

**Registered No: 09928856**  
**Charity No: 1166323**

**UPP Foundation**  
**(a company limited by guarantee)**

**Report and financial statements**

**For the year ended 31 August 2020**

# **UPP Foundation**

## **Report and financial statements**

### **for the year ended 31 August 2020**

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# **UPP Foundation Report of the Trustees for the year ended 31 August 2020**

## **Legal and Administrative Details**

### **Status**

The organisation is a charitable company limited by guarantee, incorporated on 23 December 2015 and registered as a charity on 1 April 2016.

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.

### **Administrative Details**

Charity number: **1166323**  
Company number: **09928856**

Registered Office: 12 Arthur Street, London, EC4R 9AB

Bankers: Barclays Bank plc, 1 Churchill Place, London, E14 5HP

Independent Auditor: KPMG LLP, 15 Canada Square, London E14 5GL

### **Directors and Trustees**

J Wakeford

J E Mildren (resigned 29 April 2020)

M Stuart

A Percival (appointed 4 August 2020, resigned 17 May 2021)

A Slater (appointed 4 Aug 2020)

C Skidmore (appointed 4 August 2020)

E Rapley (appointed 21 January 2021)

K Morgon (appointed 21 January 2021)

### **Structure, governance and management**

The Trustees are pleased to present their report and financial statements for the year ended 31 August 2020. The comparative results covering the year ended 31 August 2019.

The legal and administrative details set out on page 1 form part of this report. The financial statements have been prepared in accordance with the accounting policies set out in note 2, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Section 1A (effective 1 January 2015), and the companies act 2006.

The directors of the charitable company (the "Charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees who served during the year are shown on page 1.

The Trustees are appointed in joint consultation with the senior management of UPP Group Holdings Limited for a renewable term of 3 years. Trustees are selected on the strength of their relevant knowledge and experience, and several have been drawn from across the UPP Group. New Trustees are fully briefed on the objectives of the Charity and their role as Trustees.

The Trustees are responsible for determining the overall strategy of the UPP Foundation. They are responsible for reviewing and making decisions on the Charity's grant-giving activities with reference to the UPP Foundation's charitable objectives.

# **UPP Foundation Report of the Trustees (continued) for the year ended 31 August 2020**

## **Structure, governance and management (continued)**

In determining the Charity's strategy, the Trustees consider the guidance of the Charity's Advisory Board. The Advisory Board members are selected for their expertise and experience of the higher education sector, and include university vice-chancellors, policy experts and politicians. The members meet to consider key issues impacting the higher education sector, providing independent views and suggestions for how the Charity can best meet its objectives.

The Trustees have delegated the day to day administration of the Charity to UPP Group Holdings Limited. UPP Group Holdings Limited is responsible for company secretarial services and all aspects of the financial administration of the Charity.

UPP Group Holdings Limited is the primary donor to the Charity donating £267,000 (2019: £266,409) during the year. In addition, UPP Group Limited is the sole member of the Charity, having given an undertaking to contribute an amount not exceeding £1 in the event of the Charity being wound up. Other than the appointment of Trustees as described above, UPP Group Limited has no involvement or influence over the Charity's activities and grant making decisions.

## **Objectives and principal activities**

The UPP Foundation has been established as an independent charity by UPP Group Limited, a subsidiary company within UPP Group Holdings Limited ('UPP'), the leading provider of on campus student accommodation and facility management services in partnership with fifteen UK universities. The objective of UPP Foundation is to enhance partnership and innovation in the higher education sector and within our communities by awarding grants and providing a platform for debate to:

- Increase access and retention to higher education;
- Improve employability;
- Enhance civic universities; and
- Develop global citizens.

During the year, the Charity received income of £267,000 from UPP Group Holdings Limited (as a single annual donation) and had £209,429 of expenditure in furtherance of its objectives. In addition, the Charity has several multiple-year grant commitments which total £189,749 at 31 August 2020, of which £42,372 have been accrued for in this year's accounts.

The Trustees' Terms of Reference outlines their responsibilities to ensure that the Charity adheres to its objectives. 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 and setting the grant-making policy for the year.

