

Charity registration: 1063492
Company registration: 3401440

UNIPOL STUDENT HOMES

(a company limited by guarantee)

Annual Report and Group

Financial Statements

Year Ended 31 July 2023

UNIPOL STUDENT HOMES

ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS 2023

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UNIPOL STUDENT HOMES

LEGAL AND ADMINISTRATIVE INFORMATION

LEGAL AND ADMINISTRATIVE INFORMATION

BOARD

The Board comprises the following representatives:

The University of Leeds

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

Chair of Unipol

Mr Christopher Warrington

Ms Catherine Cho

Contactable at University of Leeds, Leeds LS2 9JT

Leeds Beckett University

Ms Victoria Johnson

Ms Joanne Norry

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

Leeds University Union

Ms Emily Tabern (resigned 30/06/2023)

Ms Vicky Zhou (resigned 30/06/2023)

Ms Hannah Catterall (appointed 01/07/2023)

Ms Rimsha Khan (appointed 01/07/2023)

Ms Hannah Brian (resigned 13/01/2023)

Ms Susan Stone (appointed 03/03/2023)

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

Leeds Beckett University Students' Union

Ms Lucy MacDonald (resigned 11/11/2022)

Ms Ashleigh Pinnock (resigned 30/06/2023)

Mr Harsh Bhatia (appointed 18/11/2022)

Ms Blessing Odussusi (appointed 03/07/2023)

Ms Jacqui Short

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

Bradford College

Vacant

Co-Opted Directors

Mr Michael Wilkinson

Deputy Chair (Partnerships) of Unipol

Mr Andrew William Welsh

Deputy Chair (Properties and Portfolio) of Unipol

Ms Meri Braziel

Mr Stephen Denton (appointed 29/08/2022)

Mr Michael Lees (resigned 25/08/2022)

Ms Jennifer Share

Deputy Chair (Finance) of Unipol

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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) Chief Executive

Nichola Verity Deputy Chief Executive

Christina Rygalska (until 18th August 2023) Director of Finance

Elizabeth Smith (from 31st July 2023) Director of Finance

Rachel Campey (until 31st May 2023) Assistant Chief Executive – Housing Services

Thomas Hill (from 22nd May 2023) Assistant Chief Executive – Housing Services

Nicola Brown Assistant Chief Executive - Hub Services

Andrew Livesey Assistant Chief Executive - IT and Communications

Victoria Tolmie-Loverseed Assistant Chief Executive–Standards and Company Secretary

Antony Vyse Assistant Chief Executive - Developments

BANKERS

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

SOLICITORS

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

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

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

Values

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

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

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

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

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

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

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

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

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

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

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

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TRUSTEES' REPORT

Purposes, Activities and Public Benefit

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

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

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

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

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

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

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

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

Cost of Living Crisis

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

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

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

The Unipol Mission

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

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

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

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

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

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

Helping Students to Make the Best Decisions about their Housing

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

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

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

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

All of these websites and services are free to access.

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

Improving Standards

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

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

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

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

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

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

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

The Public Mission

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

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

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

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

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

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

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

Overview

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

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

The Financial Framework

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

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

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

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

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

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

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

Operations during 2022-2023

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

Housing Hubs

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

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

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

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

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

Unipol Housing

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

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

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

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

Underwrite v Direct Let

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

Tenant Satisfaction

In this year Unipol ran both of its normal surveys.

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

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

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

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

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

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

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

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

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

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

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

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

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

Risk, Forward Strategy and Going Concern

2023 saw the launch of Unipol's Forward Look (2023 – 2026) a strategic and operational framework to shape and guide its direction over a three-year horizon, which can be viewed here; <https://www.unipol.org.uk/media/400hxdddq/the-forward-look-2023-2026.pdf>

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

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

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

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

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

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

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

Lettings Risk in 2023-2024

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

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

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

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

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

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

Financial Review

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

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

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

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

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

Investment Powers

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

Policy on Reserves

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

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

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

Future Plans

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

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

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

Finance

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

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

The 2023-2024 budget

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

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

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

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

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

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

Student Views, Mental Health and Well Being

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

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

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

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

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

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

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

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

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

The Changing Shape of the Portfolio

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

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

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

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

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Structure, Governance and Management

