

# Trustees' Annual Report and Financial Statements

For the year ended 31 July 2023



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# Table of Contents

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**Message from the team**

**Trustees' Report**

**Introduction and highlights – 4**

**Objectives and activities – 5**

**Achievements and performance – 11**

**Plans for future periods – 18**

**Environmental impact – 21**

**Financial review – 23**

**Structure, governance and management – 27**

**Trustees' responsibilities statement – 33**

**Independent Auditors' Report on the financial statements – 34**

**Statement of financial activities – 38**

**Balance sheet – 39**

**Statement of cashflows – 40**

**Notes to the financial statements – 41**

**Reference and administrative details of the charity, its Trustees and Advisers – 59**

# Message from the team

Reading this report, we feel a surge of excitement and pride about the incredible journey we're on together. This annual report isn't just statistics and figures; it's a celebration of the work of our Students' Association through embracing our diverse community of students and working together to create a welcoming and supportive environment.

Our ever-changing world does not come without challenge, and 2022 has seen plenty. We won't always get things right but we are committed to learning from every experience and embracing positive change. We're rewriting the playbook to make our Association truly student-led, giving more students a seat at the table. We aim to be bold and adaptable, ensuring our decisions are based on what students want and need from us.

Our mission is clear: to make a positive difference for ALL OU students. We are not just talking the talk; we're walking the walk, but we can't do it without you! You are our students, our members, and our priority! Our new strategy is a representation of these aims and we'd like to thank all the students who contributed to this, whether through our Annual Membership Survey, consultations, or through a volunteer role.

As we look ahead to the future, we cannot deny that the future will come with more challenges, in particular with a reduction to our main income streams, but we are resilient. With your passion, support, and involvement, we are confident that we'll come out stronger, using our resources in the most effective ways to enhance your student experience.

This annual report serves as a testament to our ability to evolve and adapt in the face of uncertainty and we are thankful to you all for being part of this journey.

With pride and ambition,



**Margaret Greenaway**  
OU Students Association  
President



**Beth Metcalf**  
OU Students Association  
Chief Executive Officer



**Mark Price**  
Board of Trustees  
External Chair

# Introduction and highlights

The Trustees present their annual report together with the audited financial statements for the 1 August 2022 to 31 July 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trustees confirm that the Annual Report and consolidated financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

## Highlights of the year include:



### Aug. 22

- New Student Leadership Team (SLT) take their posts to begin their two-year term.



### Sept. 22

- The Environment and Sustainability Working Group was launched to support the Association's sustainable future.



### Nov. 22

- 75 students stood in a record-breaking bye-election to fill 6 additional SLT roles.



### March 23

- The [Student Issues tool](#) is launched to allow the Association to further hear from OU student voices.



### July 23

- A brand new strategy is confirmed to lead the Association into the future.
- Wrote to DfE with evidence to support extension of maintenance loans for PT distance learners.

# Objectives & Activities

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The Association's purpose is the advancement of education of students at The Open University (OU) for the public benefit. Our charitable objects are:

- defending the principles of equal opportunity and of open access to the University regardless of academic qualifications or financial circumstances.
- promoting the interests and welfare of students and representing and supporting them during their studies.
- acting as the recognised, representative channel between OU students, the University and external bodies.
- asserting the right of all students to be heard and acknowledged by the University.
- providing social, cultural and recreational activities for the personal development of OU students.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

## Aims

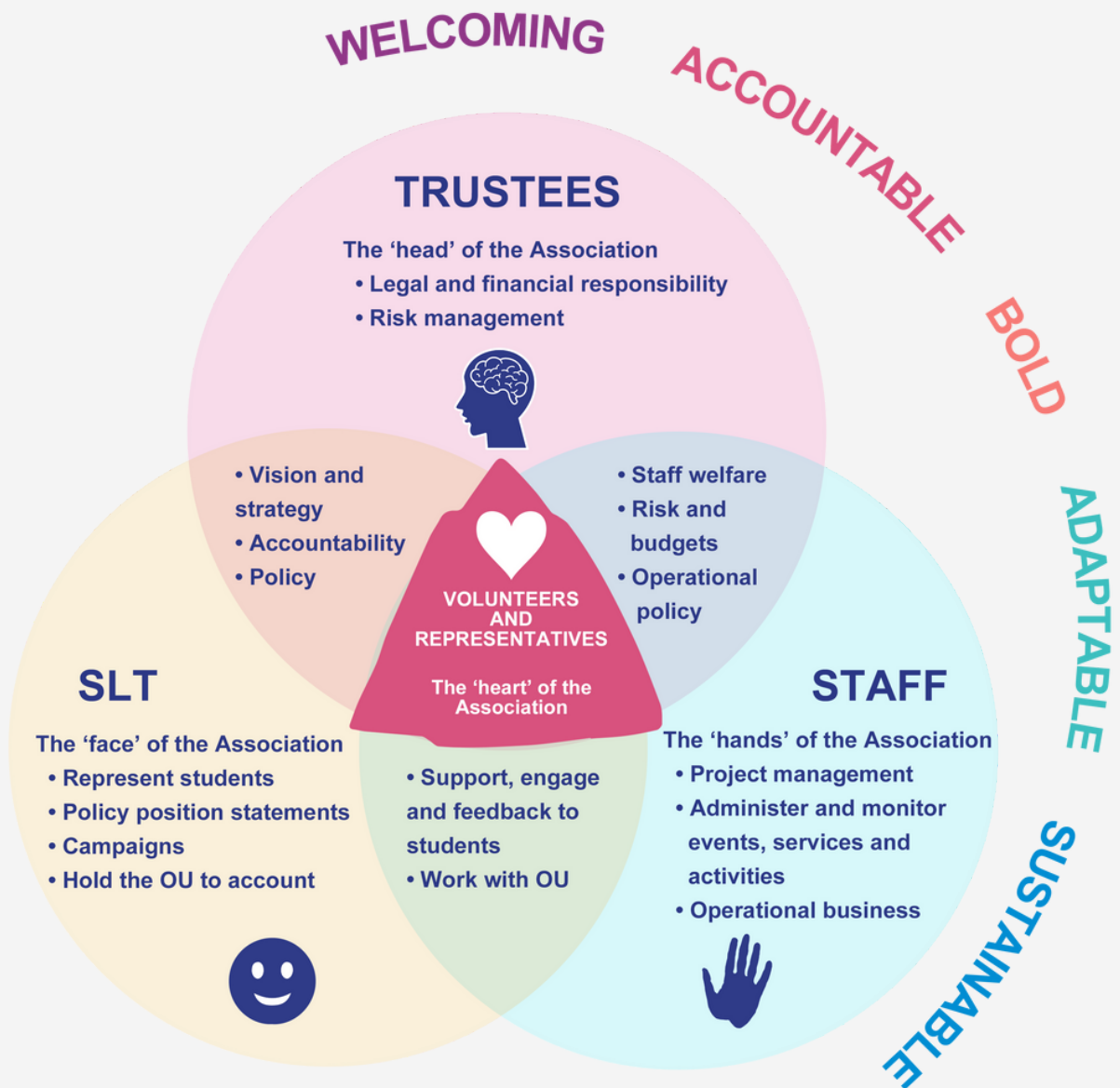
Our primary aims, in line with our charitable objects, are to defend the principles of equal opportunity and open access to OU study and to improve the quality of the student experience for all those who study with The Open University. We believe that Open University students have a unique and distinct contribution to make toward the development of the University and its ability to fully meet the aspirations of its students.

We focus our endeavours on activities that underpin our mission statement to make a positive difference for all OU students.

We work to represent the student voice through both the University's formal governance structures and through partnership working with University staff across the breadth of University services that impact on the quality of the student experience. We also facilitate the development of a vibrant student community in which students can come together to share experiences, socialise and support each other.

