



Report and financial statements

For the year ended 30 September 2022

Charity number: 1147344/SC043324

The Unite Foundation

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The Unite Foundation

Reference and administrative information

For the year ended 30 September 2022

Charity number 1147344/SC043324.

(This charitable Trust ceased to exist on 30 September 2022. A new charity – Unite Foundation CIO – was formed on 1 October 2022 registered in England and Wales 1198601, Scotland SC051987. Assets from the Unite Foundation Trust were vested in entirety to the CIO).

Country of registration England & Wales/Scotland

Registered office and operational address South Quay House
Temple Back
BRISTOL
BS1 6FL

Trustees Trustees who served during the year:

Shân Wareing	Chair
Nicholas Miller	
Jenny Shaw	
Fiona Slaven	
Lloydette Bai Marrow	
Tracey Harrison	
Ian Adams	
Sunday Blake	
Moray Notman	
James Watts	

(Each of these Trustees have taken up a role in the newly created Unite Foundation CIO.)

Key management personnel

Fiona Ellison – Director

Bankers

Royal Bank of Scotland
P.O. Box: 238
32 Corn Street
BRISTOL – BS1 1HQ

Solicitors

Taylor Vintners
Tower 42, 33rd Floor
25 Old Broad Street
LONDON – EC2N 1HQ

The Unite Foundation

Reference and administrative information

For the year ended 30 September 2022

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON - EC1Y 0TL

The Trustees present their report and the audited financial statements for the year ended 30 September 2022.

The Unite Foundation Charitable Trust ceased operating on 30 September 2022. The intent to close the charitable Trust and create a charitable incorporated organisation (CIO) was recorded in the 2020/21 Annual Report and has now been completed. A new entity – The Unite Foundation CIO – was formed on 1 October 2022 and registered in England and Wales 1198601, Scotland SC051987. The assets of the Trust have been vested in the CIO in entirety, the charitable goals are consistent with the 5 year strategy launched in 2021, and all staffing and governance personnel are the same in the new entity.

The new charity continues to benefit from generous support from the Unite Group; the FTSE 100 company which founded the charitable Trust in 2012. This support takes the form of long-term funding pledges that are realised through significant annual grants and underwritten by an assurance of 'tail off' funding for named beneficiaries in the event of shortfall.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's trust deed and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The Trust was and the new CIO is an independent registered charity offering a unique accommodation scholarship for care leaver/experienced and estranged young people at university. The scholarship takes care of students' accommodation and bills, covering up to 3 full years of study. The charity currently works with 25 universities across England and Scotland, and the team works closely with Unite Students; the charity's accommodation partner and principal corporate donor. The charity has awarded 614 scholarships since 2012, and 293 Unite Foundation graduates are pursuing their dreams.

The Trust (and new CIO) intends to improve the access, progression and post-graduate outcomes for care leaver and estranged students in the UK. This goal is addressed by delivering direct benefit to relevant students through a national scholarship scheme, providing an online community space, raising awareness of the experience of such students and by supporting transformational research.

The Trustees review the aims, objectives and activities of the charity each year having regard to the Charity Commission's guidance on public benefit and have referred to this guidance when reviewing the charity's aims and objectives and in planning its future activities. In

particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Grants policy

The Trust (and the new CIO) addresses its charitable goal principally by the gift of scholarship grants to care leaver and estranged students. The scholarship scheme has published scheme priorities of:

- + maintaining a balance of benefit between estranged and care leaver students
- + reflecting a range of academic ability, course choice and protected characteristics under the Equality Act
- + maintaining a balance of scholarship students at partner universities

No new scholarship students joined the scheme in Autumn 2021 as a result of a one year hiatus of intake triggered by the Coronavirus pandemic (Board decision having been made in March 2020.) 167 continuing students were active on the scholarship during 2021/22 of which 94 were active in taking up a free tenancy that is at the heart of the scholarship benefit.

Achievements and performance

All charitable activities focus on care leaver and estranged undergraduate students and are undertaken to further the Unite Foundation's charitable purposes for the public benefit.

