



The Unite Foundation

Report and financial statements

For the year ended 30 September 2023

England and Wales 1198601 and Scotland SC051987

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Reference and Administrative Information

Charity number 1198601/SC043324.
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 and up to the date of this report were as follows:

Shân Wareing	Chair
Nicholas Miller	
Jenny Shaw	Resigned March 2023
Fiona Slaven	
Lloydette Bai Marrow	
Tracey Harrison	Resigned October 2022
Ian Adams	
Sunday Blake	Vice Chair
Moray Notman	
James Watts	
Nyomi Rose	Appointed October 2022
Lorna Cosgrave	Appointed October 2022
Jo Blair	Appointed June 2023
Sam Macrae	Appointed December 2023

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

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
LONDON – EC1Y 0TG

Trustees' Annual Report

The Trustees present their report and the financial statements for the year ended 30 September 2023.

The charity was operational from the 1st October 2022 following the transfer of net assets from the Unite Foundation Charitable Trust (charity number: 1147344) by a vesting deed signed 30th September 2022. Merger accounting has been applied, and therefore the comparative information for 2022 remains pertinent to the new entity.

The 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 any 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 Governance document 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 Unite Foundation 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 worked with 31 universities across England and Scotland during 2022/23, and the team works closely with Unite Students, the charity's accommodation partner and principal corporate donor. The charity has awarded 719 scholarships since 2012, and 341 Unite Foundation graduates are pursuing their dreams.

The charity 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 charity 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

154 students were on the scholarship during 2022/23 of which 123 were active in taking up a free tenancy that is at the heart of the scholarship benefit.

Achievements and performance

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

Charitable impact

Goals and outcomes – 2022/23

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: 100 additional scholarship awards are made possible for allocation in June 2023 through the ongoing support of Unite Students and third party match funders. New university partners are identified and a pilot scheme of three-way funding for awards is in place.

Outcome: 106 scholarship awards allocated in year, new university partners included University of London (and six member institutions), University of East Anglia, University of Nottingham, Northumbria University, Oxford Brookes University and University of York; all new partners contributed a third of anticipated costs being supported further by charitable entities Astra Foundation, Dulverton Trust and The Portal Trust.

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: To ensure a UK-wide coverage for the community in both content and membership; actively auditing and addressing identified gaps in inclusivity. The flag, as a symbol of care experienced and estranged students, will be visible in the policy space via community led activism.

Outcome: 700 members have joined the online Community space with in-person, student-led, events in London, Newcastle, Leicester and Leeds. Three student staff leaders act as 'catalysts' to support members in engaging with one another. A 'Sounding Board' of students informs and guides development within that space. There is representation in those leading roles from all four Nations and from protected characteristics groups highly represented in this Community including LGBTQ+ and disability. Students have engaged with policy and practice change by participating in a roundtable with the Department for Education.

In the latter part of the year, a brand exercise was launched to support awareness and visibility for care experienced and estranged students (of all ages) built around the flag; All of Us.



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.

Goals: 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-wide quality frameworks eg NNECL Quality Mark and StandAlone Pledge. Care experienced and estranged 'status' will be incorporated – alongside protected characteristics – on sector and institution level student surveys/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.

Outcome: The tour fell short of full number of locations and was predominantly university-led reflecting perhaps the undeveloped nature of care experienced and estranged student activism. Event evaluation captured principle outcomes to be of awareness but also self-disclosure; students sharing their status for the first time and thereby able to access support. Housing fragility is now reflected in the NNECL Quality Mark (the StandAlone Pledge is under review). Care experience flags were incorporated for the first time within the National Student Survey (NSS) and within the Student Academic Experience Survey (SAES) enabling analysis and, critically, comparison between student populations. This outcome, that will now continue annually, is the starting block for building actionable research informing the sector more widely. Organisations, including universities and Local Authorities, that offer similar accommodation-based interventions were audited by students in-year. Five universities and 28 Local Authorities have shared their commitment to paying term-time rent support for care leaver students; collating this evidence robustly will roll over into 2023/24.