We are committed to work to ensure access to OU study for the widest possible spectrum of the public and further to work to ensure that all those who register as students have the necessary support to enable them to succeed. Central to our aims, objectives and activities is therefore working with the University to further its mission to be open to people, and in particular to offer the prospect of higher education to those members of the public who may otherwise be among the least likely to have that opportunity.

## A depiction of the overarching structure and values of the Association:



# Strategy for objective achievement

## Student Leadership Team priority areas

The Student Leadership Team (previously the Central Executive Committee) elected for the 2022-2024 term quickly set to work on coordinating their manifesto pledges, aligning these with the overall strategic plan to agree their priorities.

As this was the final year of the 2019 to 2023 strategic plan these priority areas, together with feedback from students via our Annual Membership Survey (November 2022), input from students who attended OU student consultations (March 2023) and from other stakeholders have informed our strategic planning for the four year period 2023 to 2027.



1

### REPRESENTATION

Increase the influence of student views and experiences at all levels of the University and beyond.

2

### COMMUNITIES & ENGAGEMENT

Enhance the student experience by creating more spaces for students to engage with each other.



3

### ASSOCIATION AWARENESS

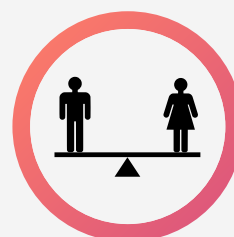
Increase the awareness of the Association, its services, and opportunities through timely and relevant communications.



4

### EDI & ACCESSIBILITY

Promote equality, diversity and inclusion with the Association, and alleviate barriers in accessing University services and support.



# Changes to how the Student Leadership Team works

For the 2022-24 term, significant changes have been introduced to enable the Student Leadership Team to function more effectively, deliver on their priorities, and work as a team. Additional changes have followed that have complemented this approach.

The focus of the quarterly executive Student Leadership Team meetings has increasingly been on making progress in each of the four priority areas – Representation, Association Awareness, Communities and Engagements and Equality, Diversity and Inclusion (EDI) and Accessibility. This means that these meetings have been much more focused on student issues and introducing changes to benefit students than on operational matters, as had previously been the case.

With these changes in mind, we changed the way that the Student Leadership Team’s quarterly reports are structured. Now, a single report is published on the OU Students Association website providing an overview of the team’s activity and progress in the priority areas. This makes the information much more concise and relevant to students.

The new ‘Student Issues’ page on the Association website keeps the Student Leadership Team engaged with the current issues affecting students. The top issues, as voted on by students, are discussed at each quarterly meeting, with agreed actions being reported back via the website and to future meetings to provide accountability.

These changes and the production of a clear scheme of delegation have created real clarity in the difference in focus between the roles of the Student Leadership Team, and the Board of Trustees.

You can read more about the activities undertaken to progress these areas, as well as other key activities in the “Achievements and Performance” section starting on page 11.



# Volunteers

**We are proud to be an organisation for students, led by students.**

Our student volunteers range in their roles, responsibilities, time commitment and duration but they are all a fundamental part of our achievements and make a major contribution to all that we do.

Our volunteers also further their own personal and professional development from their involvement in our work, which will benefit them in their future lives and their own communities as a significant public benefit. Many volunteers of the Association have told us they have gone on to find their first jobs after volunteering with the Association and some past executive members are now employed by the University following the experience gained, and networks built.

We invest resources in the recruitment, training and retention of students willing and able to make a significant contribution to our work. Emerging from the Covid 19 pandemic into a cost-of-living crisis has however presented some challenges with fewer students taking up volunteering opportunities and/or continuing for the duration of the role. Our year-on-year tracking showed that 227 volunteers were active in roles in June 2023 compared to 297 in 2022.

This reflects changes in our service offerings, and a reduced number of students able to support with graduations due to Covid, however we were pleased to start seeing an increase in these numbers for Summer 2023. We will continue to monitor and adapt to ensure we are offering volunteering opportunities of mutual benefit.

We pay reasonable expenses to volunteers to enable them to fulfil their roles. The President and Deputy President were employees of the Association during the year. However, they are not paid for their duties as Trustees and continue to perform Trustee duties on a voluntary basis.



**“The best thing is knowing what difference you’ve made to other students. I get a lot of praise and it’s good to know that I’m appreciated.”**

**Association Volunteer**

# Investors in Volunteering

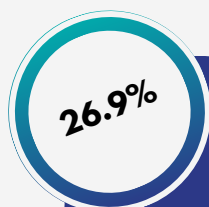


Following our triennial re-assessment we retained the Investing in Volunteers quality standard, first awarded in July 2019. This recognises our commitment to induction, ongoing training and support for our volunteers as well as the high level of enrichment this provides for students who choose to take up volunteering opportunities.

The week-long assessment took place in February with input from Leadership, student volunteers and Association staff members. Comments were taken from volunteers including:

'I feel part of the team, there's no division between staff and volunteers, we're all working together'.

- Association volunteer



There was a considerable improvement in online events and meet-ups run by volunteers between December 2022 and June 2023, with numbers rising 26.9% from 263 to 334.



Students who have become members of clubs and societies has risen since December 2022, growing from 7,938 to 8,018 members.

# Achievements and performance

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## Charitable activities

We are proud to be a key part of the Open University community and defenders of the original mission of the Open University to be open to people, places, methods and ideas. Here are some of the ways we have worked towards the achievement of our objectives in 2023- 2024.

- 01 — **Student Representation**
- 02 — **Communities and Engagement**
- 03 — **Association Awareness**
- 04 — **Support - EDI and Accessibility**

“It’s been amazing to work with students at every stage of our initial Action Plan, from the in-depth feedback at our Student Voice Week session to the valuable input of our dedicated volunteers. We are looking forward to further collaboration as we move ahead into our short-term goals.”

**Association Volunteer**





## Student Representation

An early high priority for the Student Leadership Team was to advocate within the OU for greater support for students with financial challenges, to which the OU responded positively by relaxing the criteria for the Student Assistance Fund to allow support for cost-of-living related pressures.

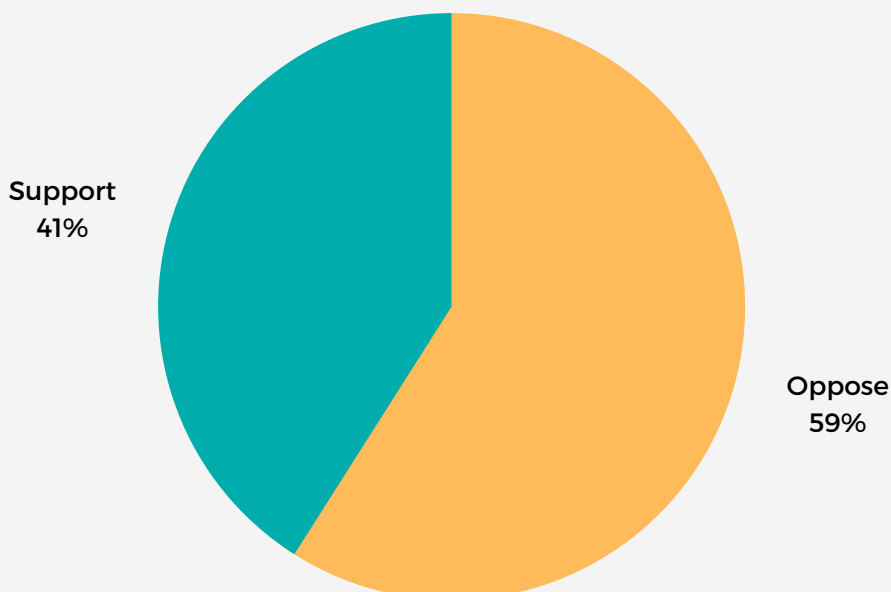
The Association put forward a student contribution to the OU's 2023 Teaching Excellence Framework (TEF) submission, which involved a series of focus groups and a survey of OU students to include their perspectives and experiences in the final output.