Charitable impact

[Independent analysis](#) carried out by JISC, examined how Unite Foundation scholarship students form the last 10 years compared to their peers focusing on four metrics:

1. progressing beyond their first year;
2. moving from years 2 to 3;
3. completing their degree; and
4. achieving a 'good degree' – either a 1st or 2:1.

Key findings from the report were :

- + Unite Foundation Scholarship students progressed from their 1st to 2nd year of programme at the same percentage as non-care leaver students (87%) and at a statistically significantly higher percentage than all other care leaver student groups (76%).
- + Unite Foundation Scholarship students progressed from their 2nd to 3rd year of programme within 2 academic years within 5 percentage points of non-care leaver

students (86% vs 91%) and at a statistically significantly higher percentage than other care leaver students inside the Foundation HE provider network (81%).

+ Unite Foundation Scholarship students completed a first degree within six percentage points of non-care leaver students (71% vs 77%) and at a statistically significantly higher percentage than all other care leaver student groups (60–63%).

+ Unite Foundation Scholarship students achieved a 'good honours' degree within 3 percentage points of non-care leaver students (78% vs 81%) and at a statistically significantly higher percentage than all other care leaver student groups (70–72%).

Goals and outcomes 2021/22

1. A home at university

For all estranged and care experienced students to have the choice to go to university safe in the knowledge that they will have a secure home.

Our students say that having a safe and secure home at university means they can make the most of the full university experience. Our data also tells us that the provision of a home at university – the security it provides and the financial stress it alleviates – has a strong impact on continuation rates for this group of students.

Goal: To extend the existing scheme to 100 scholarship awards and to develop a relationship with new university partners and match funders to launch a pilot scheme of three-way funding of 25 new scholarship places.

Outcome: Funding secured from our corporate donor, Unite Students, to enable 100 scholarship awards in 2022/23. Further relationships developed with other funders and an open call for university partners launched to create new scholarship places for 2023/24 academic year.

2. Community

For all estranged and care experienced students to feel united by a sense of community.

This will be something that takes shape over time, led by students themselves, naturally. The aim is that estranged and care experienced students feel better connected, become recognised in wider society without stigma and can pull together when they want to, to effect change that will benefit all estranged and care experienced young people at university.

Goal: Unite Foundation students, alumni and wider population of care experienced and estranged students are part of an emerging (online) network.

Outcome: The This is Us Community network was created and attracted 319 members, 33 groups (local and national), and a Sounding Board committee to oversee development.

3. Removing roadblocks:

For students to drive change in higher education so that all estranged and care experienced students can secure and maintain a home throughout university and beyond.

Being able to secure and maintain a home through university is challenging for students without any family support. It costs a lot of money and things other students rely on their family for e.g. providing a guarantor, are not straightforward. Some students feel they need to be preparing to secure a home after university, from the day they join.

Goal: A 'This is Us' Policy forum is established and the first piece of activity launched or delivered.

Outcome: A guarantor webinar was followed by a day of action focussed over social channels, and an activist group of students was developed within the online Community space.

4. Bespoke opportunities

To deliver a variety of paid employment opportunities for Unite Foundation students.

Being armed with a strengthened CV, real world work experience and a list of industry contacts is important for those next steps after graduation – one step closer to your chosen career and securing an income to afford your own home.

Goal: We will have scoped market for strategic sector partner and tested our thinking on key components of a successful model.

Outcome: Employment 'zone' open on the This is Us Community platform. Summer Internships at Glide and Thames Water completed by scholarship students.

Financial review for the year

The Trust changed accounting policy in the year to move to a commitment footing in order to recognise grants in full when that funding has been committed to by the trustees, rather than when the payment is made.

The Trust received total donation income of £1,718,471 in the year (30 September 2021: £1,862) and received total investment income of £199,869 (30 September 2021: £212,895) from its units held in an endowment fund.

The Trust had net assets of £5,204,439 as at 30 September 2022 compared to restated net assets of £5,143,789 as at 30 September 2021. Details of the financial performance are set out in the Statement of Financial Activities on page 17. The Trust continued to receive donations from the Unite Group and income from its asset of units in the USAF Fund.

Reserves policy

The charity free reserves are made up of liquid assets namely cash at bank plus unrestricted income receivable in the financial year. The investment in USAF is also regarded within charity free reserves with Trustees having agreed with confidence that liquidising units is within authority and can be undertaken rapidly.