## **How the Charity's activities deliver public benefit**

The UPP Foundation has a focus on education, particularly in the context of the higher education sector, where the expertise of the Charity's promoting body, UPP, lies. This focus is reflected in the Charity's objects. Within a higher education context, the Charity's activities are focussed on the following strategic themes:

- Increasing access and retention – supporting projects and research that help to increase access and retention in higher education, particularly for disadvantaged students.
- Improving employability – supporting projects and research to help students succeed after university.
- Enhancing civic universities – supporting projects and research that help to improve the social impact of a university on its local community.
- Developing global citizens – supporting projects and research to broaden the cultural understanding of students from different nations.

The Charity's core activities are: (1) grant-making; and (2) providing a platform for education, research and public debate on issues affecting the higher education sector.

# **UPP Foundation Report of the Trustees (continued) for the year ended 31 August 2020**

## **How the Charity's activities deliver public benefit (continued)**

### *Grant-making*

There are three categories of grant recipient:

- universities which support projects and activities in line with the “strategic themes” outlined above;
- other institutions and charities within the education sector; and
- charities working outside of the education sector.

### *Providing a platform for education, research and public debate*

The Charity facilitates thought leadership, discussion and research on issues of interest or concern affecting the higher education sector, on an appropriately balanced basis.

The Charity's work facilitates a range of charitable activities that provide public benefit. Students and potential students of universities and educational institutions, and the beneficiaries of charities working in the higher education sector will benefit from the grants which the Charity provides to those organisations. The Charity's work in providing a forum for discussion and debate on key issues in the higher educational sector will be informative for, and increase the understanding of, the general public. These activities will also result in improvements in higher education which will positively impact on the experiences of students in this context.

The Charity will benefit:

- Students and potential students through opportunities arising from the Charity's grant-making activities and improvements to higher education which will result from the Charity's facilitation of research, debate and learning on key issues in the higher education sector; and
- The general public through improvements to the higher education sector and the funding of charitable activities and projects.

## **New grants**

This year £97k was committed in new grant funding for five pilot projects.

The projects were selected by Trustees of the UPP Foundation following the submission of 46 applications – the highest number that the Charity has received to date. The five pilot projects were chosen on the basis of their overall quality, synergy with the UPP Foundation's strategic themes, commitment to partnership, innovative approach and potential for sector-wide impact. They are as follows:

### *University of Chichester – homeless students being helped into HE*

The University of Chichester has developed an innovative pilot course for local homeless people, given them the skills required to succeed in Higher Education (HE).

We awarded £18,000 funding to expand the pilot in 2020 – supporting a further nine of the most vulnerable people in society to regain their independence and realise their potential.

### *Get Further – 100 students to receive 'catch-up' GCSE tuition*

# **UPP Foundation**

## **Report of the Trustees (continued)**

### **for the year ended 31 August 2020**

Missing out on a GCSE English and Maths qualification can hold young people back for the rest of their lives.

£25,000 funding was awarded to a new tutoring charity, Get Further, to help them grow their post-16 'catch-up' tuition programme in FE Colleges. Our funding will enable 100 additional young people who fail their English or Maths GCSE the first time are given support to successfully retake and move on to the next stage of their education.

#### *The Bridge Group – Graduate retention study to drive social equality*

Geographical mobility is often considered a pre-requisite for social mobility. This is problematic for social equality as wealthier students and graduates are more likely – and able – to move for study and work.

We awarded £23,000 funding the Bridge Group to undertake research into the experiences of graduates who choose to remain local. The aim of the research will be to determine if, and how, 'staying local' contributes to graduates' success, and provide new methods for describing and measuring that success in the context of social mobility.

#### *University of Manchester – Twenty international students to benefit from SME placements*

With the recent change to the post-study work visa, international students will be looking to get good jobs in the UK after graduation.

We awarded £24,000 to the University of Manchester to pilot a placement project to enhance the employability of international students. Twenty international postgraduate students will complete three to six month paid placements with a Small to Medium-sized Enterprise (SME) in the Greater Manchester area, with the placements contributing to their final degree classification.