### Marking boycott poll

Following a string of personal requests to the Association for support from students impacted, an informal poll of students to gauge feelings regarding the OU's marking and assessment boycott, the Association decided to stand against the boycott.

The results of the poll that received 12,431 votes, together with personal stories from students helped inform our conversations with both the University and UCU. Following the poll, we were able to strongly advocate for students with both the OU and with UCU to establish additional support which could be put in place and how to best communicate this with students.

### What position would you like your Association to take on the Marking and Assessment boycott?





## Student Representation

In July, our Vice President, Equality, Diversity and Inclusion Natalie Baker, attended and gave evidence to a roundtable event on Student Experiences: Transferrable Skills, Social Inclusion and Accessibility. This event was the first evidence session of three we hope to be involved in, kicking off the [Higher Education Commission's](#) inquiry into Blended Learning.

The session covered a range of topics that impact accessibility, and the issues that students are facing that affect their ability to engage with study. Natalie was able to ensure that the unique experience of OU students was a part of the conversation.



“It was great to be a part of the conversation on how learning can be future proofed and always open and accessible for everyone.”

**Natalie Baker, Vice President EDI on the roundtable event**

During June and July, the President and Deputy President gathered signatories from elected student leaders from student unions across England to an open letter that called on the Ministers for Education and Higher Education to:

- Extend access to the Childcare Grant to part-time students,
- Extend access to Parents' Learning Allowance to part-time students; and
- Extend the eligibility criteria for maintenance loans to include part-time students who complete their studies via distance-learning.

The open letter was sent to the Department of Education (DfE), as well as their shadow cabinet counterparts at the beginning of August with over 50 signatures from student leaders from 27 different student unions. We have yet to have a response but are working closely with the OU external affairs team on opportunities to continue this conversation.



# Communities and Engagement

We are continuing to explore opportunities to ensure the nations are considered in all event planning to reach as many of our students as possible.

The Association awarded more grants to clubs and societies this year than ever before. In accordance with our Bye-Laws, affiliated Societies may apply to the Societies Committee for grants to support particular activities, projects or expenditure that furthers the Association's Charitable Objectives. These grants help clubs and societies to grow and provide better community experiences for OU students.

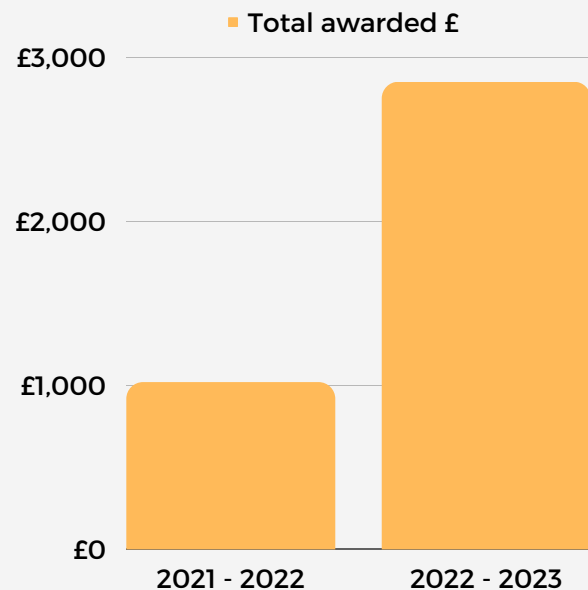
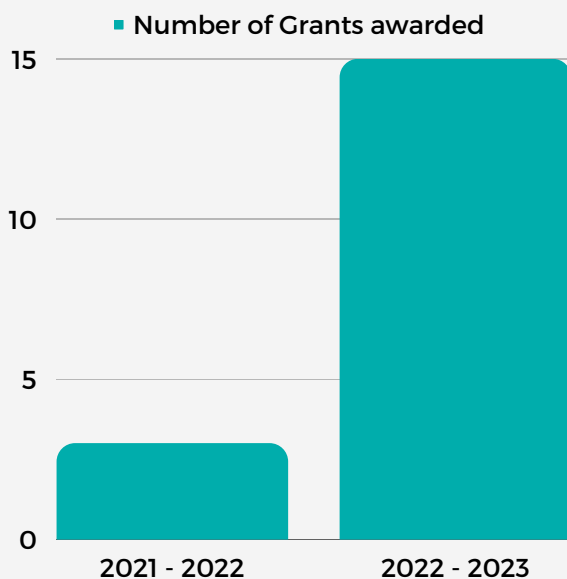
The Student Leadership Team were determined to raise awareness of the availability of the grants so that more students could benefit from engaging with students with similar interests. In 2022-2023, 15 grants were awarded, a total of £2,850. compared with 3 grants in 2021-2022, totalling £1,018.

2022 saw the launch of Tutor Awards to recognise the dedication of OU Tutors, with 175 students putting forward nominations.

The winners received their awards at our Freshers event on campus in October. In 2023, we received a massive 738 nominations.

The judging panels, comprised of volunteers and Faculty Representatives will be meeting over the summer to determine a winner in each of the four faculties, plus Open and Access.

October 2022 saw the return of face-to-face Freshers events in Milton Keynes and in January 2023, the Association held a joint Freshers event in Cardiff, with the OU in Wales.





## Association Awareness

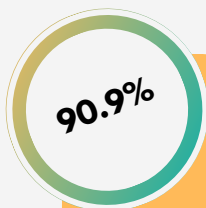
To help students better understand the work of those elected to represent them, we publicly changed the name by which the President, Deputy President, Vice Presidents, Faculty Representatives, Area Representatives and Council Member are collectively known from the Central Executive Committee (CEC) to the Student Leadership Team (SLT).

Student Leadership Team reviewed its quarterly reporting to make sure students are informed on what their elected representatives have been working on at University level, nationally and within the Open University's student community. A summary of the work is published on the website.

Quarterly Student Leadership Team meetings have been live-Tweeted in order to be more transparent and enable students to follow the discussions that their elected leaders are having on their behalf.

### Freshers Fortnight

Freshers Fortnight is an opportunity for both new and continuing Open University (OU) students to engage with fellow students, take part in events and activities, and learn about the Association. The event takes place September - October and January - February in line with Open university student intakes.



**The percentage of students who agreed with the statement:**

**'I felt that the Freshers Fortnight reflected the Students Association's commitment to inclusivity and diversity' (Sept - October Freshers Fortnight 2022)**



**"I was blown away by some of the sessions... To be able to convey that sense of community online is brilliant in my eyes when you are studying from home. So well done to you all."**

**Student survey feedback from Freshers Fortnight January - February 2023**



# Support: EDI and Accessibility

## The Student Advice and Individual Representation Service continues to grow.

The pilot funding from the OU ceased in July 2023, but the Board approved funding from reserves to continue the service until at least July 2024 due to evidence that members value this service. Our two part time student advisors have supported 178 individual student cases between 1 August 2022 and July 2023.