The reserve targets (carried over to the new CIO) are set to meet :

- 1 Charitable purpose – the ongoing charitable cost of named beneficiary scholarships to their full commitment. At 30 September 2022 this target stands at £2,469,808. £6,095,179 is the value of the investment units held. The Unite Foundation also benefits from a written commitment from Unite Students (January 2022) that, in the event of cessation of donation income, forward rental costs for all named scholarship beneficiaries will be met to the full extent of their entitlement.
- 2 Cashflow and Dissolution – the liquidity required to meet flows of expenditure during normal operational business and/or the funds required to manage continuity/dissolution in the event of cessation of activity. The free reserves target is set at £300k calculated as 3 months of averaged operational, non-scholarship, expenditure (2022/23) for each category. There is sufficient cash at bank to meet this requirement.

As at end September 2022 the endowment fund totaled £6,095,179 and the general fund totaled negative £890,740 (30 September 2021 as restated: £578,754 negative reserves). Negative reserves are a consequence of recognition of future grant commitment with corresponding grant income reflected as a contingent asset (as at end September £5.6m) until entitlement requirement is reached at the outset of each financial year.

As at end September 2022, the Unite Foundation is in a net assets position with closing funds of £5,204,439, of which £1,663,563 represents working capital.

Related parties

Unite made a cash donation to the Trust during the year of £1,718,471 (30 September 2021: £nil). As at the end of September 2022 the USAF units were valued at £6,095,179 (30 September 2021: £5,722,543) and dividends received were £199,869 for the year to 30 September 2022 (30 September 2021: £212,895). Nothing is due from the Trust to Unite in respect of this asset.

Unite Students has no involvement or influence over the Trust's activities and grant making decisions.

At 30 September 2022, £28,219 was due to Unite (30 September 2021: £88,222) in relation to reimbursed costs.

Trustees' analysis of key risks

The Foundation's principal risk in 2020/21 was 'Impact of charitable activity can not be measured or corroborated.' The captured risk reflected the wider challenge of measuring – in robust terms – the objective, quantitative impact of intervention within what is a statistically small population of students. The independent impact research reflected above has removed this risk. In 2021/22 the Board undertook to consider risk in the context of agreed risk *appetite*.

Key risks with the highest scores whilst still comfortably within acceptable appetite were :

- + Cessation or decrease in donation value from Unite Students and other support eg staff and systems. (The Unite Group Board has pledged significant continuing support).
- + The move to commitment accounting giving an impression to future donors that commitments outstrip income. (Pledged income is captured within contingent assets).

Going concern

The Unite Foundation Charitable Trust ceased to exist on 30 September 2022 and therefore is not a going concern. The intent to close the charitable Trust and create a charitable incorporated organisation (CIO) was recorded in the 2020/21 Annual Report and has been completed. A new entity 'The Unite Foundation CIO was formed on 1 October 2022 and registered in England and Wales 1198601, Scotland SC051987.

For the purposes of the transfer of assets and continuation of charitable activity as the Trust closed and assets were vested into the new legal entity the financial statements have been prepared on a basis other than the going concern principle. No adjustments are required to the assets and liabilities being transferred to the new CIO and the charitable activities that have been transferred will continue in this new entity'. The CIO holds an investment in the Unite UK Student Accommodation Fund (USAF) and is therefore not entirely dependent upon a recurrent donation from Unite for its income. In addition to the distribution income from USAF, Unite has provided the CIO with an indication of a 3 year funding programme from academic year 2022/23 to 2025 undertaking. Further, the Trustees have the ability to vary their grant decisions based on investment income received in any period.

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

Fundraising

The Trust did not utilise the services of professional fundraisers or commercial participators and no material expenditure was incurred in the raising of charitable funds. The majority of fundraised income year on year comes from the support of principal donor Unite Students.