Structure

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

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

Governance - The Board

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

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

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

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

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

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

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

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

Governance Committee

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

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TRUSTEES' REPORT

Senior Management Team

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

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

Health and Safety Policy

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

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

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

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

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

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

Conclusion

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

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

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

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

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

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

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

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

Approved by the Board of Directors and signed on behalf of the Board on 7th December 2023 by

Handwritten signature of Mr Ian Robertson, dated 07/12/23.

Mr Ian Robertson

Handwritten signature of Ms Jennifer Share.

Ms Jennifer Share

155/157 Woodhouse Lane, Leeds, LS2 3ED

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report¹, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' (incorporating the strategic report) report been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 18], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experiences of the charity's sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, Companies Act 2006, taxation legislation and data protection, employment and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence throughout;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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

Use of our report

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

Laura Mashedor (Senior Statutory Auditor)

For and on behalf of BHP LLP,

Chartered accountants

Statutory Auditor

BHP LLP

Mayesbrook House

Leeds LS16 6QY

UNIPOL STUDENT HOMES
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
Year ended 31 July 2023

	Note	Unrestricted funds	Restricted funds	Total 2023	Total 2022
		£	£	£	£
Income					
Charitable activities	4	16,259,181	76,994	16,336,175	15,441,647
Other trading activities	5	-	18,000	18,000	18,000
Investments	6	4,714	-	4,714	655
Total Income		16,263,895	94,994	16,358,889	15,460,302
Expenditure					
Charitable activities	7	17,526,686	94,994	17,621,680	15,442,096
Total Expenditure		17,526,686	94,994	17,621,680	15,442,096
Gain on disposal of Fixed Asset	14	-	-	-	197,789
Net (Deficit)/Surplus before other gains and losses	10	(1,262,791)	-	(1,262,791)	215,995
Net Income to Designated funds		(271,954)	-	(271,954)	162,024
Net Gain on disposal of Fixed Assets		-	-	-	197,789
Net (Expenditure) to Other Charitable funds		(990,837)	-	(990,837)	(143,818)
NET MOVEMENT IN FUNDS		(1,262,791)	-	(1,262,791)	215,995
Total funds brought forward at 1 August	22/23	5,613,116	-	5,613,116	5,397,121
Total funds carried forward at 31 July	22/23	4,350,325	-	4,350,325	5,613,116

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

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

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

All income and expenditure derive from continuing activities.

UNIPOL STUDENT HOMES
CONSOLIDATED AND CHARITY BALANCE SHEET
31 July 2023

	Note	2023 Group £	2022 Group £	2023 Charity £	2022 Charity £
FIXED ASSETS					
Tangible assets	14	13,363,690	14,026,624	13,363,690	14,026,624
Intangible assets	15	165,233	-	165,233	-
Investment	16	-	-	1	1
		<u>13,528,923</u>	<u>14,026,624</u>	<u>13,528,924</u>	<u>14,026,625</u>
CURRENT ASSETS					
Stock	17	16,791	5,677	16,791	5,677
Debtors	18	1,827,207	1,248,294	1,830,394	1,251,481
Cash at bank and in hand		141,552	224,713	141,552	224,713
		<u>1,985,550</u>	<u>1,478,684</u>	<u>1,988,737</u>	<u>1,481,871</u>
CREDITORS: amounts falling due within one year	19	(6,041,620)	(4,805,870)	(6,041,620)	(4,805,870)
NET CURRENT LIABILITIES		<u>(4,056,070)</u>	<u>(3,327,186)</u>	<u>(4,052,883)</u>	<u>(3,323,999)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,472,853</u>	<u>10,699,438</u>	<u>9,476,041</u>	<u>10,702,626</u>
CREDITORS: amounts falling due after more than one year	20	(5,122,528)	(5,086,684)	(5,122,528)	(5,086,684)
		<u>4,350,325</u>	<u>5,612,754</u>	<u>4,350,513</u>	<u>5,615,942</u>
FUNDS					
Unrestricted funds:					
Designated funds	22/23	729,227	1,001,181	729,227	1,001,181
Other Charitable funds	22/23	3,621,098	4,611,935	3,624,286	4,615,123
		<u>4,340,325</u>	<u>5,613,116</u>	<u>4,353,513</u>	<u>5,616,304</u>