<b>AUGUST</b>	13 new cases <ul style="list-style-type: none"> <li>• 1 complaint</li> <li>• 2 result appeals</li> <li>• 3 plagiarism</li> <li>• 7 general enquiries</li> </ul>	<b>SEPTEMBER</b>	12 new cases <ul style="list-style-type: none"> <li>• 3 complaints</li> <li>• 2 appeals</li> <li>• 1 plagiarism</li> <li>• 6 general enquiries</li> </ul>	<b>OCTOBER</b>	11 new cases <ul style="list-style-type: none"> <li>• 3 complaints</li> <li>• 5 appeals</li> <li>• 1 plagiarism</li> <li>• 2 general enquiries</li> </ul>	<b>NOVEMBER</b>	18 new cases <ul style="list-style-type: none"> <li>• 2 complaints</li> <li>• 3 appeals</li> <li>• 4 plagiarism</li> <li>• 9 general enquiries</li> </ul>
<b>DECEMBER</b>	9 new cases <ul style="list-style-type: none"> <li>• 5 complaints</li> <li>• 2 CDC cases</li> <li>• 2 general enquiries</li> </ul>	<b>JANUARY</b>	12 new cases <ul style="list-style-type: none"> <li>• 3 complaints</li> <li>• 2 plagiarism</li> <li>• 7 general enquiries</li> </ul>	<b>FEBRUARY</b>	16 new cases <ul style="list-style-type: none"> <li>• 6 complaints</li> <li>• 2 plagiarism</li> <li>• 8 general enquiries</li> </ul>	<b>MARCH</b>	11 new cases <ul style="list-style-type: none"> <li>• 6 complaints</li> <li>• 1 plagiarism</li> <li>• 3 general enquiries</li> </ul>
<b>APRIL</b>	7 new cases <ul style="list-style-type: none"> <li>• 1 plagiarism</li> <li>• 1 CDC case</li> <li>• 5 general enquiries</li> </ul>	<b>MAY</b>	10 new cases <ul style="list-style-type: none"> <li>• 5 complaints</li> <li>• 3 plagiarism</li> <li>• 1 appeal</li> <li>• 1 general enquiry</li> </ul>	<b>JUNE</b>	17 new cases <ul style="list-style-type: none"> <li>• 8 complaints</li> <li>• 6 appeals</li> <li>• 2 plagiarism</li> <li>• 1 CDC case</li> </ul>	<b>JULY</b>	42 new cases <ul style="list-style-type: none"> <li>• 12 complaints</li> <li>• 5 appeals</li> <li>• 18 plagiarism</li> <li>• 6 general enquiries</li> </ul>



“The staff at student advice have been amazing at helping me through the complaints process, having issues with a tutor left me feeling very frustrated, angry and emotional...”



“Thank you so much for calling me yesterday and listening to my concerns. Your support and help throughout has been so compassionate, understanding and completely relevant to my case...”





# Support: EDI and Accessibility

## Groups review

A thorough groups review was undertaken to support sustainability of our support groups for students with protected characteristics who would benefit from additional support from peers.

It is important to recognise that as student graduate, many also leave our groups, showing that despite some small increases, we are maintaining steady membership numbers.

## ■ Disabled Students Group

Our Disabled Students Group (DSG) membership has risen to 1082 members from 1053 in 2022.

## ■ OU Pride

The Association's LGBTQ+ group memberships rose from 604 to 609 members.

## ■ Black, Asian & Minority Ethnic Group

Memberships for this group increased from 171 to 174 in 2023.

## OU Wales

We also worked with the OU in Wales to provide 3 year TOTUM discount cards for qualifying students, funded by a Higher Education Funding Council for Wales (HEFCW) grant.



“The extra funding from the Welsh Government is a welcome boost in the middle of a cost-of-living crisis. We have been delighted to work collaboratively with the OU in Wales on ideas to help support students in Wales. In particular, we were keen for this to have a longer-term benefit and are delighted that 700 students will be able to save money over a number of years, assisting with the burden of the cost-of-living crisis”.

**Gareth Jones, Deputy President**

# Plans for future periods

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At their July meeting, the Senior Leadership Team set out their priorities for the second half of their term of office for each of their four priority areas – EDI and Accessibility, Association Awareness, Representation and Communities and Engagement. This will include:

- Maintaining a focus on resolving key issues for students including ensuring language used is accessible to all, involvement in a new process being developed by the OU to provide students with access to tutorials with their own tutor and to share information with students regularly on how they can access support.
- Developing an EDI newsletter, to present at conferences on EDI considerations in particular for distance learners and we are developing an action plan to support transgender students.
- In recognition of the importance of the Tutor-Student relationship and on the key role volunteers play in our organisation, Tutor Awards and volunteer recognition events will be built into a cyclical calendar.
- Ensuring all students are aware of the support and services available from their Students Association and so will continue to work with the OU to promote these through a presence on OU module websites and via the OU study app.
- Campaigning for improved Student Finance issues for part time distance learners. The President and Deputy President had a [blog published](#) recently on the WonkHE website, drawing attention to the campaign and raising awareness of the issues involved.
- Opportunities for members to engage in shaping the future of their Students Association by standing for election, voting in the elections for representation for the 2024–2026 term and/or participating in Conference – a range of events and opportunities for students to contribute to discussion to inform future decision-making.
- Moving forward with the development of an Association Environmental and Sustainability policy, collecting information on the Association’s Carbon Footprint and working with the University on Responsible Futures Accreditation.

# Association strategy 2023 - 2027

## Mission

To make a positive difference to all OU students.

## Vision

### Your Students Association will:

- Empower a student voice that is strong and effective in representing the diversity of our members.
- Work collaboratively with the University to ensure that students are at the centre of decision making.
- Build an inclusive community which nurtures a sense of pride and belonging.
- Provide relevant, quality services which enhance the student experience.

## Strategic aims and objectives

- **Create a welcoming environment and champion accessibility for all**
  - Create flexible and relevant engagement opportunities that cater for all students.
  - Provide safe online spaces for groups of students to interact.
  - Prioritise equity, diversity, inclusivity, and accessibility at all levels of decision-making.
- **Increase engagement through evidence-based decision making**
  - Improving the relevance of our activities & services.
  - Increase the reach of our activities & services.
  - Enable students to guide our decision-making through effective listening and consultation.
- **Enable students to lead, represent and advocate**
  - Create mechanisms and processes that facilitate effective student leadership.
  - Increase awareness of the impact of student leadership.
  - Empower students to Influence decisions that impact their student journey.
- **Embrace change to ensure we are future facing and sustainable**
  - Modernise our identity and offering to OU students based on their need.
  - Embed environmental sustainability across Association work.
  - Develop digital infrastructure to provide an inclusive remote student union experience.

# Association values 2023 - 2027



1

## WELCOMING

We ensure every student feels welcome and supported whilst celebrating diversity, embracing all backgrounds, and fostering a sense of belonging.

2

## ACCOUNTABLE

We are accountable to our members and actively work toward their best interests.



3

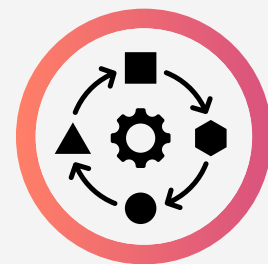
## BOLD

Empowering people to be creative and ambitious in their actions, whilst striving to improve the experience of all our members.

4

## ADAPTABLE

We are dynamic in meeting the needs of our diverse members and reactive to changes that affect their experience.



5

## SUSTAINABLE

Ensuring we are responsible in our activities, safeguarding the future of the Association and promoting a positive environmental impact.

# Environmental impact

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## Association Environmental and Sustainability Working Group

The Open University Students Association is committed to working towards environmental sustainability.

Following consultation with students during Student Voice week in November, the Association's Environmental and Sustainability Working Group launched its action plan, organised into four strands:

1

### IMPACT

Reduce and mitigate the impact the Students Association has on environmental sustainability through its working practices.

2

### ENGAGEMENT

Encourage students to engage in, think about and contribute to our goals for this group and environmental sustainability more broadly.

3

### POLICY

Create a Students Association Policy on Environmental Sustainability.