Plans for the future

The Unite Foundation Charitable Trust ceased to operate on 30 September 2022 and therefore has no future charitable plans. The new entity 'The Unite Foundation CIO' was formed on 1 October 2022 and registered in England and Wales 1198601, Scotland SC051987. The new entity will continue working toward the strategic goals set out in the 5 year plan by the Trust. In 2022/23 these plans are :

1. A Home at Uni

- + to build financial support to enable 100 young people to be selected each cohort,
- + to deliver the pilot (co-funded) scheme working to offer 25+ new scholarship UK spaces

2. Community

- + to ensure a UK wide coverage for the community in both content and membership; actively auditing and addressing identified gaps in inclusivity
- + that This is Us, and the flag as a symbol of care experienced and estranged students, will be visible in the policy space via community led activism

3. Removing Roadblocks

- + Unite Foundation exhibition tour, led by students and reaching at least 20 HE locations, alongside community generated activity, results in local change for CEES students
- + A focus on housing fragility becomes an explicit component in sector quality frameworks
- + Care experienced and estranged 'status' will feature on sector and institution evaluation
- + A credible national interest group will be established bringing key partners together to develop and collate evidence on accommodation based interventions for care experienced and estranged students

4. Bespoke Opportunities

- + In partnership with a sector organization, we have created a validated model that enables us to easily facilitate employment opportunities for undergraduates/recent graduates on the Unite Foundation Scholarship and beyond.

Structure, governance and management

The Trust Deed, that governed the charity until it ceased operating on 30 September 2022, stated that a minimum of three Trustees shall be appointed, with any two Trustees forming a quorum. The Trustees are appointed, in accordance with the Trust Deed, by a resolution of the Board of Trustees passed at a special meeting having been identified through open recruitment targeting skills identified within the Board skills audit. The Chair of the Trustees is nominated and agreed by the Board of Trustees. The power of appointing or removing Trustees is vested in a majority of Trustees.

The Trustees met quarterly to agree the broad strategy and areas of activity for the Trust, including consideration of grant making, investment and risk management policies and performance. Under the Trust Deed, the Trustees are required to hold at least two ordinary meetings each year; in practice meetings are held quarterly. The charity is constituted under a trust deed dated 7 December 2011.

All trustees give their time voluntarily and receive no benefits from the charity. No material Trustee expenses were incurred or reclaimed from the charity within the year.

The Trustees' delegate day-to-day management of the charity to the Director. A scheme of delegation sets out the relationship between Chair, Board, Director and team identifying operational and reporting responsibilities. The organisation is an unincorporated charity registered as a charity on 21 May 2012 in England and Wales, closed on 30 September 2022. A new entity 'The Unite Foundation CIO' was formed on 1 October 2022 and registered in England and Wales 1198601, Scotland SC051987.

Trustee induction and training

The Trust's/CIO policy on induction details that on joining the Board new trustees are supplied with documentation covering organisational structure, practice and governance including:

- + Vision, Mission and Values; Strategic and Business plans; risk register
- + Annual Report and Accounts and Impact Report
- + Documentation regarding the relationship with and support provided by Unite Students
- + Deed of Trust & Governance document along with Charity Commission guidance ['The Essential Trustee'](#) and ['A Guide to Corporate Foundations'](#), [Charity Governance Code](#) and [Charity Trustee Welcome Pack](#)
- + Role descriptions for Trustees and Minutes and papers for the Board and Committee meetings in the previous 12 months
- + Code of Conduct and Conflict of Interest policy plus Scheme of Delegation
- + Organisation structure, contact details for the Director and other staff, list of current trustees and contact details

In addition, new trustees have introductory meetings where possible with officers, beneficiaries and partners to familiarise themselves with key aspects of the charity's operations.

Chair	Informal briefings on the role and values of the Unite Foundation, governance, strategic overview, future planning.
Board	Participation in a Board meeting as an observer.
Director	Overview of current strategic cycle of work as well as support available
University partner	Demonstrating the impact of Foundation activity within HE sector.
Operational team	Understanding operational practice, insight, communications.

Trustees are made aware of training opportunities provided by NCVO on a monthly basis as part of regular communication and have access to the Chair to discuss development needs. The newly formed Governance sub Committee has set out a programme for Board effectiveness reviews.

Related parties and relationships with other organisations

The Foundation works in partnership with Unite Students, and each of the universities in the network, to support the welfare and wellbeing of scholarship students. This extends to shared 'case working' in the event of a student experiencing difficulty navigating any aspect of their university experience.