#### *Goldsmiths, University of London – Helping universities enhance their 'civic role'*

Goldsmiths, University of London, was granted £7,000 to develop a 'co-production' model with the local community which will enable them to measure the impact of their civic engagement. This model will be published as an open access tool, enabling other universities to replicate this best-practice approach.

The grants were approved prior to the commencement of the Government's 'social distancing' measures to combat the spread of Covid-19 (Coronavirus). These measures may delay the implementation of those projects which involve a significant degree of social interaction. The UPP Foundation will support each grant recipient during this difficult period to ensure that the projects can be completed at a time suitable to them. Information on how the individual programmes will be affected by Covid-19 can be found: <https://upp-foundation.org/grants/>

### **Rolling and concluding grants**

The Foundation continues to fund and support several multi-year projects, and single year schemes which cut across financial years. All of these are funded by the donations received from UPP Group Holdings Limited. These include:

In 2017/18 Student Minds was awarded £100,000 for a four-year project to establish the University Mental Health Charter. The Charter will assess universities approach to student mental health and award Charter status to institutions providing good practice. This is reviewed by the trustees and payments are approved upon receipt of impact reports each year.

# **UPP Foundation Report of the Trustees (continued) for the year ended 31 August 2020**

## **How the Charity's activities deliver public benefit (continued)**

In 2017/18 Ark Schools was awarded £32,500, for a multi-year project to support pupils at Ark schools studying BTEC to be better prepared for University. Payments are made once the trustees receive and approve interim and final impact reports each year.

In 2017/18 Universities UK International was awarded £69,025 for a three-year scheme to support students to study, work & volunteer abroad as part of their academic programme. This is reviewed by the trustees and payments are approved upon receipt of impact reports each year.

In addition, some of our grant funded projects came to a conclusion.

In 2017/18 the National Network for the Education of Care Leavers was awarded £33,554 to establish a Care Leaver Quality Mark. The Quality Mark will assess procedures, policies and outcome of universities support regarding care leavers. Following the conclusion of our funding commitment, the quality mark moved on to a second phase of the pilot, with the intention of being nationally available in 2021.

In 2017/18 Unlock was awarded £19,660 to support policies and practice at three universities to ensure students with a criminal record can successfully access and transition into higher education. At the end of the project over a dozen universities pledged to adopt fair access policies and procedures to students with a criminal record, and Unlock launched a toolkit with the UPP Foundation to share learnings from the project. <https://upp-foundation.org/wp-content/uploads/2019/10/FairAdmissionsToolkit.pdf>

In 2017/18 the University of Exeter was awarded £21,548 for a co-living scheme where students volunteer to socialise with care home residents for 10 hours per week in return for discounted accommodation. Following the conclusion of the project, Exeter's impact report showed a better quality of life for care residents, more intergenerational understanding, and the development of crucial skills amongst its student volunteers.

## **Creation of the Civic University Network**

During 2018 and 2019 the UPP Foundation launched and ran the Civic University Commission. Chaired by Lord Kerslake, one of Britain's leading public servants, the inquiry examined the economic, social, environmental and cultural role universities play in the towns and cities they are part of.

The Commission inspired the re-emergence of the civic role as a key priority for UK universities with over 60 universities pledging to adopt the Commission's main recommendation to establish a Civic University Agreement with local partners.

As a result of this engagement, and to advance one of the other key recommendations from the final report, the UPP Foundation led the creation of the Civic University Network – one of the Commission's key recommendations.

The purpose of the Civic University Network is to be a member-led organisation, which helps to embed civic aspirations at an institutional level through the sharing of best practice. It will also work with government and strategic partners to ensure that a university's geographic role and responsibility is used more effectively as an agent to drive positive societal change.

The Foundation put together a coalition of funders, which included the Department for Education, Carnegie UK Trust and Arts Council England for a total of £145,000 seed funding to establish and host the Network (of which £50,000 was committed by the UPP Foundation).

# **UPP Foundation**

## **Report of the Trustees (continued)**

### **for the year ended 31 August 2020**

The Funders ran a competitive bidding process and awarded the funding to Sheffield Hallam University. Hallam's bid was judged as outstanding by the panel for its ambition and detailed plans to support civic engagement across the UK.

