<u>112,100</u>	<u>(112,100)</u>	<u>-</u>	<u>-</u>
Total funds	<u>5,226,795</u>	<u>11,670,958</u>	<u>(11,840,776)</u>	<u>-</u>	<u>5,056,977</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2021

22. MOVEMENT IN GROUP FUNDS (continued)

The Unrestricted Funds are:

Designated funds consisting of the following reserves:

Major works reserve represents a provision for future capital expenditure on large complexes.

Dispersed Houses reserve represents a provision for future capital expenditure on Unipol owned houses.

The Restricted Funds are:

Housing Hub and Code of Standards - Bradford - This is income from Bradford College for running its Accommodation services.

Housing Hub and Code of Standards - Nottingham - This is £30,000 from Nottingham Trent University to run the Hub and £39,100 from Nottingham City Council to run accreditation in Nottingham.

Sponsorship - This is sponsorship funding for the conference section.

Transfers

The movement of £329,216 represents a transfer from the general reserve to the designated reserves for major works and works to dispersed houses.

23. CAPITAL COMMITMENTS

	2021 £	2020 £
Unipol had contracted commitments at 31st July for future capital projects totalling	152,139	-
	<u>152,139</u>	<u>-</u>

24. LEASE COMMITMENTS

The Charity has operating lease commitments due over the lease term as follows:

	2021 £	2020 £
Amount due within one year	5,807,103	3,408,346
Amount due between one and five years	25,336,804	13,303,448
Amount due after more than five years	93,099,912	11,664,923
	<u>124,243,819</u>	<u>28,376,717</u>

Lease commitments include longer term management agreements where a contractual obligation exists.

The Charity budgets to receive rental income in respect of properties held on lease and management agreements of £11,587,684 (2020: £9,818,687)

25. PENSION SCHEMES

The charity is not a member of the University Superannuation Scheme (USS) or the University of Leeds Pension and Assurance Scheme (PAS) and has no obligation for past deficits but indirectly contributes to the schemes and one other principal pension scheme for the Charity's staff, the University of Leeds Defined Contribution Plan (DC Plan). The assets of the schemes are held in separate trustee-administered funds. USS and PAS are defined benefit schemes which are externally funded and are valued every three years by actuaries, the rates of contribution payable being determined by the trustees on the advice of the actuaries.

The DC Plan, which was introduced from 1 March 2013, is the main auto-enrolment vehicle for staff. The investment of scheme contributions for the DC Plan is managed by The People's Pension.

The valuation of Universities Superannuation Scheme showed that as at 31 March 2018 the scheme was in deficit.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
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25. PENSION SCHEMES (continued)

The valuation of the University of Leeds Pension and Assurance Scheme as at 31 March 2020 showed that the Scheme had a deficit of £66.2m, and a recovery plan was required to be put in place. It was agreed between the Trustees and the University that, to correct the shortfall as at 31 March 2020, no deficit reductions were required as the outperformance of the assets of the Scheme was expected to meet the deficit by the end of the recovery period (30 September 2026). The results of the funding update as at 31 March 2021 show that the Scheme has returned to surplus.

The pension cost for the year was £228,493 (2020: £214,237).

26. POST BALANCE SHEET EVENTS

On 20th August 2021 the one year loan that was taken out amounting to £750,000 to mitigate the potential impact of COVID 19 on operating cash flow at a fixed interest rate of 3% on 20 August 2020 was renewed for a five year term at a variable interest rate of 2.68% over Bank of England Base Rate.

A number of loans originally based on LIBOR have been consolidated in to three loans due to the phasing out of LIBOR. The loans are for £262,675 for a two year term, £1,605,450.22 for a seven year term and £721,882.50 for a ten year term all at a variable interest of 2.68% over Bank of England Base rate.

A new loan of £500,000 for refurbishment works to Alexander Court and Dyers Court was taken out on 16th November 2021 for a 7 year term at a variable interest of 2.68% over Bank of England Base rate.

On 25th August 2021 the sale of 2 Moorfield Street, Leeds, LS2 9EJ was completed for a sum of £370,000 concluding the sale of three Moorfield properties to mitigate part of the cost of Covid 19.

On 18th September 2021 Unipol Student Homes completed on a 25 year lease agreement with WLIF (Jersey) Trustee I Ltd and WLIF (Jersey) Trustee II Ltd for a 188 bed shared cluster development Oak House, Park Lane, Leeds at an initial lease fee of £913,889.

27. COVID RELATED COSTS

The following details the net identifiable financial cost to the Charity of Covid 19 during the year including rent rebates to students together with support from local partners and the government furlough scheme. There are other financial costs such as additional cleaning at the end of tenancies that cannot be separately identified in addition to reductions in costs and delays in capital investment programmes due to the level of uncertainty and lockdown.

2021

	£	£
Rent Rebate	496,750	
Tenants released early from contract	<u>164,254</u>	
Loss of Rental Income		661,004
Lease cost reductions	(152,100)	
Additional Support Costs	19,499	
Property Related Costs	<u>39,042</u>	
Net reduction in costs		<u>(93,559)</u>
Cost to the Charity		<u>567,445</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
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27. COVID RELATED COSTS (continued)

2020

	£	£
Rent Rebate	1,223,273	
Support from Leeds Beckett University	<u>(667,813)</u>	
Loss of Rental Income		555,460
Lease cost reductions	(198,835)	
Furlough support	(61,233)	
Additional Support Costs	30,261	
Sanitising Stations within Developments	<u>2,656</u>	
Net reduction in costs		<u>(227,151)</u>
Cost to the Charity		<u><u>328,309</u></u>