The charity sits on the Care Leavers & Estranged Students in HE group; a gathering of public, voluntary and organisational stakeholders with shared goals. No party exerts strategic control over any other within this group.

Remuneration policy for key management personnel

The pay and remuneration for key management personnel is benchmarked to voluntary sector levels using national salary surveys. The Board determines Director level pay, with operational team members benefit being determined by the Director according to the scheme of delegation.

Statement of responsibilities of the Trustees

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- + Select suitable accounting policies and then apply them consistently
- + Observe the methods and principles in the Charities SORP

- + Make judgements and estimates that are reasonable and prudent
- + State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditor

Sayer Vincent LLP was appointed as the charity's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report for the Unite Foundation Charitable Trust has been approved by the Trustees on 5 December 2022 and signed on their behalf by

Shan Wareing
Chair

Opinion

We have audited the financial statements of The Unite Foundation (the 'charity') for the year ended 30 September 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 30 September 2022 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011 and of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 charity 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.

Emphasis of matter – going concern

Without modifying our opinion, we draw attention to the disclosures in the trustees' annual report and note 1 of the financial statements that the trustees have transferred all its assets and liabilities to a newly formed charitable incorporated organisation 'The Unite Foundation' on 1 October 2022 and the charity's ongoing operations will continue within this entity. As a consequence, the financial statements have been prepared on a basis other than as a going concern although no adjustments were required as a result.

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient and proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Independent auditor's report

To the members of

The Unite Foundation

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

16 December 2022

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

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Statement of financial activities

For the year ended 30 September 2022

		2022			2021		
		Unrestricted	Endowment	Total	Restated Unrestricted	Restated Endowment	Restated Total
	Note	£	£	£	£	£	£
Income from:							
Donations	2	1,718,471	-	1,718,471	1,862	-	1,862
Investments	3	199,869	-	199,869	212,895	-	212,895
Total income		<u>1,918,340</u>	<u>-</u>	<u>1,918,340</u>	<u>214,757</u>	<u>-</u>	<u>214,757</u>
Expenditure on:							
Charitable activity							
Grant making	4	2,230,326	-	2,230,326	(762,001)	-	(762,001)
Total expenditure		<u>2,230,326</u>	<u>-</u>	<u>2,230,326</u>	<u>(762,001)</u>	<u>-</u>	<u>(762,001)</u>
Net (expenditure) / income before net gains / (losses) on investments		(311,986)	-	(311,986)	976,758	-	976,758
Net gains / (losses) on investments		-	372,636	372,636	-	86,705	86,705
Net movement in funds		(311,986)	372,636	60,650	976,758	86,705	1,063,463
Reconciliation of funds:							
Total funds brought forward		(578,754)	5,722,543	5,143,789	2,487,968	5,635,838	8,123,806
Prior period adjustment	16	-	-	-	(4,043,480)	-	(4,043,480)
Total funds carried forward		<u>(890,740)</u>	<u>6,095,179</u>	<u>5,204,439</u>	<u>(578,754)</u>	<u>5,722,543</u>	<u>5,143,789</u>

The prior year has been restated following the change to when grant making commitments are recognised. This has resulted in negative expenditure and is explained further in note 4.

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

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Balance sheet

As at 30 September 2022

	Note	£	2022 £	£	2021 Restated £
Fixed assets:					
Investments	10		6,095,179		5,722,543
			6,095,179		5,722,543
Current assets:					
Debtors	11	103,492		27,562	
Cash at bank and in hand		1,560,071		1,023,854	
		1,663,563		1,051,416	
Liabilities:					
Creditors: amounts falling due within one year	12	(1,169,059)		(1,074,392)	
Net current assets			494,504		(22,976)
Creditors: amounts falling after one year	13		(1,385,244)		(555,778)
Total net assets			5,204,439		5,143,789
The funds of the charity:	14				
General funds		(890,740)		(578,754)	
Endowment fund		6,095,179		5,722,543	
Total unrestricted funds			5,204,439		5,143,789
Total charity funds			5,204,439		5,143,789