4

### THE UNIVERSITY

Establish the Association's position on the OU's actions relating to environmental sustainability.

'Being a part of the Environment and Sustainability Working Group has given me confidence in my potential to contribute to a team and make an impact in society...I have been able to step outside of my comfort zone, while opportunities provided by the group, like Carbon Literacy training, have taught me invaluable environmental knowledge and analytical skills.'

Association volunteer



Hybrid working and meeting practices are supporting delivery on the actions plan. The Association however recognises that sometimes there is value in staff and/or volunteers coming together in-person. In July, therefore, the Board reviewed its Travel and Subsistence policy to encourage environmental considerations, as well as those related to cost and convenience when making decisions to travel on Association business.

The Group has also launched an Environment and Sustainability hub to include news on their work, an ideas bank where students can share their ideas on actions individuals can take for the environment and sustainability and links to various resources.

In April, the Group considered the results of the People and Planet University League, in which the Open University was placed 116th (27 places up from 2021-2022). With its action plan, the group is working collaboratively with the University to make improvements, in particular, in the four key areas in which the University scored 0%:

■ **Policy and strategy**

■ **Managing Carbon**

■ **Environmental Auditing and Management Systems**

■ **Sustainable food**



It's been amazing to work with students at every stage of our initial Action Plan, from the in-depth feedback at our Student Voice Week session to the valuable input of our dedicated volunteers. We are looking forward to further collaboration as we move ahead into our short-term goals."

**Lou Robinson, Vice President Engagement and Co-chair**

# Financial review

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## Principal Funding Source

The Open University is the main source of funding for the charity, by way of a subvention to meet our core operating costs. Any additional funding requests require a costed business case to be submitted to the University for consideration. The process of agreeing the subvention is set out in the OU-OU Students Association Relationship Agreement. The financial statements are provided to the University and are considered by the University's Finance Committee and governing Council.

The Charity's total income and expenditure for the year is summarised in the following table, showing the movement in the pension deficit recovery provision separately, to facilitate year on year comparison of operating income and expenditure:

	2022 – 2023 £'000	2021 – 2022 £'000
Operating Income	2,284	2,168
Operating Expenditure	-2,127	-2,024
<b>Net Operating Income</b>	<b>158</b>	<b>144</b>
Pension Deficit Movement	405	-864
Total movement of funds	563	-720

The 2022-2023 Subvention Grant increased by 4% to £1,942,000 (2021-2022 £1,865,000).

In addition, the University agreed to fund the Individual Representation pilot for a further year with an allocation of £53,010 (2021-2022 £52,000).

The Association has also benefitted from bank interest rate increases since December 2022, placing surplus funds in fixed term Treasury Deposits with NatWest.

Operating expenditure in 2022-2023 increased by 5% compared with 2021-2022. This was less than anticipated due mainly to staffing vacancies at various times during the year, including interim arrangements in the Senior Management team being extended to allow for a comprehensive review of organisational needs. Savings have also been realised through the continuation of hybrid working and meeting policies, whereas we had planned for a return to pre-Covid levels of in-person activity. Offsetting some of these savings was the additional cost of the staff pay award, part of which was implemented early from February 2023, in light of exceptional challenges created by cost of living pressures.

## Reserves Policy

Trustees review their reserves policy annually and, through the year, monitor the level of unrestricted funds that are freely available to spend on any of the Association's charitable purposes.

The aim of the policy is to ensure that charitable funds are spent on charitable purposes within a reasonable period of receipt, whilst ensuring the level of reserves is sufficient to safeguard financial stability in the event of a significant adverse effect on income or material unexpected expenditure.

Unrestricted funds are defined as the surplus remaining of the Association's income, comprising donations without restrictions (including the University block grant) or self-generated (including trading income, TOTUM card commission, charges for services), after accounting for all associated expenditure. They exclude funds that could only be realised by disposing of fixed assets.

Designated funds are part of unrestricted funds which Trustees have earmarked for a particular project or purpose, without restricting or committing the funds legally. The Trustees may cancel the designation if they later decide that the Association should not proceed or continue with the purpose or project for which funds were designated.

Trustees have agreed that the minimum level of unrestricted reserves should be three months of operating costs, and that the target level be set at six months of operating costs. For 2023-2024, the minimum level for the unrestricted reserve is £490,000.

As of 31 July 2023, the Association's total unrestricted fund is £919,288. after setting off the provision for pension deficit recovery (see note 17 and 23).



The unrestricted fund, before off-setting the long term provision relating to the USS pension deficit recovery, is £1,796,713. The provision (£877,425) is made in accordance with the scheme requirements and is repayable, as part of the monthly employer pension contributions, over 15 years to April 2038. This is unlikely to affect our cash reserves to the extent the provision suggests as the deficit recovery provision is part of the employer pension contribution provided for in our annual budget and supported by our subvention grant from the University, increased annually in line with inflation. Accordingly the Board accepts the current level of total unrestricted funds is reasonable but will keep this under review.

From the unrestricted reserve, £161,000 is designated, to fund projects and other fixed term costs in 2023-2024 to support progression of our strategic objectives.

In determining an appropriate level of reserve, the Association has considered the following factors:

- The Association's critical core services for students.
- The level of risk in depending on the University for a continued core grant representing the vast majority of the Association's income.
- Flexibility to allow the Association to take advantage of strategic development opportunities and plan for future growth.
- Uncertainty over potential liabilities in respect of our participation in the Universities Superannuation Scheme and future increases in the rate of employer contributions.
- The level of risk from our other income sources.
- The level of risk of unforeseen operating costs.
- Provision for the costs of closure in the event of institutional failure.

## Material Investments Policy

The Association's funding needs are largely met by subvention funding negotiated with the University on an annual basis. Therefore, we do not rely on a return on reserves to fund our operations.

Trustees reviewed their investments policy in January 2023, the key objectives of which are:

- The Open University Students Association seeks to produce the best financial return that can be generated from low risk investments.
- The bulk of funds will be held as cash/cash equivalents, to ensure sufficient funds are readily available to meet unanticipated cashflow requirements.
- If supported by cashflow forecasts, the Association may invest in longer term deposits or funds offering a higher yield, with the aim of generating a return in excess of inflation, over the longer term, to preserve the overall value of the asset.

As of 31 July 2023, £1,500,000 of surplus funds are invested in Treasury Fixed Deposits with NatWest in tranches of between £100,000 and £500,000 for up to 6 months, with staggered maturity dates. These deposits earn a higher rate of interest than in our overnight instant access deposit account, although rates are still below inflation, meaning that the real value of our reserves is declining.

We will always ensure that any investment decisions are consistent with the Association's mission, vision and values and support the furtherance of our charitable objectives and strategic aims.

## Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

The Association's subvention grant from the University for 2023-2024 has been confirmed as £2,046,000, a 5.35% increase in the 2022-2023 core funding allocation.

The University notified the Association in February 2023 of a 4-year plan to reduce spending to enable a return to operating surplus by August 2026. The Association has been asked to work towards annual savings of £265,000 - £166,000 in 2024-2025 and a further £99,000 in 2025-2026. Our cash reserves will support these cuts in the short to medium term. We have made considerable progress towards sustainable savings, through both a full review of spend and work with the staff team to make voluntary reductions in contracted working hours.

Alongside our preparations for a reduction in funding, the Association monitors its external environment and is mindful of the potential impact of cost of living pressures. As an organisation, we are largely protected due to our relationship with the University. In our planning, we have taken into consideration increased costs in areas where we are exposed to increasing inflation, for example, meeting and activity costs requiring travel and/or accommodation for our staff and volunteers. We have also reviewed the merchandise we sell in our Online shop, making decisions not to re-stock some items. Where increased supplier pricing has significantly reduced profit margins, some product lines have been assessed as untenable, where the required increase in selling price would no longer be cost effective for customers.