Since launching the Network in April 2020, there are now over 100 university members receiving support to realise their civic ambitions.

More specifically, the Network works to support the growing Civic University movement through sharing best practice between participating universities, supporting those HEIs who are developing Civic University Agreements, developing a peer review scheme so that universities increase their civic impact, and connecting universities with other sectors which are prioritising issues around 'place' to level up the economy and society.

#### **UPP Gives**

The Foundation supports UPP employee engagement by providing 'top-up' grants directly to UK charities staff raise money for (via an application process). Over the last year this amounted to nearly £20,000 for a dozen charities.

#### **Public Policy**

We provide a public policy and thought-leadership platform enabling sector leaders, experts and the wider public the opportunity to debate the future of higher education. The key outputs were:

In February 2020 we published polling of people's views about the role of universities in improving local areas, and their perception of the key public policy priorities going forward. The polling found sharp differences between those who live in cities and those who reside in towns. This piece of work was part of the evidence gathering for a report on the civic role of universities in post-industrial towns, which will be published in late 2020.

In June 2020 the Foundation published a report on how young people's education and employment can be supported during and after the global Covid-19 pandemic. This report was based on the outcomes from a roundtable which included experts from youth charities, universities and schools. The report's key recommendation was for The Government to establish a Community Leadership Academy – described as a civic army of 75,000 paid young people who would be employed by coalitions of charities, universities and other bodies to work on a full or part-time basis for up to six months delivering local civic projects.



# **UPP Foundation Report of the Trustees (continued) for the year ended 31 August 2020**

## **Grant-making policy**

The UPP Foundation's grant-making is guided by its four main themes:

### *1. Increasing access and retention to higher education*

Everyone with the potential and ambition to go to and succeed at university should have the ability to do so, regardless of background, family income or disability. Yet there are still too many barriers to access for under-represented groups and too many challenges to overcome once there for students who face problems, such as health issues or financial difficulties. The Charity looks to support projects that raise aspiration and wherewithal amongst students from disadvantaged and low-participating backgrounds and support schemes that mitigate against challenges that prevent students from completing their studies.

### *2. Improving employability*

Employment is vital for economic and social wellbeing, so it is of no surprise that most students who enter higher education do so in the hope of securing fulfilling employment. Graduates fare better than non-graduates in the jobs market, but employers continue to complain that students and young people more widely do not have the skills to succeed in the workplace. The Charity looks to support innovative projects that enhance young peoples' social capital and skills development that are important in helping them become employable.

### *3. Enhancing civic universities*

Universities enrich our cities, towns and regions through community access to lifelong education programmes, music culture and the arts, sporting facilities and public engagement events. This strengthens the place they are part of and helps universities become the civic anchor of their communities. The Charity looks to support projects that help foster partnership and collaboration between universities and their local communities.

### *4. Developing global citizens*

Technological innovation has rapidly increased the interconnected and interdependent nature of our world. To thrive in the 21st Century we need to understand and preserve cultural diversity, as well as embrace our commonly shared values of pluralism, equality and tolerance. Universities are at the forefront of advancing the concept of global citizenship through their international activities such as student exchange schemes and transnational education programs. The Charity looks to support projects within the higher education sector that promote global citizenship.

In addition to addressing these key themes the Charity actively seeks to support projects which;

- Display a new or innovative approach to tackling the key outlined themes.
- Demonstrate a commitment to collaboration and/or partnership working.
- Present a clear plan for long-term sustainability once the Charity's support ceases.
- Allow the Charity to make a unique contribution that adds measurable value to the project.

The UPP Foundation will:

- Fund innovative organisations that share the Charity values and vision.
- Typically fund universities and registered charities in the UK – both those registered with the Charity Commission or The Office of the Scottish Charity Regulator (whichever is appropriate).
- Consider applications from non-registered groups with a clear social purpose, social enterprises, community groups and other charitable bodies.
- Fund organisations that understand the importance of outcome and impact measurement through the capture and recording of accurate data.