Approved by the trustees on 5 December 2022 and signed on their behalf by

Shan Wareing
Chair

The Unite Foundation

Statement of cash flows

For the year ended 30 September 2022

	2022		2021 Restated	
	£	£	£	£
Cash flows from operating activities				
Net (expenditure)/ income for the reporting period (as per the statement of financial activities)	(311,986)		976,758	
Dividends from investments	(199,869)		(212,895)	
Decrease/ (increase) in debtors	(75,930)		2,413,380	
Decrease/ (increase) in creditors	924,133		(2,600,287)	
Net cash provided by operating activities		336,348		576,956
Cash flows from investing activities:				
Dividends from investments	199,869		212,895	
Net cash provided by investing activities		199,869		212,895
Change in cash and cash equivalents in the year		536,217		789,851
Cash and cash equivalents at the beginning of the year		1,023,854		234,003
Cash and cash equivalents at the end of the year		1,560,071		1,023,854

1 Accounting policies

a) Statutory information

The Unite Foundation is a Charitable Trust, established by The Unite Group plc (“Unite”) under a Trust Instrument dated 7 December 2011 and registered with the Charity Commission in England and Wales on 21 May 2012 (registration number 1147344) and Scotland (registration number SC043324).

The registered office address is South Quay House, Temple Back, BRISTOL, BS1 6FL

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

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

c) Public benefit entity

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

There are no key judgements that the charity has made which have a significant effect on the accounts. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1 Accounting policies (continued)

d) Going concern

The Unite Foundation Charitable Trust ceased to exist on 30 September 2022 and therefore is not a going concern. The intent to close the charitable Trust and create a charitable incorporated organisation (CIO) was recorded in the 2020/21 Annual Report and has been completed. A new entity 'The Unite Foundation CIO' was formed on 1 October 2022 and registered in England and Wales 1198601, Scotland SC051987.

For the purposes of the transfer of assets and continuation of charitable activity as the Trust closed and assets were vested into the new legal entity the financial statements have been prepared on a basis other than the going concern principle. No adjustments are required to the assets and liabilities being transferred to the new CIO and the charitable activities that have been transferred will continue in this new entity.

The CIO holds an investment in the Unite UK Student Accommodation Fund (USAF) and is therefore not entirely dependent upon a recurrent donation from Unite for its income. In addition to the distribution income from USAF, Unite has provided the CIO with an indication of a 3 year funding programme from academic year 2022/23 to 2025 undertaking. Further, the Trustees have the ability to vary their grant decisions based on investment income received in any period.

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

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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

f) Donations of services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102).

On receipt, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Dividend Income

Dividend income is received on investment units held in USAF. Income is recognised at the earlier of when the dividend is committed and when it is received.

h) Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for charitable purposes.

Endowment funds are units held with USAF which were donated with the condition that they are not able to be disposed of without the consent of the original donor and are therefore are treated as a permanent capital endowment. Investment income relating to this endowment fund is unrestricted and can be used in the furtherance of the charitable objectives.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Grant making expenditure relates to the costs incurred by the charity in supporting student rental payments and bursaries relating to the charitable objectives of the Foundation.
- Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.
- Support costs represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants are offered subject to specific conditions being met by the recipient. Grant expenditure is recognised as these conditions are met for the full term of the commitment (up to 3 years) as it is at this point it is considered probable that economic benefit will transfer. Grant commitments are reviewed for conditions continuing to be met during the period of the scholarship. When there are changes to previously recognised commitments due to conditions no longer being met, a release of the balance sheet commitment to grant expenditure is made. Grants are approved on an annual basis by the Trustees.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) Debtors

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

n) Cash at bank and in hand

Cash at bank and cash 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.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity 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.

2 Income from donations

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Grants	1,718,471	-	1,718,471	1,862	-	1,862
	<u>1,718,471</u>	<u>-</u>	<u>1,718,471</u>	<u>1,862</u>	<u>-</u>	<u>1,862</u>

The Trust received total grant income of £1,718,471 in the year (30 September 2021: £1,862). This increase is a result of a commitment for 2021/22 grant funding being received during the year.

3 Income from investments

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Dividend income	199,869	-	199,869	212,895	-	212,895
	<u>199,869</u>	<u>-</u>	<u>199,869</u>	<u>212,895</u>	<u>-</u>	<u>212,895</u>

All income from investments is unrestricted.