The notes at pages 26 to 46 form part of these accounts

These financial statements were approved by the Board on 7th December 2023

Signed on behalf of the Board

I Robertson

J Share

Company registration: 3401440

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2023

	2023	2022
	£	£
Cashflows from operating activities		
Cash generated from operations	(578,364)	1,170,860
Interest paid	(275,827)	(189,659)
Net cash outflows from operating activities	(854,191)	981,201
Cashflows from investing activities		
Purchase of intangible assets	(176,657)	-
Purchase of tangible assets	(466,127)	(1,118,700)
Interest received	4,714	655
Net cash outflows from investing activities	(638,070)	(1,118,045)
Cashflows from financing activities		
Proceeds from borrowings	2,388,532	144,593
Repayment of borrowings	(979,432)	(458,844)
Net cash inflows from financing activities	1,409,100	(314,251)
Net decrease in cash in the year	(83,161)	(451,095)
Cash at the beginning of the year	224,713	675,808
Cash at the end of the year	141,552	224,713

UNIPOL STUDENT HOMES
CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 July 2023

Notes to the consolidated cashflow statement		2023	2022
		£	£
Net (deficit)/surplus before other gains and losses		(1,262,791)	215,995
<i>Adjustments for:</i>			
Finance costs	Note 13	275,827	200,860
Investment income		(4,714)	(655)
Profit on disposal of tangible assets		-	169,697
Depreciation		1,129,061	1,100,634
Amortisation		11,424	-
<i>Movements in working capital</i>			
Change in stocks		(11,114)	(5,262)
Change in debtors		(578,913)	141,970
Change in creditors		(137,144)	(652,379)
Cash generated from operations		(578,364)	1,170,860

Analysis of changes in net debt

	01/08/2022	Cash flows	31/07/2023
Cash	224,713	(83,161)	141,552
Bank overdrafts	(144,593)	(993,939)	(1,138,532)
	80,120	(1,077,100)	(996,980)
Borrowings	(5,663,543)	(415,161)	(6,078,704)
Finance leases	-	-	-
Convertible loan notes	-	-	-
Debt-related derivatives	-	-	-
	(5,583,423)	(1,492,261)	(7,075,684)

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

UNIPOL STUDENT HOMES

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 July 2023

1. ACCOUNTING POLICIES

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

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

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

Accounting convention

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

Basis of consolidation

The group financial statements comprise the results of the Charity and its subsidiary on a line by line basis, for the year ended 31 July 2023.

Preparation of financial statements – Going Concern basis

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

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

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

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

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

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

1. ACCOUNTING POLICIES (continued)

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

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

Fund accounting

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

Unrestricted funds – Designated funds

Designated funds consist of the following reserves:

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

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

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

Unrestricted funds – Other Charitable funds

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

Restricted funds

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

Income

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

Operating leases

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

Allocation of costs

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

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

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

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

1. ACCOUNTING POLICIES (CONTINUED)

Key judgements and estimates

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

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

Key sources and estimation uncertainty

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

Useful economic lives of tangible assets

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

Provision for doubtful debts

The provision for doubtful debts is the estimated amount of bad debt that will arise from rents receivable and other debtors that have been billed but not yet collected.

Future rental income

Future rental income is the budgeted rental income for the following financial year only.