The Association's revenue earned from merchandising has more than covered its direct costs, contributing to the Association's overheads. Although turnover generated by online sales declined further in 2022-2023, revenue earned at graduation ceremonies more than compensated so that total income from trading is in line with that earned in 2021-2022.

# Structure, governance and management

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## Constitution

The Open University Students Association is a charitable company limited by guarantee, registered with Companies House (12031028), with the Charity Commission (England & Wales), (1183837) and with the Office of the Scottish Charity Regulator (OSCR), (SC049546).

## Nature of Governing Document – Articles of Association

We are a student union within the meaning of the 1994 Education Act and are therefore subject to the provisions of that legislation as well as to the requirements of company law and our charitable registration. As a charitable company limited by guarantee we are governed by our Articles of Association, below which a set of Bye Laws detail much of the day to day operation of the charity. Our governing documents are publicly available on our [website](#).

## Method of Appointment or Election of Trustees

During the year there were 12 places on the OU Students Association Board of Trustees.

The majority of the places (9 of the 12) are reserved for current OU students who are elected to the Board. The full composition is as follows:

Three are ex-officio student members by virtue of their election to the Association Officer roles of President, Deputy President and Vice President Administration. These are known as Officer Trustees.

There are 6 additional Student Trustees, who stand for election directly to the Board of Trustees.

The final 3 places are for External Trustees who are directly recruited via external advertisement to add certain skills or experience to the Board from their professional backgrounds.

The Board audits the skills required and these are sought through an open recruitment process. Applicants are interviewed by existing Trustees with the support of the Chief Executive before preferred candidates are recommended by the Board to our Central Executive Committee (aka Student Leadership Team) for appointment via a 75% majority vote. External Trustees must not be members of the Association, nor hold any elected or paid position within either it or the Open University.

An External Trustee currently serves as the Chair of the Board, with our President serving as the Deputy Chair.

The year to 31 July 2023 was the first year of the current elected Trustee term. The OU Students Association operates terms of two years for Trustees. External Trustees are not subject to re-election and can be reappointed by the board for up to 4 terms.

We began the year with two External Trustee and one Student Trustee vacancy on the Board. The two External Trustee roles were filled through an open recruitment process and the two successful applicants were formally appointed by the Board at their meeting on 18 October 2022. The Student Trustee vacancy was filled following a by-election in November 2022.

All Trustees are limited to serving a maximum of 8 years in total, in line with the guidance in the Charity Governance Code.

## **Policies Adopted for the Induction and Training of Trustees**

Following election or appointment all Trustees participate in a comprehensive induction process which includes a one-to-one with the Chair of the Board; a meeting with our Chief Executive to cover the wider organisation, charitable objects, requirements of the Articles and sector good practice; a session with our strategy lead covering the organisational strategy, KPIs and strategic projects; and finally a session with our Associate Director – Finance and Compliance covering the organisation's finances and reserves. In addition to this initial induction, we also arrange for briefing sessions to be delivered for Trustees from our external auditors and legal advisors.

All Trustees are provided with copies of the Articles, the Bye-laws, Charity Commission guidance and the Charity Governance Code.

In addition, Trustees are able and encouraged to make use of the National Council of Voluntary Organisations (NCVO)'s online training packages and events in addition to further resources from the Charity Finance Group. We are members of both organisations. Other relevant courses, provided by external training providers, are signposted to Trustees from time to time, including charity updates provided by our professional advisers.

## Pay Policy for senior staff

The OU Students Association has adopted the Open University's salary grades and annual pay review policies. All roles within the staff team are graded using the benchmarks provided by the Higher Education Roles Analysis (HERA) scheme. There are significant advantages in using a nationally negotiated scheme, which provides benchmarking across the sector and provides staff of both the University and the Students Association with a straightforward comparison of roles and responsibilities.

In setting the salary grades of the senior management roles the Trustees consider the objects and values of the OU Students Association, the local employment market, the appropriate salaries required to attract and retain suitably skilled staff, average pay levels of equivalent staff in other Student Unions and similar charities, the proportionate level of the salaries relative to other grades within the staff team, affordability and sustainability of the charity and whether the pay level is appropriate.

The Students Association also took these factors into account when setting the salary level to be paid to the President and Deputy President roles.

During the year, the Senior Management team was restructured. From August 2022 to March 2023 there were 3 roles (2.6FTE) - Chief Executive, Director of Engagement and Director of Membership Services; and from April 2023, this was increased to 4 roles (3.6FTE) - Chief Executive, Director of Engagement, Associate Director - Projects and Services, Associate Director - Finance and Compliance. In addition, the Chair of the Board of Trustees (unpaid), the President and Deputy President from the elected student leadership team, are also deemed to be key management personnel. The Deputy President role has been increased from 0.6FTE to full time.

The sum of the salaries (inclusive of employer national insurance and pension contributions) relating to the six paid roles, as key management personnel, in the period was £268,752 (2022 £250,241).

## Organisational Structure and Decision Making

The Board of Trustees are ultimately responsible for the governance of the Students Association including all matters relating to staffing, finance, governance and strategy.

However, in keeping with our peer organisations in the wider student movement we have not abandoned the principle of having a wider representation of student views in all key policy decisions and ensuring that we are under the democratic control of our membership.

Therefore, the Student Leadership Team is the key body for considering, debating and contributing to policy development and review. The Team features representation from across the four nations and the University's Faculties, in addition to our postholders with specific responsibilities for a set portfolio (the Association's Officers) and our student member of the Open University's governing Council.

All decision making in the Students Association is subject to record and scrutiny. Our Student Leadership Team and the Board of Trustees are required to publish their minutes to the membership. The Student Leadership Team also publishes in advance all papers being considered at each of their meetings so that members can access these. Exceptions are made for genuinely confidential or sensitive matters, in both the minutes and the publishing of papers.

The Board of Trustees delegates responsibility for the day-to-day management of the organisation to the staff team under the direction of the Chief Executive. Such delegation includes the management of staffing and financial matters within the parameters agreed by the Trustees. A clear scheme of delegation is reviewed every two years by the Board to ensure all parties understand the parameters of the delegated authority.

We invite observers from the Student Leadership Team to Trustee meetings and observers from the Board of Trustees to Student Leadership Team meetings. This has been well received and useful for all involved.

In addition, the Chair of the Board also meets with both the Student Leadership Team and the staff team on a regular basis to keep in touch with their work and provide the opportunity for questions.

The Board of Trustees currently has two sub-committees: Finance Resources and Risk; and Appointments. It also has a Safeguarding Panel. These operate within their delegated terms of reference, supporting and reporting to the full Board.

## **Relationship to Wider Network of Students Unions**

At present we are not formally affiliated to the National Union of Students (NUS), but we do enjoy a relationship which enables our organisations to collaborate where it is of mutual benefit. This allows our students to access the TOTUM card for discounted purchases. We also maintain relationships with other Student Unions where appropriate and relevant, including for good practice visits and exchanging information.

Our relationship with Athabasca University Students' Union and Graduate Students' Association has been embedded through the creation of the International Distance Learning Student Forum (IDLSF). The IDLSF is a non-mandatory quarterly meeting where elected student leaders and staff from across the organisations come together to discuss best practice and share experiences. Recent topics include 'How do we interact with the University and strategies for advocating for change' and 'Demonstrating the impact of student leadership.' We have also regularly involved colleagues from Athabasca in our evidence-gathering processes across a range of projects, including volunteer onboarding, complaints, and our student chat platform development.