The Unite Foundation

Notes to the financial statements

For the year ended 30 September 2022

4a Analysis of expenditure (current year)

	Charitable activity			2022
	Grant making	Governance costs	Support costs	Total
	£	£	£	£
Staff costs recharge (Note 7)	-	-	245,830	245,830
Communications	-	-	19,943	19,943
Student rental payments	1,795,989	-	-	1,795,989
Research	-	26,801	-	26,801
Other	79,910	-	38,259	118,169
Auditor's remuneration - audit	-	10,230	-	10,230
Other governance expenses	-	13,364	-	13,364
	<u>1,875,899</u>	<u>50,395</u>	<u>304,032</u>	<u>2,230,326</u>
Support costs	304,032	-	(304,032)	-
Governance costs	50,395	(50,395)	-	-
Total expenditure 2022	<u>2,230,326</u>	<u>-</u>	<u>-</u>	<u>2,230,326</u>
Total expenditure 2021 (restated)	<u>(762,001)</u>			

4b Analysis of expenditure (prior year restated)

	Charitable activity			2021 Total
	Grant	Governance	Support	Total
	£	£	£	£
Staff costs recharge (Note 7)	-	-	154,014	154,014
Communications	-	-	31,459	31,459
Student bursaries	(1,000)	-	-	(1,000)
Student rental payments	(980,717)	-	-	(980,717)
Research	-	323	-	323
Other	6,895	-	909	7,804
Auditor's remuneration - audit	-	11,800	-	11,800
Other governance expenses	-	14,316	-	14,316
	<u>(974,822)</u>	<u>26,439</u>	<u>186,382</u>	<u>(762,001)</u>
Support costs	186,382	-	(186,382)	-
Governance costs	26,439	(26,439)	-	-
Total expenditure 2021 restated	<u>(762,001)</u>	<u>-</u>	<u>-</u>	<u>(762,001)</u>

The Trust changed its accounting policy during the year in order to recognise grants in full when that funding has been committed to by the trustees, rather than when the payment is made. As a result of this the 2021 Grant Commitments have been restated. The negative expenditure reflected that there were no new grants committed to in 2021 due to economic uncertainties during Covid and a reversal of some previous commitments.

The Unite Foundation

Notes to the financial statements

For the year ended 30 September 2022

5 Grant making

	Grants to individuals £	2022 £	Grants to individuals £	2021 Restated £
Cost				
Student rental payments	1,783,356	1,783,356	(980,717)	(980,717)
Student Bursaries	-	-	(1,000)	(1,000)
	-	-	-	-
At the end of the year	<u>1,783,356</u>	<u>1,783,356</u>	<u>(981,717)</u>	<u>(981,717)</u>

The Unite Foundation Scholarship Scheme provides three separate years of purpose built student accommodation support for young people from a care or estranged background. The scheme works in partnership with a network of 29 universities with whom we identify potential candidates and collaborate on the pastoral support of selected students.

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Auditor's remuneration (excluding VAT):		
Audit Current Year	8,658	8,200
Audit Prior Year	(133)	1,587

7 Analysis of staff costs recharge, trustee remuneration and expenses

The charity does not legally employ any staff; Unite Students doing so on its behalf. A recharge relating to the costs for staff working solely for the charity is received from Unite Student.

Staff costs recharges were as follows:

	2022 £	2021 £
Salaries and wages	211,070	131,208
Social security costs	18,843	10,106
Other pension costs	15,916	12,700
	<u>245,829</u>	<u>154,014</u>

The charity received recharges for seven members of staff during the year (2021: four).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £135 (2021: £55) incurred by the Chair (2021: Chair) relating to a membership of the Association of Chairs and Trustee for Photoshoot expenses.

8 Related party transactions

The Unite Foundation recognised £1,718,471 donation from the Unite Group during the year (2021: £nil).

In 2016, Unite made a donation of 4,128,819 units in the Unite UK Student Accommodation Fund (USAF) to the Trust. At the time of the donation these units were valued at £4,938,068. At 30 September 2022, the units have increased in value to £6,095,179 (2021: £5,722,543). Nothing is due from the Trust to Unite in respect of this donation.