Tangible fixed assets

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

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

Depreciation

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

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

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

1. ACCOUNTING POLICIES (continued)

Assets under the course of construction

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

Intangible Assets

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

Amortisation

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

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

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

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

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

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

Stock

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

Taxation

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

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

Financial instruments

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

Investments

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

Pension schemes

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

2. LEGAL STATUS OF THE CHARITY

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

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

3. FINANCIAL PERFORMANCE OF THE CHARITY

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

The summary financial performance of the charity alone is:

	Total 2023	Total 2022
	£	£
Income		
Charitable activities	16,336,175	15,441,647
Other trading activities	18,000	18,000
Investments	4,714	655
Total Income	16,358,889	15,460,302
Expenditure		
Charitable activities	(17,621,680)	(15,442,096)
Total Expenditure	(17,621,680)	(15,442,096)
Net Income/(Expenditure)		18,206
Gain on disposal of tangible assets		197,789
NET MOVEMENT IN FUNDS	(1,262,791)	215,995
Total funds brought forward at 1 August	5,616,304	5,400,309
Total funds carried forward at 31 July	4,353,513	5,616,304
Represented by:		
Unrestricted income funds	4,353,513	5,616,304
	4,353,513	5,616,304

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2023 £	Unrestricted £	Restricted £	2022 £
Unipol Housing	14,762,348	-	14,762,348	13,924,917	-	13,924,917
Housing Hubs	426,358	40,000	466,358	430,030	40,000	470,030
Code of Standards	104,195	36,994	141,189	106,658	44,353	151,011
National Code of Standards	659,192	-	659,192	613,814	-	613,814
Property Management	284,471	-	284,471	254,887	-	254,887
Conference	22,617	-	26,617	26,988	-	26,988
	<u>16,259,181</u>	<u>76,994</u>	<u>16,336,175</u>	<u>15,357,294</u>	<u>84,353</u>	<u>15,441,647</u>

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

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

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

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

Bradford receives funding from Bradford University and Bradford College.

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

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

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

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

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

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

5. INCOME EARNED FROM OTHER ACTIVITIES

	2023 £	2022 £
Sponsorship	<u>18,000</u>	<u>18,000</u>
	<u>18,000</u>	<u>18,000</u>

During the year the Charity received sponsorship from CRM Ltd to support the conference and educational activities of the Charity. Sponsorship in both years was restricted.

6. INVESTMENT INCOME

The group's investment income of £4,714 (2022: £655) arises from money held in interest bearing bank accounts. Investment income in both years is unrestricted..

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2023 Total £
Direct Costs	3,571,074	38,327	42,161	221,313	32,399	17,182	3,922,456
Repairs & Refurbs	2,274,033	1	-	600	700	-	2,275,334
Staffing	1,019,294	175,576	59,590	202,111	159,327	21,286	1,637,184
Lease & Management charges	6,170,661	-	-	-	-	-	6,170,661
Major Works	271,954	-	-	-	-	-	271,954
Loan interest	257,483	5,617	1123	8,984	2,246	374	275,827
Depreciation	1,063,265	-	-	-	-	-	1,063,265
Support	1,099,942	406,397	87,711	191,532	78,178	40,199	1,903,960
Governance	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>

	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2022 Total £
Direct Costs	2,732,282	24,052	23,742	238,255	26,280	14,560	3,059,171
Repairs & Refurbs	2,047,557	-	-	-	50	124	2,047,731
Staffing	934,214	167,330	47,987	192,632	152,543	19,994	1,514,700
Lease & Management charges	5,682,476	-	-	-	-	-	5,682,476
Major Works	233,520	-	-	-	-	-	233,520
Loan interest	191,437	3,448	689	3,677	1,379	230	200,860
Depreciation	1,022,226	-	-	-	-	-	1,022,226
Support	864,508	374,927	76,495	172,649	67,681	33,997	1,590,257
Governance	39,515	12,668	4,586	25,693	5,232	3,461	91,155
	<u>13,747,735</u>	<u>582,425</u>	<u>153,499</u>	<u>632,906</u>	<u>253,165</u>	<u>72,366</u>	<u>15,442,096</u>

Expenditure on charitable activities was £17,621,679 (2022: £15,442,096) of which £17,526,686 (2022: £15,339,743) was unrestricted and £94,994 (2022: £102,353) was restricted.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