## Related Party Relationships

The Open University Students Educational Trust, also known as OUSET, is a separately registered charity (285189/SC038300) with management and administration provided by the Association. It was set up by the Students Association in 1982 to advance the education of the public by providing financial support to Open University students who are disabled or in a condition of need, hardship or distress. Some of the trustees are appointed by virtue of the positions they hold, or used to hold, in the Open University Students Association. This includes two current Trustees and our Chief Executive who acts as a Trustee of OUSET. We work to raise funds for OUSET and also provide the necessary administrative support for it to operate in return for payment of a management charge. As a separate charity, OUSET has filed its own report and financial statements for the period.

We receive our operating funds in the form of a subvention from the Open University (OU) which is an exempt charity in England & Wales and a registered charity in Scotland SC038302. Under its Royal Charter the OU has a duty to make provision for an independent students' organisation and under the 1994 Education Act the OU has a statutory duty to ensure that the Students Association operates in a fair and democratic manner and is held to account for its finances. The Students Association therefore works alongside the University in ensuring that the affairs of the Students Association are properly conducted and that the educational and welfare needs of members are met. We provide an annual report to the University Council and our financial statements are scrutinised by the University's Finance Committee. A relationship agreement between the Students Association and the University is in place and reviewed on an annual basis. For further information on transactions with these related parties during the year, please refer to Note 25.

## Other Key Relationships

We endeavour to maintain a healthy and constructive working relationship with the University and with other external organisations that share similar priorities and objectives. We are proud members of both the National Council of Voluntary Organisations (NCVO) and the Charity Finance Group (CFG).

We retain the services of legal advisers, HR advisers and a Data Protection Officer to ensure we remain up to date with best practice and changes in legislation. We subscribe to a political monitoring service. This supports our policy and public affairs agenda by alerting us to the latest political developments that may directly impact the higher education sector and/or distance learning.

We are not members of the National Union of Students (NUS) but do maintain a relationship and dialogue with their leadership on matters of mutual interest. We also continue to host International Distance Learning Student Forums (IDLSF) in collaboration with Athabasca Students Union, with whom we share many similar challenges and approaches.

## Risk Management

The Trustees are aware that they have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Financial, as well as Governance, Compliance, Operational and External/Environmental risks are assessed in accordance with our policy. The Risk Register is reviewed quarterly by the Association's management team and by the Board at least 6 monthly, ensuring the horizon is regularly scanned for new, emerging risks as well as changes affecting risks already identified.

Our risk register shown on page 32 identifies the following principal risks:



# Risk Register

Risk	Category	Cause	Consequence	Mitigating actions	Risk owner
Services not meeting the needs of members	Governance	<ul style="list-style-type: none"> <li>Not relevant to parts of the student demographic;</li> <li>Spaces where students interact may feel unwelcoming;</li> <li>Lack of capacity/resources;</li> <li>Restrictions imposed by the University or Government policy.</li> </ul>	Impacts student satisfaction and wellbeing	<ul style="list-style-type: none"> <li>Strategy development, emphasising evidence-based decision making;</li> <li>Increasing opportunities for student feedback and listening exercises</li> </ul>	Associate Director: Services and Projects
Student Leadership Team (SLT) poorly represents the student membership.	Governance	<ul style="list-style-type: none"> <li>Vacancies;</li> <li>Low diversity;</li> <li>Workload/capacity.</li> </ul>	Impacts decision-making, ability to deliver on manifesto pledges/remits, ability to influence OU policy.	<ul style="list-style-type: none"> <li>Clear role remits, handover and induction process;</li> <li>Opportunities for ongoing training;</li> <li>Agreed SLT priority areas aligned to manifestos and strategic plan.</li> <li>Scheme of Delegation in place.</li> <li>Bye-Law provision for the appointment of deputies to support workload.</li> </ul>	President
Poor adoption of new technology and working methods	Operational	Failure to progress development of the Association and staff through training and identification of new opportunities and good practice elsewhere.	Impacts efficiency, effectiveness and may compromise service delivery	<ul style="list-style-type: none"> <li>Ongoing website development;</li> <li>New technologies such as AI being explored;</li> <li>Cloud based finance software with automation of workflows and electronic expenses claims system in implementation phase.</li> </ul>	Chief Executive
Insufficient number of volunteers to allow key services to operate	Operational	<ul style="list-style-type: none"> <li>Low recruitment/retention rates of volunteers;</li> <li>Accessibility challenges;</li> <li>Economic and post-pandemic factors.</li> </ul>	May impacts volunteer wellbeing; By-elections and co-options require significant staff capacity.	<ul style="list-style-type: none"> <li>Established processes and procedures;</li> <li>Remits review to balance needs of Association with capacity of students to volunteer;</li> <li>Action plan focused on continuous improvement.</li> </ul>	Head of Volunteering & Representation
Reduced effectiveness of Board of Trustees	Governance	<ul style="list-style-type: none"> <li>-Vacancies;</li> <li>Low diversity;</li> <li>Workload/capacity.</li> </ul>	Impacts decision-making and role in facilitating operational effectiveness.	<ul style="list-style-type: none"> <li>Scheme of Delegation in place</li> <li>Action plan arising from Board effectiveness review</li> <li>Thorough handover and induction process</li> <li>Budget for ongoing training</li> </ul>	Chair of Trustees

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 JULY 2023**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

Approved by order of the members of the board of Trustees and signed on its behalf by:

*M A Greenaway*

.....  
**M Greenaway**  
President

*M E Bryan-*

.....  
**M Bryan**  
VP Administration

Date: 20 October 2023

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OPEN UNIVERSITY STUDENT ASSOCIATION**

**Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OPEN UNIVERSITY STUDENT ASSOCIATION (CONTINUED)**

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

**Responsibilities of trustees**

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

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

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OPEN UNIVERSITY STUDENT ASSOCIATION (CONTINUED)**

**Auditors' 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 the Act and relevant regulations made or having effect thereunder.

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

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

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.**

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the Charity Commission, Fundraising Regulations, Employment Law and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- challenging assumptions and judgements made by management in their critical accounting estimates.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OPEN UNIVERSITY STUDENT ASSOCIATION (CONTINUED)**

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Siobhan Holmes**

Senior Statutory Auditor

For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

Date: 26 October 2023

Haysmacintyre LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 JULY 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>				
Donations and legacies	4	2,096,726	2,096,726	1,987,000
Charitable activities	5	78,139	78,139	100,756
Other trading activities	6	79,669	79,669	79,450
Investments	7	29,955	29,955	921
<b>Total income</b>		<b>2,284,489</b>	<b>2,284,489</b>	2,168,127
<b>Expenditure on:</b>				
Raising funds	8	78,077	78,077	68,602
Charitable activities		1,643,548	1,643,548	2,819,876
<b>Total expenditure</b>		<b>1,721,625</b>	<b>1,721,625</b>	2,888,478
<b>Net movement in funds</b>		<b>562,864</b>	<b>562,864</b>	(720,351)
<b>Reconciliation of funds:</b>				
Total funds brought forward		356,424	356,424	1,076,775
Net movement in funds		562,864	562,864	(720,351)
<b>Total funds carried forward</b>		<b>919,288</b>	<b>919,288</b>	356,424

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 12031028**

**BALANCE SHEET AS AT 31 JULY 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	<b>5,548</b>	7,584
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
		<b>5,548</b>	7,584
<b>Current assets</b>			
Stocks	14	<b>27,618</b>	30,124
Debtors	15	<b>77,518</b>	47,590
Cash at bank and in hand	21	<b>1,784,517</b>	1,681,348
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
		<b>1,889,653</b>	1,759,062
Creditors: amounts falling due within one year	16	<b>(98,487)</b>	(127,737)
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<b>Net current assets</b>		<b>1,791,166</b>	1,631,325
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<b>Total assets less current liabilities</b>		<b>1,796,714</b>	1,638,909
Defined benefit pension scheme liability	23	<b>(877,426)</b>	(1,282,485)
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<b>Total net assets</b>		<b>919,288</b>	356,424
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<b>Charity funds</b>			
Restricted funds	18	-	-
Unrestricted funds			
Designated funds	18	<b>161,000</b>	120,000
General funds	18	<b>758,288</b>	236,424
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
Total unrestricted funds	18	<b>919,288</b>	356,424
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<b>Total funds</b>		<b>919,288</b>	356,424
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

The financial statements were approved and authorised for issue on 20 October 2023 by the Trustees and signed on their behalf by:

*M A Greenaway*

.....  
**M Greenaway**  
 President

*M E Bryan-*

.....  
**M Bryan**  
 VP Administration

The notes on pages 41 to 59 form part of these financial statements.