At 30 September 2022, £28,219 was due to Unite (2021: £88,222) in relation to reimbursed costs.

Three Unite Foundation trustees are also Unite Students employees. On appointment to the Foundation Board each Trustee signs the Code of Conduct, additionally, all Foundation business is prefaced with a consideration of conflict with individual members absenting from areas of discussion/decision making accordingly.

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Listed investments

	2022 £	2021 £
Fair value at the start of the year	5,722,543	5,635,838
Net gain / (loss) on change in fair value	372,636	86,705
	<u>6,095,179</u>	<u>5,722,543</u>

Investments comprise:

	2022 £	2021 £
The Unite UK Student Accommodation Fund	6,095,179	5,722,543
	<u>6,095,179</u>	<u>5,722,543</u>

11 Debtors

	2022 £	2021 £
Prepayments	103,492	27,562
	<u>103,492</u>	<u>27,562</u>

12 Creditors: amounts falling due within one year

	2022 £	2021 as restated £
Trade creditors	28,219	88,222
Accruals	56,476	80,878
Provision for grant commitments	1,084,364	905,292
	<u>1,169,059</u>	<u>1,074,392</u>

13 Creditors: amounts falling due after one year

	2022	2021 as restated
Provision for grant commitments	1,385,244	555,778
	<u>1,385,244</u>	<u>555,778</u>

The Unite Foundation

Notes to the financial statements

For the year ended 30 September 2022

14a Movements in funds (current year)

	At 1 October 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2022 £
General funds	(578,754)	1,918,340	(2,230,326)	-	(890,740)
Endowment fund	5,722,543	372,636	-	-	6,095,179
Total funds	5,143,789	2,290,976	(2,230,326)	-	5,204,439

14b Movements in funds (prior year)

	At 1 October 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 September 2021 as restated £
General funds	2,487,968	214,757	(3,281,479)	-	(578,754)
Endowment fund	5,635,838	86,705	-	-	5,722,543
Total funds	8,123,806	301,462	(3,281,479)	-	5,143,789

15a Analysis of net assets between funds (current year)

	General unrestricted £	Endowment restricted £	Total funds £
Investments	-	6,095,179	6,095,179
Net current assets	494,504	-	494,504
Creditors due after one year	(1,385,244)	-	(1,385,244)
Net assets at 30 September 2022	(890,740)	6,095,179	5,204,439

15b Analysis of net assets between funds (prior year)

	General unrestricted £	Endowment restricted £	Total funds as Restated £
Investments	-	5,722,543	5,722,543
Net current assets	(22,976)	-	(22,976)
Creditors due after one year	(555,778)	-	(555,778)
Net assets at 30 September 2021	(578,754)	5,722,543	5,143,789

16 Contingent assets

At 30 September 2022, the Trust has donation income which has been committed by Unite Students and entitled to be received in future academic years of £5.6m. This is in respect of future academic years where the conditions associated with entitlement of the donation have not yet been met. The timing of receipt of these donations are 2022/23 £1.8m, 2023/24 £1.9m and 2024/25 £1.9m.

17 Prior period adjustments

Reserves position	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	At 30 September 2021			At 1 October 2020		
	£	£	£	£	£	£
Funds previously reported	882,316	5,722,543	6,604,859	2,487,968	5,635,838	8,123,806
Adjustments on restatement						
Commitments for Student Rents	(1,461,070)	-	(1,461,070)	(4,043,480)	-	(4,043,480)
Funds restated	(578,754)	5,722,543	5,143,789	(1,555,512)	5,635,838	4,080,326
Impact on income and expenditure	Unrestricted	Restricted	Total	For the year ended 30 September 2021		
	£	£		£		
Net expenditure as previously reported	(1,605,652)	-	(1,605,652)			
Adjustments on restatement						
Commitments for Student Rents	2,582,410	-	2,582,410			
Net income as restated	976,758	-	976,758			

Details of adjustments

Commitments for Student Rents

The prior year figures are restated to recognise the full funding commitments made to scholars on their award which is up to 3 years. This has therefore increased provisions in prior years and decreased reserves and is now in line with the requirements of the Charities SORP.