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: Having engaged with key providers in the sector including Care Leaver Covenant, the DfE funded programme, it was clear that continuing this strand risked becoming a drain on charitable capacity with associated drift from the core mission of providing a #HomeAtUniversity. As such the Trustees agree to de-prioritise this objective.

Financial review for the year

The Unite Foundation CIO became operational on the 1 October 2022 following the transfer of net assets from the Unite Foundation Charitable Trust (1147344).

As the new CIO has the same trustees, activities and accounting policies of the former Trust, the accounts are prepared as if it is one continuing entity. As such the financial statements show the comparative information of the former Trust and present the financial information for the Trust and CIO in 2022 as if undertaken by the CIO. As a result the assets of the former Trust are presented as the CIO's reserves and therefore no actual transfer of assets is visible within the financial statements.

The CIO received total donation income of £1,971,636 in the year (30 September 2022: £1,718,471) and received total investment income of £195,978 (30 September 2022: 199,869) from its units held in an endowment fund.

The CIO had net assets of £4,768,826 as at 30 September 2023 (30 September 2022: £5,204,439). Details of the financial performance are set out in the Statement of Financial Activities. The CIO continued to receive donations from the Unite Group and income from its asset of units in the USAF Fund.

Reserves policy

The CIO 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 CIO free reserves with Trustees having agreed with confidence that liquidising units is within their authority and can be undertaken within a reasonable timescale. The Board has an assurance from Unite Students of being a preferred purchaser at market value plus a commitment to tail off funding for all named students.

The reserve targets are set to meet:

1. Charitable purpose – the ongoing charitable cost of named beneficiary scholarships to their full commitment. At 30 September 2023 this target stands at £3,227,334 (30 September 2022: £2,469,808). At 30 September 2023, £5,844,560 (30 September 2022: £6,095,179) is the value of 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 (2023/24) for each category. There is sufficient cash at bank to meet this requirement.

As at 30 September 2023 the endowment fund totaled £5,844,560 (30 September 2022: £6,095,179) and the general fund totaled negative £1,075,734 (30 September 2022: £890,740 negative reserves). Negative reserves are a consequence of recognition of future grant commitment with corresponding grant income reflected as a contingent asset (as at 30 September 2023 £3.8m) until entitlement requirement is reached at the outset of each financial year.

As at 30 September 2023, the Unite Foundation is in a net assets position with closing funds of £4,768,826 of which £2,180,217 represents working capital.

Related parties

Unite Students made a cash donation to Unite Foundation during the year of £1,853,636 (30 September 2022: £1,718,471). As at the end of September 2023 the USAF units were valued at £5,844,560 (30 September 2022: £6,095,179) and dividends received were £195,978 for the year to 30 September 2023 (30 September 2022: £199,869). Nothing is due from the charity to Unite Students in respect of this asset.

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

At 30 September 2023, £24,286 was due to Unite Students (30 September 2022: £28,219) in relation to reimbursed costs.

Trustees' analysis of key risks

The Unite Foundation's principal risks in 2022/23 revolved around security of income from grant and investment return plus 'perception' of income for external readers of the 2021/22 Annual Report given change at that time to commitment reporting. Within the year 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. This is mitigated by positive ongoing discussion with Unite Students on funding 2024 – 2027.
- + Reduction in investment value /return mitigated by opportunity to reduce project spend.

Going concern

A new entity 'The Unite Foundation CIO' was formed on 1 October 2022 and registered in England and Wales 1198601, Scotland SC051987. The Unite Foundation Charitable Trust that preceded it ceased to exist 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.

The financial statements have been prepared on a going concern basis which the Trustees believe to be appropriate for the following reasons. The charity holds an investment in the Unite UK Student Accommodation Fund (USAF) and is therefore not entirely dependent upon a recurrent donation from Unite Students for its income. In addition to the distribution income from USAF, Unite Students has provided the charity (and Trust preceding it) with a 3 year funding programme from academic year 2022/23 to 2025. 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 charity 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.

Fundraised income of £135,549 was received in year. This comprised £118,000 from charitable Trusts for the Home at University pilot, Additionally other income of £17,549 was received from community supporters including challenge type events and individual donations.