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

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

<u>Current 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>
<u>Prior Year</u>	Unipol Housing £	Housing Hubs £	Code of Standards £	National Code of Standards £	Property Management £	Conference £	2022 Total £
Costs	(13,747,735)	(582,425)	(153,499)	(632,906)	(253,165)	(72,366)	(15,442,096)
Rent	13,659,783	-	-	-	(1,525)	-	13,658,258
Covid Net Rebate	420	-	-	-	-	-	420
Subventions & College Fees	-	227,244	44,353	-	-	-	271,597
Fees	-	146,596	106,658	561,285	20,914	26,371	861,824
Membership Fees	-	32,533	-	-	-	617	33,150
Commission	-	-	-	-	231,832	-	231,832
Sundry Income	<u>264,714</u>	<u>63,657</u>	<u>-</u>	<u>52,529</u>	<u>3,666</u>	<u>-</u>	<u>384,566</u>
Net Cost of charitable activities	<u>177,182</u>	<u>(112,395)</u>	<u>(2,488)</u>	<u>(19,092)</u>	<u>1,722</u>	<u>(45,378)</u>	<u>(449)</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

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

	2023			2022		
	Support	Governance	Total	Support	Governance	Total
	£	£	£	£	£	£
General Office Costs	474,005	-	474,005	377,183	-	377,183
IT Expenditure	357,148	-	357,148	283,034	-	283,034
Staff Costs	877,338	71,874	949,212	765,777	66,105	831,882
Depreciation/Amortisation	77,220	-	77,220	78,408	-	78,407
Other Finance Charges	118,249	-	118,249	85,855	-	85,855
Audit	-	29,163	29,163	-	25,050	25,050
	<u>1,903,960</u>	<u>101,037</u>	<u>2,004,997</u>	<u>1,590,257</u>	<u>91,155</u>	<u>1,681,412</u>

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

10. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2023	2022
	£	£
Auditor's remuneration: audit of these financial statements	24,303	20,875
Interest payable	275,827	200,860
Operating leases and management agreements	6,258,247	5,774,826
Depreciation on tangible fixed assets	1,129,061	1,100,634
Amortisation on intangible assets	11,424	-
Directors' liability insurance	3,763	3,136
Interest receivable	(4,714)	(655)

11. STAFF NUMBERS AND COSTS

	2023	2022
	No	No
Average number of full-time equivalent employees	<u>59</u>	<u>57</u>
BREAKDOWN OF STAFF PER SECTION		
Housing	37	35
Housing Hubs & Code of Standards	11	11
National Code	5	5
Property Management	5	5
Conferences and ANUK	1	1
TOTAL	<u>59</u>	<u>57</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

11. STAFF NUMBERS AND COSTS (CONTINUED)

Average number of employees	81	81
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BREAKDOWN OF STAFF PER SECTION

Housing	53	51
Housing Hub & Code of Standards	16	17
National Code	5	5
Property Management	6	7
Conferences and ANUK	1	1
TOTAL	81	81

	2023	2022
	£	£
Staff costs		
Wages and salaries	2,115,342	1,916,849
Employer's National Insurance	183,621	168,188
Employer's pension costs (see note 26)	262,433	238,989
Sub-total before administration charge	2,561,396	2,324,026
Administration Charge	25,000	22,556
TOTAL	2,586,396	2,346,582

Employees receiving remuneration amounting to more than £60,000	2023	2022
	No	No
£60,000 - £69,999	1	-
£70,000 - £79,999	-	2
£80,000 - £89,999	2	-
£120,000 - £129,999	-	1
£130,000 - £139,999	1	-

Five higher paid employees (2022: four) had benefits accruing under the defined benefit pension scheme.

The key management personnel of the Charity comprise the trustees (who are not remunerated) , the Chief Executive, Deputy Chief Executive, Director of Finance, Assistant Chief Executive - Housing Services, Assistant Chief Executive - Hub Services, Assistant Chief Executive - Communication and IT, Assistant Chief Executive – Standards and Assistant Chief Executive - Development. The total employee benefits of the key management personnel were £629,799 (2022: £620,484).