# **UPP Foundation**

## **Report of the Trustees (continued)**

### **for the year ended 31 August 2020**

#### **Objectives for the Following Year**

In the year ahead the Foundation's priorities will be to:

As the Foundation moves away from being a new charity to one which is embedded in the higher education sector, it will develop and launch a new 5 year strategic plan. This will help the Foundation articulate goals and an approach which continue to be relevant, provide the right focus and ensure it has a significant impact.

The Foundation will continue to embed some of its initiatives, projects and grants within the higher education sector – ensuring practice and learnings from its activities are shared widely.

The Foundation will look at the impact of the pandemic on the student experience and look at ways it can help the sector get back on track after Covid-19.

#### **Reserves policy**

The Charity holds financial reserves to secure and protect its ability to fulfill its mission and charitable purpose. Funding received is allocated towards funded projects and operational costs to achieve the Charity's objectives based on the level of reserves at any given time. The Charity is also in recognition of the in-kind contributions which have been absorbed by UPP Group Holdings Limited.

The Foundation's level of reserves is carefully monitored and will be annually reviewed to ensure it is deemed sufficient to exceed the criteria outlined above.

The reserves at the end of the reporting period were £277,000 (2019: £219,000 restated).

#### **Financial and performance review**

Details of the financial performance are set out in the Statement of Financial Activities on page 13. The Charity is reliant on a recurrent donation from UPP Group Holdings Limited for its income as the main donor.

Total donations of £267,000 (2019: £266,409) were received from UPP Group Holdings Limited during the financial year. This was in line with budget and the Trustees' expectations.

During the financial year there was a net increase in funds of £54,000 (2019: £61,000 decrease).

#### **Going concern**

The financial statements have been prepared on a going concern basis which the Trustees believe to be appropriate. The Charity is dependent upon a recurrent donation from UPP Group Holdings Limited for its income. Charity Trustees believe that UPP Group Holdings Limited will continue to make available such funds as are needed by the Charity for at least 12 months from the date of approval of these financial statements.

This should enable the Charity to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. The Trustees acknowledge that there can be no certainty that the financial support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

# **UPP Foundation**

## **Report of the Trustees (continued)**

### **for the year ended 31 August 2020**

The COVID-19 outbreak in the UK and the rest of the world has entailed significant disruption for higher education (HE) and many other sectors. The overarching priority for the Foundation is to work closely and effectively, together with our partners, to ensure our activities remain unchanged. Charity's Trustees believe that the planned donation from UPP Group Holdings remains unchanged. On this basis UPP Foundation is not expecting an impact on revenues for the 2020/21 year.

There were certain restatements of certain prior period amounts in relation to revenue and expenses. See note 12 for details.

#### **Trustees' responsibilities statement**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

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

#### **Disclosure of information to auditor**

So far as each of the trustees at the time the report is approved are aware:

- there is no relevant audit information of which the auditors are unaware and;
- that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

# **UPP Foundation Report of the Trustees (continued) for the year ended 31 August 2020**

## **Qualifying third party indemnity provisions**

During the year and up to the date of this report, the Charity maintained liability insurance and third-party indemnification provisions for its trustees, under which the Charity has agreed to indemnify the directors to the extent permitted by law in respect of all liabilities to third parties arising out of, or in connection with, the execution of their powers, duties and responsibilities of the Company

## **Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

**On behalf of the Trustees:**

A handwritten signature in black ink, appearing to be 'Jon Wakeford', written over a faint, circular, light-grey watermark or background mark.

**Jon Wakeford  
Trustee  
12th August 2021**

# **UPP Foundation**

## **Independent auditor's report to the members of UPP Foundation**

### **Opinion**

We have audited the financial statements of UPP Foundation ("the charitable company") for the year ended 31 August 2020 which comprise the Statement of Financial Activities including Income and Expenditure, Balance Sheet and related notes, including the Principal accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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 UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charitable company will continue in operation.

