

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 11th November 2023) Chief Executive

Paddy Jackman (from 13th November 2023 – 16th August 2024)

Chief Executive

Nichola Verity (until 18th August 2024) Deputy Chief Executive

(from 19th August 2024) Interim Chief Executive

Victoria Tolmie-Loverseed

(until 31st August 2024)

Standards Director and Company Secretary

(from 1st September 2024)

Interim Deputy Chief Executive and Company Secretary

Christina Rygalska (until 18th August 2023) Finance Director

Elizabeth Smith (from 31st July 2023) Finance Director

Thomas Hill

Operations Director

Nicola Brown

Hub Services Director

Sally Ramsey (from 30th 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
4th Floor
2 Whitehall Quay
Leeds
LS1 4HR

Svenska Handelsbanken AB
5th Floor
3 The Embankment
Sovereign Street
Leeds
LS1 4BJ

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

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.

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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.

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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.

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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 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.

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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.

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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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TRUSTEES' REPORT

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

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

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.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

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.

UNIPOL STUDENT HOMES

TRUSTEES' REPORT

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 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 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
		14,708,561	13,528,923	14,708,562	13,528,924
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
		2,312,624	1,985,550	2,315,812	1,988,737
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)
		4,035,729	4,350,325	4,038,918	4,353,513
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
		4,035,730	4,350,325	4,038,918	4,353,513

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)
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
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)
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	-	-
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
	-	18,000

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.

<u>Current Year</u>	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>

<u>Prior Year</u>	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 Total	Support	Governance	2023 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)

11. STAFF NUMBERS AND COSTS

	2024 No	2023 No
Average number of full-time equivalent employees	67	59
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
TOTAL	67	59

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
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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	
	Designated funds	Undesignated funds	2024	2023
	£	£	£	£
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>-</u>	<u>-</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).