Plans for the future

1. A Home at University

- + Scholarship students and alumni speak for themselves (and on our behalf) about the value of a home at university
- + 24/25 scholarship awarding round with 25 universities partners offering 80 scholarship places – ensuring we continue to reach new young people and organisations
- + Maintain high levels of support for all scholarship students for 23/24, from room bookings to welfare support.

2. Community

- + Pilot opportunities for external stakeholders to engage community membership through paid opportunities
- + All of Us students speak for themselves and have platforms to reflect what is taking place in the Community.
- + Deepen engagement in the community, alongside growing reach, embedding the flag at the heart of this work

3. Removing Roadblocks

- + Increase student-facing information on rent guarantors, and the number of university-provided rent guarantor schemes.
- + Influence policymakers to consider accommodation support as an important tenet in addressing the HE outcomes gap for this student population.
- + Create & deliver training for students to organise and advocate for care experienced & estranged students.

Structure, governance and management

The Trustees meet quarterly to agree the broad strategy and areas of activity for the Foundation, including consideration of grant making, investment and risk management policies

and performance. 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.

There must be a minimum of three Charity Trustees, and a maximum of twelve. Every trustee shall be appointed by a resolution passed at a properly convened meeting of the Charity Trustees and shall serve for a period of three years from the date of their appointment. On expiration of their term of office they will be eligible for reappointment for a further three year term (up to a maximum of two consecutive terms) by majority decision of the remaining Trustees. In selecting individuals for appointment as Charity Trustees, the Charity Trustees have regard to the skills, knowledge and experience needed for the effective administration of the Charity.

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 charity is a Charitable Incorporated Organisation registered on 1 October 2022 in England and Wales 1198601, Scotland SC051987. It is governed by its constitution dated on registration. The Trustees signed a Transfer Deed on 30 September 2022 to enable the assets of Unite Foundation Charitable Trust (No 1147344) to be transferred to the successor charity Unite Foundation CIO. The Transfer took place on 30th September 2022.

Tasks relating to the transfer have been completed and Unite Foundation is placed on the Charity Commission list of mergers (03/02/23).

Trustee induction and training

The charity's 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
- + 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

Trustees are made aware of training opportunities provided by NCVO, ACF and other agencies on a monthly basis as part of regular communication and have access to the Chair to discuss development needs. The 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 and within the pay and reward policy framework.

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 6 March 2024 and signed on their behalf by

Shan Wareing
Chair

Independent auditor's report

To the trustees of

The Unite Foundation

Opinion

We have audited the financial statements of The Unite Foundation (the 'charity') for the year ended 30 September 2023 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 2023 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.

Conclusions relating to going concern

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

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

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

Independent auditor's report

To the trustees of

The Unite Foundation

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.

Independent auditor's report

To the trustees of

The Unite Foundation

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the

Independent auditor's report

To the trustees of

The Unite Foundation

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.

14 March 2024

Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

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

The Unite Foundation

Statement of financial activities

For the year ended 30 September 2023

	Note	Unrestricted £	Restricted	Endowment £	2023 CIO Total £	Unrestricted £	Endowment £	2022 TRUST Total £
Income from:								
Donations	2	1,768,549	203,087	-	1,971,636	1,718,471	-	1,718,471
Investments	3	195,978	-	-	195,978	199,869	-	199,869
Total income		1,964,527	203,087	-	2,167,614	1,918,340	-	1,918,340
Expenditure on:								
Charitable activity								
Grant making	4	2,242,513	238,333	-	2,480,846	2,230,326	-	2,230,326
Total expenditure		2,242,513	238,333	-	2,480,846	2,230,326	-	2,230,326
Net (expenditure) / income before net (losses) / gains on investments		(277,986)	(35,246)	-	(313,232)	(311,986)	-	(311,986)
Net (losses) / gains on investments		-	-	(250,619)	(250,619)	-	372,636	372,636
Net (expenditure) / income for the year	9	(277,986)	(35,246)	(250,619)	(563,851)	(311,986)	372,636	60,650
Transfers between funds		(46,419)	46,419	-	-	-	-	-
Net movement in funds		(324,405)	11,173	(250,619)	(563,851)	(311,986)	372,636	60,650
Reconciliation of funds:								
Total funds brought forward		(890,740)	-	6,095,179	5,204,439	(578,754)	5,722,543	5,143,789
Total funds carried forward		(1,215,145)	11,173	5,844,560	4,640,588	(890,740)	6,095,179	5,204,439

All of the above results are derived from continuing activities.