### **Other information**

The trustees are responsible for the other information, which comprises Report of the Trustees. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Report of the Trustees, which constitutes the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

# UPP Foundation

## Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

## Trustees' responsibilities

As explained more fully in their statement set out on page 1, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## The purpose of our audit work and to whom we owe our responsibilities

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Craig Steven-Jennings (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP**

**Chartered Accountants**

**Statutory Auditor**

**15 Canada Square**

**London**

**E14 5GL**

**12th August 2021**

# UPP Foundation

## Statement of Financial Activities including Income and Expenditure for the year ended 31 August 2020

		Unrestricted funds 2020 £'000	Total funds 2020 £'000	Unrestricted funds 2019 (Restated) £'000	Total funds 2019 (Restated) £'000
	Notes				
<b>Income and endowments from:</b>					
Donations and legacies	3	267	267	266	266
Memberships	12	-	-	22	22
<b>Total</b>		<b>267</b>	<b>267</b>	<b>288</b>	<b>288</b>
<b>Expenditure on:</b>					
Charitable activities	7	(154)	(154)	(184)	(184)
Governance costs	7	(7)	(7)	(5)	(5)
Other	7,12	(47)	(47)	(163)	(163)
<b>Total</b>		<b>(208)</b>	<b>(208)</b>	<b>(352)</b>	<b>(352)</b>
<b>Net income</b>	4	<b>59</b>	<b>59</b>	<b>(64)</b>	<b>(64)</b>
Reconciliation of funds:					
Total funds brought forward	12	219	219	283	283
<b>Total funds carried forward</b>		<b>278</b>	<b>278</b>	<b>219</b>	<b>219</b>

All income and expenditure derives from continuing activities.

The accompanying notes on pages 15 to 18 form part of these financial statements.

Prior year restatements are disclosed in note 12.

# UPP Foundation

## Balance Sheet

### as at 31 August 2020

	Notes	31 August 2020 £'000	31 August 2019 (Restated) £'000
<b>Current assets</b>			
Cash and cash equivalents	9	328	302
		<u>328</u>	<u>302</u>
Creditors: amounts falling due within one year	8,12	(50)	(83)
<b>Net assets</b>		<u>278</u>	<u>219</u>
<b>Funds</b>			
Accumulated surplus		278	219
<b>Total charity funds</b>		<u>278</u>	<u>219</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

The accompanying notes on pages 15 -18 form part of these financial statements.

Prior year restatements are disclosed in note 12.

These financial statements were approved by the Trustees and authorised for issue on 12 August 2021 and were signed on their behalf by:



**Jon Wakeford**  
Trustee

**Registered No: 09928856**  
**Charity No: 1166323**



# **UPP Foundation**

## **Notes to the financial statements**

### **for the year ended 31 August 2020**

#### **1. General information**

UPP Foundation is a company limited by guarantee incorporated in England on 23 December 2015 with company number 09928856 and registered with the Charity Commission in England on 1 April 2016 (charity number 1166323). The registered office is 12 Arthur Street, London, EC4R 9AB.

#### **2. Principal accounting policies**

##### **(a) Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Statement of Recommended Practice ['Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Section 1A (effective 1 January 2015)], the Charities Act 2011 and the Companies Act 2006.

The Charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in Sterling (£), which is the Charity's functional currency, rounded to the nearest thousand.

The following principal accounting policies have been applied:

##### **(b) Going concern**

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The business model of the charity is such that its charitable activities are limited to those which it has sufficient funds to support from the excess of funding received over the costs of administering the charity. The charity therefore has no specific commitments and no committed costs beyond its fixed costs of operation which are detailed in note 10.

The COVID-19 outbreak in the UK and the rest of the world has entailed significant disruption for higher education (HE) and many other sectors. The overarching priority for the Foundation is to work closely and effectively, together with our partners, to ensure our activities remain unchanged. Charity's Trustees believe that the planned donation from UPP Group Holdings remains unchanged for a period of at least 12 months from the date of approval of these financial statements. On this basis UPP Foundation is not expecting an impact on revenues for the 2020/21 year.

The Foundation is dependent upon a recurrent donation from UPP Group Holdings Limited for its income. UPP Group Holdings Ltd has indicated its intention to continue to make available such funds as are needed by the Charity for at least 12 months from the date of approval of these financial statements.