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

11. STAFF NUMBERS AND COSTS (CONTINUED)

Payments to Board Members

	2023	2022
	£	£
Meri Braziel – Consultancy	16,000	
Michael Wilkinson – Travel expenses as a Board Member	-	385
	<u>16,000</u>	<u>385</u>

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

The Charity purchased insurance costing £3,763 (2022: £3,136) to provide trustees and officers £5m of cover against loss arising from their neglect or default.

Related Party Transactions

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

Income	£20,932	Subvention
	£375	Mental Health Awareness Conference
Expenditure	£5,000	21-22 gift
	£431	Marketing incentives

12. CORPORATION TAXATION

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

13. INTEREST PAYABLE AND SIMILAR CHARGES

Group and charity

	2023	2022
	£	£
Included in Unipol Housing expenditure:		
Bank and other loans	<u>275,827</u>	<u>200,860</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

14. TANGIBLE FIXED ASSETS

Group and charity

	Freehold buildings £	Leasehold land and buildings £	Computer equipment £	Fixtures and fittings £	Unipol property furniture £	Motor Vehicles £	Assets under the course of construction £	Total £
Cost								
At 1 August 2022	17,034,379	9,880,403	1,090,186	871,241	811,256	53,046	-	29,740,511
Transfer								
Additions	177,602	281,911	5,439	-	1,176	-	-	466,127
Disposals								
At 31 July 2023	17,211,981	10,162,314	1,095,625	871,241	812,432	53,046		30,206,638
Accumulated depreciation								
At 1 August 2022	6,218,870	6,909,246	993,131	835,230	707,772	49,638	-	15,713,887
Transfer	-	-	-	-	-	-	-	-
Charge for the year	527,068	530,757	36,872	6,045	24,912	3,408	-	1,129,061
Disposals	-	-	-	-	-	-	-	-
At 31 July 2023	6,745,939	7,440,003	1,030,003	841,275	732,683	53,045		16,842,948
Net book value								
At 31 July 2023	10,466,042	2,722,311	65,622	29,966	79,749	-	-	13,363,690
At 31 July 2022	10,815,509	2,971,157	97,055	36,011	103,484	3,408	-	14,026,624

Freehold land is not depreciated

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

15. INTANGIBLE ASSETS

	Computer Software/Website £
Cost	
At 1 August 2022	-
Additions	176,657
At 31 July 2023	176,657
Accumulated amortisation	
At 1 August 2022	-
Charge for the year	11,424
At 31 July 2023	11,424
Net book value	
At 31 July 2023	165,233
At 31 July 2022	-

16. INVESTMENTS HELD AS FIXED ASSETS

Charity

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

	2023 £	2022 £
Turnover	-	-
Interest receivable	-	-
Administrative expenses	-	-
	<hr/>	<hr/>
Operating (loss)/profit	-	-
Deed of gift to Unipol Student Homes		
	<hr/>	<hr/>
(Loss)/Profit for the financial year	<hr/>	<hr/>

The aggregate of the assets, liabilities and funds was:

	2023 £	2022 £
Total assets	-	-
Total liabilities	(3,187)	(3,187)
	<hr/>	<hr/>
	(3,187)	(3,187)
	<hr/>	<hr/>
Represented by:		
Called up share capital	1	1
	<hr/>	<hr/>
Profit and loss account	(3,188)	(3,188)
	<hr/>	<hr/>
	(3,187)	(3,187)
	<hr/>	<hr/>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

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

17. STOCKS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Furniture and goods	16,791	5,677	16,791	5,677
	16,791	5,677	16,791	5,677

18. DEBTORS

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Owed from subsidiary undertaking	-	-	3,187	3,187
Rents receivable	44,433	40,304	44,433	40,304
Other debtors	564,464	325,486	564,464	325,486
Prepayments and accrued income	1,218,242	882,504	1,218,242	882,504
	1,827,207	1,248,294	1,830,327	1,251,481