The CIO became operational on the 1 October 2022 following the transfer of net assets from the Unite Foundation Charitable Trust (charity number: 1147344) by a vesting deed signed 30th September 2022.

As the new CIO has the same trustees, activities and accounting policies of the former Trust, the accounts are prepared as if it is one continuing entity. As such the financial statements show the comparative information of the former Trust and present the financial information for the Trust and CIO in 2021/22 and 2022/23 as if undertaken by the CIO. As a result the assets of the former Trust are presented as the CIO's reserves and therefore no actual transfer of assets is visible within the financial statements.

The comparative column therefore states 'Trust' and the current year column 'CIO' throughout these financial statements. The 2021/22 figures for the statement of financial activities and related notes includes the results of the Trust to 30 September 2022 and the results of the CIO thereafter.

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.

The Unite Foundation

Balance sheet

As at 30 September 2023

	Note	£	2023 CIO £	£	2022 TRUST £
Fixed assets:					
Investments	10		5,844,560		6,095,179
			<u>5,844,560</u>		<u>6,095,179</u>
Current assets:					
Debtors	11	114,866		103,492	
Cash at bank and in hand		2,065,351		1,560,071	
		<u>2,180,217</u>		<u>1,663,563</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(1,456,117)		(1,169,059)	
			724,100		494,504
Net current assets					
Creditors: amounts falling after one year	13		(1,928,072)		(1,385,244)
Total net assets			<u>4,640,588</u>		<u>5,204,439</u>
The funds of the charity:	14				
Restricted income funds			11,173	-	
General funds		(1,215,145)		(890,740)	
Endowment fund		5,844,560		6,095,179	
Total unrestricted funds			<u>4,629,415</u>		<u>5,204,439</u>
Total charity funds			<u>4,640,588</u>		<u>5,204,439</u>

Approved by the trustees on 6 March 2024 and signed on their behalf by

Shan Wareing
Chair

The Unite Foundation

Statement of cash flows

For the year ended 30 September 2023

	2023 CIO £	£	2022 TRUST £	£
Cash flows from operating activities				
Net (expenditure)/ income for the reporting period (as per the statement of financial activities)	(313,232)		(311,986)	
Dividends from investments	(195,978)		(199,869)	
Increase in debtors	(11,374)		(75,930)	
Increase in creditors	829,886		924,133	
Net cash provided by operating activities		309,302		336,348
Cash flows from investing activities:				
Dividends from investments	195,978		199,869	
Net cash provided by investing activities		195,978		199,869
Change in cash and cash equivalents in the year		505,280		536,217
Cash and cash equivalents at the beginning of the year		1,560,071		1,023,854
Cash and cash equivalents at the end of the year		2,065,351		1,560,071

1 Accounting policies

a) Statutory information

The Unite Foundation CIO is an incorporated charity registered With the Charity Commission for England and Wales, registration number 1147344.

On 1 October 2022, the entire assets and liabilities of the Unite Foundation Charitable Trust (former charity numbers 1198601/SCO43324) were merged with the newly created Charitable Incorporated Organisation (CIO), Unite Foundation CIO (charity number 1147344). Accounting policy 1b explains the basis of accounting for the merger.

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.

Merger accounting

The trustees of the unincorporated charity decided to establish a CIO to take forward the charity's work. Nevertheless, the purposes and beneficiaries of the charity remained unchanged and the trustees also stayed the same. As such, the accounts have been prepared under merger accounting, as required under SORP section 27.