As with any company placing reliance on other group entities for financial support, the Trustees acknowledge that there can be no certainty that the financial support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Trustees are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and there are no material uncertainties and therefore, have prepared the financial statements on a going concern basis.

# **UPP Foundation**

## **Notes to the financial statements (continued)**

### **for the year ended 31 August 2020**

#### **2. Principal accounting policies (continued)**

##### **(c) Income**

Income is recognised once the charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value can be measured with sufficient reliability.

Revenue from membership are recognised when services are rendered.

##### **(d) Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- there is a present legal or constructive obligation resulting from a past event
- it is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- the amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Grants offered subject to conditions that have not been met at the year end, and that remain at the Charity's discretion, are noted as a commitment, but not accrued as expenditure.

##### **(e) Unrestricted funds**

These are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

##### **(f) Cash at bank**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **(g) Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **3. Trustees' remuneration and related party transactions**

Trustees consider the Board of Trustees as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

No Trustee, Director or other person related to the Charity had any personal interest in any contract or transaction entered into by the Charity during the year.

# UPP Foundation

## Notes to the financial statements (continued)

### for the year ended 31 August 2020

UPP Group Holdings Limited, a related party by virtue of being the parent company of UPP Group Limited which has significant control over UPP Foundation, made a donation of £267,000 (2019: £266,409) to the Charity during the year. Other than the appointment of Trustees as described in the Trustees' report, UPP Group has no involvement or influence over the Charity's activities and grant making decisions. At 31 August 2020, £nil (2019: £nil) was due from UPP Group Holdings Limited.

#### 4. Net income for the year

	Year ended 31 August 2020 £'000	Year ended 31 August 2019 £'000
<i>Net income(expenditure) for the year is stated after charging:</i>		
Independent Auditors' remuneration	6	5
	<u>6</u>	<u>5</u>

#### 5. Employee information

There were no persons employed or remunerated by the Charity at any time during the year (2019: none).

#### 6. Taxation

The Company is recognised by the HMRC and is a registered charity with the charities commission. The revenue recognised by the Foundation consists entirely of donations and is used for charitable expenditure. Hence no provision is considered necessary for taxation.

#### 7. Expenditure

	Year ended 31 August 2020 £'000	Year ended 31 August 2019 (Restated) £'000
<i>Charitable activities</i>		
Grants	156	184
	<u>156</u>	<u>184</u>
 <i>Governance costs</i>		
Independent Auditors' remuneration	6	5
	<u>6</u>	<u>5</u>

# UPP Foundation

## Notes to the financial statements (continued)

### for the year ended 31 August 2020

<i>Other</i>		
Public Platform	26	134
Marketing and promotion	21	26
Information technology	-	3
	<u>47</u>	<u>163</u>

Prior year restatements are disclosed in note 12.

#### 8. Creditors: amounts falling due within one year

	31 August 2020 £'000	31 August 2019 (Restated) £'000
Trade creditors	1	23
Grants payable	42	41
Accruals and deferred income	7	19
	<u>50</u>	<u>83</u>

Prior year restatements are disclosed in note 12.

#### 9. Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 10. Commitments

The Charity has made a number of 2- and 3-year commitments as detailed on pages 3 and 4. At 31 August 2020, the Charity had an amount of £189,749 of which £42,372 has been accrued for in these accounts, the balance is subject to interim impact report reviews.

There were no capital commitments as at the balance sheet date.

#### 11. Controlling party

In the opinion of the Trustees there is no controlling party as defined by FRS102 section 33, 'Related party disclosures'.

# **UPP Foundation**

## **Notes to the financial statements (continued)**

### **for the year ended 31 August 2020**

#### **12. Prior year adjustment**

During the financial year the Trustees identified that

- income of £10k should have been recognised in the financial year ending 31 August 2019 and
- additional expenditure relating to Public Platform of £13k should have been recognised in year ending 31 August 2019

In the current year the Charity has restated the prior year statement of financial activities and balance sheet with the following impact:

As at 31 August 2019:

- Decrease of £3k in the profit and loss from £222k (positive) to £219k (positive) in year
- Increase of £3k in creditors: amounts falling due within one year from £80k to £83k.