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Overdraft	1,283,125	144,593	1,283,125	144,593
Loans (see note 20)	1,114,991	981,307	1,114,991	981,307
Returnable deposits	660	156,400	660	156,400
Trade creditors	1,494,719	953,509	1,494,719	953,509
Taxation and social security costs	41,774	17,468	41,774	17,468
Other creditors	590,199	512,515	590,199	512,515
Accruals	917,185	1,353,177	917,185	1,353,177
Deferred income (see over)	598,967	686,901	598,967	686,901
	6,041,620	4,805,870	6,041,620	4,805,870

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

ANALYSIS OF DEFERRED INCOME

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Rental income	276,138	363,493	276,138	363,493
Contribution from Landlords towards capital works	101,040	101,040	101,040	101,040
Subventions, fees and funding income	221,789	222,368	221,789	222,368
	598,967	686,901	598,967	686,901

	Rental Income	Contribution from Landlords towards WC	Subventions, fees and funding income	Total
Opening as @ 1.8.22	(363,493)	(101,040)	(222,368)	(686,901)
(Released)	(16,322,462)	0	(227,763)	(16,550,225)
Deferred	16,235,107	0	227,184	16,462,291
Closing as @ 31.7.23	(276,138)	(101,040)	(221,789)	(598,967)

Deferred income arose due to invoices due for payment at the start of the next financial year were raised at the end of the previous financial year and are simply timing issues. In addition contractual capital contributions have been made by Landlords under two lease agreements for refurbishment of the properties. These amounts will be released over the duration of the leases in line with the rate of depreciation.

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

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

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	4,819,120	4,682,236	4,819,120	4,682,236
Deferred Income	303,408	404,448	303,408	404,448
	<u>5,122,528</u>	<u>5,086,684</u>	<u>5,122,528</u>	<u>5,086,684</u>

The bank loans are secured on a number of properties within the portfolio. One bank lends to Unipol with loans expiring between 2027 and 2029, one loan bears an interest rate of 2.25% over base and two further loans are at a fixed rate of 3.32% and 3.87%. A further bank lends to Unipol with loans expiring between 2024 and 2032 with interest rates of 2.65% and 2.68% over Bank of England Base rate and six fixed rate loans of 3.14%, 3.53%, 3.6%, 4.11%, 4.14%, 4.16%, 5.9% and 7.52%.

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

	Group and Charity	
	2023	2022
	£	£
Analysis of loan repayments		
Bank loans and other loans		
Within one year or on demand (see note 19)	1,114,991	981,307
Between one and two years	1,086,901	885,899
Between two and five years	2,980,817	3,139,858
After five years	751,402	656,479
	<u>5,934,112</u>	<u>5,663,543</u>

21. ANALYSIS OF GROUP ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds		Total 2023	Total 2022
	Designated funds	Undesignated funds		
	£	£	£	£
Fixed assets	-	13,363,690	13,363,690	14,026,624
Intangible assets	-	165,233	165,233	-
Current assets	729,227	1,256,685	1,985,550	1,478,684
Creditors: amounts falling due within one year	-	(6,041,620)	(6,041,620)	(4,805,870)
Creditors: amounts falling due after more than one year	-	(5,122,528)	(5,122,528)	(5,086,684)
	<u>729,227</u>	<u>3,621,098</u>	<u>4,350,325</u>	<u>5,612,754</u>

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

22. STATEMENT OF MOVEMENT ON RESERVES

Charity as at 31 July 2023

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

Charity as at 31 July 2022

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2021	838,795	4,561,152	5,399,947
Net movement in funds	(233,520)	449,515	215,995
Transfers	395,544	(395,544)	-
At 31 July 2022	1,001,181	4,615,123	5,616,304

Group as at 31 July 2023

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2022	1,001,181	4,611,935	5,612,754
Net movement in funds	(271,954)	(990,837)	(1,262,791)
Transfers			-
At 31 July 2023	729,227	3,621,098	4,350,325

Group as at 31 July 2022

	Unrestricted funds: Designated funds £	Unrestricted funds: Other charitable funds £	Total funds £
At 1 August 2021	838,795	4,557,964	5,396,759
Net movement in funds	(233,158)	449,515	216,357
Transfers	395,544	(395,544)	-
At 31 July 2022	1,001,181	4,611,935	5,613,116