Merger accounting involves aggregating the assets, liabilities and funds of the combining charities and presenting them as though they had always been part of the same reporting charity. The reconstruction took place at the start of the current accounting period so the accounts have been prepared to include the results as a CIO for 2022/23 and the comparative year being that of the Charitable Trust.

The new CIO was registered with the Charity Commission on 12 April 2022 and remained dormant until the merger date of 1 October 2022. There were no changes in accounting policies or other adjustments required to the transferred assets and liabilities as a result of the merger. As such, the net assets and financial performance as reported in the statement of financial activities of the new CIO at the date of the merger are identical to those of the former entity.

1 Accounting policies (continued)

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.

d) Going concern

The Unite Foundation Charitable Trust ceased to exist on 30 September 2022 and 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 going concern basis. 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.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

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

Restricted funds are donations and other incoming resources received but are to be used for specific purposes as laid down by the donors. Expenditure which meets these criteria is charged to the fund.

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.

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.

1 Accounting policies (continued)

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 £	2023 CIO Total £	Unrestricted £	Restricted £	2022 TRUST Total £
Grants	1,768,549	203,087	1,971,636	1,718,471	–	1,718,471
	<u>1,768,549</u>	<u>203,087</u>	<u>1,971,636</u>	<u>1,718,471</u>	<u>–</u>	<u>1,718,471</u>

The Trust received total grant income of £1,971,636 in the year (30 September 2022: £1,718,471). This increase is a result of a commitment for 2022/23 grant funding being received during the year and restricted donations received for the Homes at University Pilot Scheme (£118,000) and a 10 year anniversary grant (£85,087).

3 Income from investments

	Unrestricted £	Restricted £	2023 CIO Total £	Unrestricted £	Restricted £	2022 TRUST Total £
Dividend income	195,978	–	195,978	199,869	–	199,869
	<u>195,978</u>	<u>–</u>	<u>195,978</u>	<u>199,869</u>	<u>–</u>	<u>199,869</u>

The Unite Foundation

Notes to the financial statements

For the year ended 30 September 2023

4a Analysis of expenditure (current year)

	<u>Charitable activity</u>			2023	CIO
	Grant making £	Governance costs £	Support costs £	Total	Total
				£	£
Staff costs recharge (Note 7)	-	-	279,321	279,321	
Communications	-	-	31,458	31,458	
Student rental payments	1,825,689	-	-	1,825,689	
Homes at Uni Pilot Scheme Payments	164,419	-	-	164,419	
10 year anniversary rental payments	73,914	-	-	73,914	
Research	-	6,636	-	6,636	
Other	44,593	-	25,346	69,939	
Auditor's remuneration – audit	-	11,927	-	11,927	
Other governance expenses	-	17,543	-	17,543	
	<u>2,108,615</u>	<u>36,106</u>	<u>336,125</u>	<u>2,480,846</u>	
Support costs	336,125	-	(336,125)	-	
Governance costs	36,106	(36,106)	-	-	
Total expenditure 2023	<u>2,480,846</u>	<u>-</u>	<u>-</u>	<u>2,480,846</u>	

4b Analysis of expenditure (prior year)

	<u>Charitable activity</u>			2022	TRUST Total
	Grant making £	Governance costs £	Support costs £	Total	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>	

5 Grant making

	Grants to individuals £	2023 CIO £	Grants to individuals £	2022 TRUST £
Cost				
Student rental payments	1,990,108	1,990,108	1,795,989	1,795,989
10 year anniversary rental payments	73,914	73,914	-	-
At the end of the year	2,064,022	2,064,022	1,795,989	1,795,989

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:

	2023 CIO £	2022 TRUST £
Auditor's remuneration (excluding VAT): Audit Current Year	9,950	8,658

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:

	2023 CIO £	2022 TRUST £
Salaries and wages	238,033	211,070
Social security costs	22,579	18,843
Other pension costs	18,709	15,916
	279,321	245,829

The charity received recharges for seven members of staff during the year (2022: seven).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). no charity trustee received payment for professional or other services supplied by the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £729 (2022: £135) incurred by members relating to attendance at meetings of the trustees.

8 Related party transactions

The Unite Foundation recognised £1,853,636 donation from Unite Students during the year (2022: £1,718,471).

The grant from Unite Students is utilised across all the Foundation's charitable activity with a significant proportion being spent upon tenancies within Unite Students accommodation buildings across the UK on behalf of beneficiary scholarship students.

In 2016, Unite Students 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 2023, the units have increased in value to £5,844,560 (2022: £6,095,179). Nothing is due from the Trust to the Unite Students in respect of this donation.

At 30 September 2023, £24,286 was due to the Unite Students (2022: £28,219) 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. A gift was made to a retiring trustee, Jenny Shaw, totalling £45 (2022: £135 incurred by the Chair relating to a membership of the Association of Chairs and Trustee for Photoshoot expenses) which was included within the total trustee expenses recorded in Note 7.

9 Taxation

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

10 Listed investments

	2023 CIO £	2022 TRUST £
Fair value at the start of the year	6,095,179	5,722,543
Net (loss) / gain on change in fair value	(250,619)	372,636
Fair value at the end of the year	<u>5,844,560</u>	<u>6,095,179</u>

Investments comprise:

	2023 CIO £	2022 TRUST £
The Unite UK Student Accommodation Fund	<u>5,844,560</u>	<u>6,095,179</u>
	<u>5,844,560</u>	<u>6,095,179</u>

11 Debtors

	2023 CIO £	2022 TRUST £
Prepayments	<u>114,866</u>	<u>103,492</u>
	<u>114,866</u>	<u>103,492</u>

The Unite Foundation

Notes to the financial statements

For the year ended 30 September 2023

12 Creditors: amounts falling due within one year

	2023 CIO £	2022 TRUST £
Trade creditors	24,286	28,219
Accruals	132,568	56,476
Provision for grant commitments	1,299,263	1,084,364
	<u>1,456,117</u>	<u>1,169,059</u>

13 Creditors: amounts falling due after one year

	2023 CIO £	2022 TRUST £
Provision for grant commitments	1,928,072	1,385,244
	<u>1,928,072</u>	<u>1,385,244</u>

14a Movements in funds (current year)

	At 1 October 2022 £	Income & gains £	Expenditure & losses £	Transfers £	CIO At 30 September 2023 £
Restricted funds					
Homes at University Pilot	-	118,000	(164,419)	46,419	-
10 year Unite Foundation birthday	-	85,087	(73,914)		11,173
General funds	(890,740)	1,964,527	(2,242,513)	(46,419)	(1,215,145)
Endowment fund	6,095,179	-	(250,619)	-	5,844,560
Total funds	<u>5,204,439</u>	<u>1,964,527</u>	<u>(2,493,132)</u>	<u>(46,419)</u>	<u>4,640,588</u>

The transfer from unrestricted to restricted funds related to the Unite Foundation funding of the Homes at Uni pilot. The narrative to explain the purpose of each fund is given at the foot of the note below.

Purpose of restricted funds

Homes at University Pilot – these funds were received from 3 charitable entities, Astra Foundation, Dulverton Trust and The Portal Trust to fund the Homes at Uni Pilot which partners with 6 new universities.

10 year Unite Foundation birthday – these fund were received from Unite Students for 20 extra scholars student rentals to celebrate the 10 year anniversary of the Foundation.

Purpose of endowment funds

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.

The Unite Foundation

Notes to the financial statements

For the year ended 30 September 2023

14b Movements in funds (prior year)

					TRUST
	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

Purpose of endowment funds

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.

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

	General unrestricted £	General restricted £	Endowment restricted £	CIO Total funds £
Investments	-	-	5,844,560	5,844,560
Net current assets	724,100	-	-	724,100
Creditors due after one year	(1,928,072)	-	-	(1,928,072)
Net assets at 30 September 2023	(1,203,972)	-	5,844,560	4,640,588

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

	General unrestricted £	Endowment restricted £	TRUST 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

16 Contingent assets

At 30 September 2023, the Trust has donation income which has been committed by Unite Students and entitled to be received in future academic years of £3.8m (30 September 2022: £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 2023/24 £1.9m and 2024/25 £1.9m.