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

23. MOVEMENT IN GROUP FUNDS

As at 31 July 2023

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

As at 31 July 2022

	Balance 31 July 2021	Income	Expenditure	Transfers	Gain on Sale of Fixed Assets	Balance 31 July 2022
	£	£	£	£	£	£
Unrestricted funds						
Designated funds:						
Major works reserve	638,795	-	(233,158)	355,546	-	761,183
Dispersed Houses reserve	200,000	-	-	39,998	-	239,998
	838,795	-	(233,158)	395,544	-	1,001,181
Undesignated funds:						
Other unrestricted funds	4,557,964	15,357,949	(15,106,223)	(395,544)	197,789	4,611,935
Total unrestricted funds	5,396,759	15,357,949	(15,339,743)	-	197,789	5,613,116
Restricted funds						
Housing Hubs and Code of Standards:						
Bradford	-	25,000	(25,000)	-	-	-
Nottingham	-	59,353	(59,353)	-	-	-
Sponsorship	-	18,000	(18,000)	-	-	-
Total restricted funds	-	102,353	(102,353)	-	-	-
Total funds	5,396,759	15,460,302	(15,442,096)	-	197,789	5,613,116

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

23. MOVEMENT IN GROUP FUNDS (continued)

The Unrestricted Funds are:

Designated funds consisting of the following reserves:

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

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

The Restricted Funds are:

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

Housing Hub and Code of Standards - Nottingham - This is £30,000 from Nottingham Trent University to run the Hub and support accreditation in Nottingham together with £21,994 from Nottingham City Council to run accreditation in Nottingham.

Sponsorship - This is sponsorship funding for the conference section.

Transfers

No transfers were made in the current year (2022 £395,544) from the designated reserve to the general reserve for major works and works to dispersed houses.

24. CAPITAL COMMITMENTS

	2023 £	2022 £
Unipol had contracted commitments at 31st July for future capital projects totalling	-	-

25. LEASE COMMITMENTS

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

	2023 £	2022 £
Amount due within one year	9,937,512	6,601,373
Amount due between one and five years	44,653,589	27,271,930
Amount due after more than five years	219,920,633	93,834,125
	274,511,734	127,707,428

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

The Charity budgets to receive rental income in respect of properties held on lease and management agreements of £14,179,039 (2022: £13,658,678)

26. PENSION SCHEMES

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

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

UNIPOL STUDENT HOMES
NOTES TO THE GROUP FINANCIAL STATEMENTS
Year ended 31 July 2023

26. PENSION SCHEMES (continued)

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

The triennial valuation of the University of Leeds Pension and Assurance Scheme as at 31 March 2020 showed that the Scheme had a deficit of £66.2m, equivalent to a funding level of 87%. Given the unusual market conditions prevailing in March 2020, a further valuation was carried out as at 31 March 2022. This valuation showed that there was a surplus of £24.2m, equivalent to a funding level of 105%. During the year the employer contribution rate was 16%, with the employee contribution rate at 7.5% both unchanged from the previous year. The provisional 2023 valuation shows that USS now has a funding surplus of £7.6bn, equivalent to a funding level of 111%. Subsequent changes to contributions is in consultation with the final outcome expected in April 2024. The University continues to pay the annual PPF levy and the cost of any ill health early retirement benefit enhancements.

The pension cost for the year was £262,433 (2022: £238,989).

27. POST BALANCE SHEET EVENTS

On 8 September 2023 Unipol Student Homes completed on a twenty five year lease agreement with Waypoint Limited for a building known as Cotton Mills, Norwood Road, Radford Boulevard, Nottingham, NG7 3BR – consisting of 273 en-suite beds at an initial lease fee of £1,113,329.

On 1 September 2023 Unipol Student Homes completed on a 25 year lease agreement with Carlton Hill Holdings for a 606 bed shared cluster development known as Carlton Hill, Leeds, LS7 1JD at an initial lease fee of £2,655,371.