**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2023**

	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>74,981</b>	185,253
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Interests from investments	<b>29,955</b>	921
Purchase of tangible fixed assets	<b>(1,767)</b>	(7,309)
	<hr/>	<hr/>
<b>Net cash provided by/(used in) investing activities</b>	<b>28,188</b>	(6,388)
	<hr/> <hr/>	<hr/> <hr/>
<b>Change in cash and cash equivalents in the year</b>	<b>103,169</b>	178,865
Cash and cash equivalents at the beginning of the year	<b>1,681,348</b>	1,502,483
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,784,517</b>	1,681,348
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 41 to 59 form part of these financial statements.

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL**  
**STATEMENTS FOR THE YEAR ENDED**  
**31 JULY 2023**

**1. General information**

The Open University Students Association Limited is a charitable company limited by guarantee. It is registered in England and Wales with charity registered number 1183837 and in Scotland with charity registered number SC049546 and company registered number 12031028. The principal activity of the charity is running a students' association for students within the Open University.

**2. Accounting policies**

**2.1 Company status**

The charity is a company limited by guarantee. The company law members of the company are the Trustees named on the reference and administration page. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per company law member of the charity. Student Members of the Association are not included in this liability.

**2.2 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Open University Students Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.3 Going concern**

The Trustees have assessed the Charity's ability to continue as a going concern. The Trustees have considered several factors when forming their conclusion as the use of the going concern basis is appropriate when preparing these financial statements including a review of updated forecasts to the end of 2024, a consideration of key risks that could negatively impact the charity.

After considering these factors, the Trustees have concluded that the Charity has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

**2.4 Income**

Subvention income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from charitable activities comprises of management charges and NUS TOTUM card commission and is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Income from other trading income activities represents income generated by the sale of merchandise.

Donated facilities are included at the value to the charitable company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL**  
**STATEMENTS FOR THE YEAR ENDED**  
**31 JULY 2023**

**2. Accounting policies (continued)**

**2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs and depreciation are allocated directly on the basis of staff directly attributable to each activity.

Governance costs are audit, accountancy and Board of Trustee costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	20% straight line
Computer equipment	-	20% and 33% straight line
Display boards	-	20% straight line

**2.7 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**2.8 Debtors**

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

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL**  
**STATEMENTS FOR THE YEAR ENDED**  
**31 JULY 2023**

**2. Accounting policies (continued)**

**2.9 Cash at bank and in hand**

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

**2.10 Liabilities**

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

**2.11 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.

**2.12 Pensions**

The institution participates in the Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the statement of financial activities represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a provision for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with movement in the provision is reflected in the Statement of Financial Activities. See Note 17 and Note 23 for further details of the Universities Superannuation Scheme.

**2.13 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**3. Critical accounting estimates and areas of judgment**

Estimates and judgments 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.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

**Pension Commitments**

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The trustees are satisfied that the scheme provided by Universities Superannuation Scheme meets the definition of a multi-employer scheme. The amounts due in respect of the deficit recovery plan relating to this scheme, as recommended by actuaries and subject to actuarial assumptions, are included within the balance sheet as a provision and this reflects the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

**4. Income from donations and legacies**

	<b>Unrestricted funds 2023 £</b>	<b>Total Funds 2023 £</b>	Total Funds 2022 £
Subvention income	1,942,000	<b>1,942,000</b>	1,865,000
Donated services	81,000	<b>81,000</b>	70,000
Individual representation project income	53,010	<b>53,010</b>	52,000
Similar incoming resources	20,716	<b>20,716</b>	-
<b>Total 2023</b>	<u>2,096,726</u>	<u><b>2,096,726</b></u>	<u>1,987,000</u>
Total 2022	<u>1,987,000</u>	<u>1,987,000</u>	

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**5. Income from charitable activities**

	<b>Unrestricted funds</b>	<b>Total funds</b>	Total Funds
	<b>2023</b>	<b>2023</b>	2022
	<b>£</b>	<b>£</b>	<b>£</b>
Management charges to The Open University Students' Educational Trust	<b>49,395</b>	<b>49,395</b>	51,254
NUS TOTUM Commission	<b>25,129</b>	<b>25,129</b>	29,489
Fundraising for OUSET	-	-	20,000
Other Income	<b>3,615</b>	<b>3,615</b>	13
<b>Total 2023</b>	<b>78,139</b>	<b>78,139</b>	100,756
Total 2022	100,756	100,756	

**6. Income from other trading activities**

	<b>Unrestricted funds</b>	<b>Total funds</b>	Total Funds
	<b>2023</b>	<b>2023</b>	2022
	<b>£</b>	<b>£</b>	
Sale of merchandise	<b>79,669</b>	<b>79,669</b>	79,450
Total 2022	79,450	79,450	

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**7. Investment income**

	<b>Unrestricted funds</b>	<b>Total funds</b>	Total Funds
	<b>2023</b>	<b>2023</b>	2022
	£	£	£
Bank deposit	5,949	5,949	921
Income from fixed term deposits	24,006	24,006	-
<b>Total 2023</b>	<b>29,955</b>	<b>29,955</b>	921
Total 2022	921	921	

**8. Expenditure on raising funds**

<b>Raising funds expenditure</b>	<b>OU Shop</b>	<b>Total funds</b>	Total Funds
	<b>2023</b>	<b>2023</b>	2022
	£	£	£
Cost of sales	36,403	36,403	34,775
Other	31,728	31,728	25,882
Staff costs	9,946	9,946	7,945
<b>Total 2023</b>	<b>78,077</b>	<b>78,077</b>	68,602
Total 2022	68,602	68,602	

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**9. Analysis of expenditure by activities**

	<b>Staff (Direct and Support) 2023 £</b>	<b>Other direct costs 2023 £</b>	<b>Governance 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Student Services and Support	594,580	136,001	9,494	<b>740,075</b>	706,380
Student Representation	427,994	103,996	6,943	<b>538,933</b>	469,572
Student Community	254,715	43,171	3,705	<b>301,591</b>	312,780
Student Volunteering	228,332	61,689	4,117	<b>294,138</b>	211,227
Culture Project & Governance Reform	6,203	1,800	-	<b>8,003</b>	112,653
50th Anniversary	29,884	7,377	413	<b>37,674</b>	47,829
Conference	-	-	-	-	55,464
Donation to OUSET	-	128,194	-	<b>128,194</b>	40,000
USS Pension Deficit Movement	(447,511)	42,450	-	<b>(405,061)</b>	863,971
	<u>1,094,196</u>	<u>524,678</u>	<u>24,672</u>	<u><b>1,643,548</b></u>	<u>2,819,876</u>



**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**9. Analysis of expenditure by activities (continued)**

	<b>Direct Costs 2023 £</b>	<b>Governance 2023 £</b>	<b>Support Costs 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs and USS pension deficit movement	480,709	-	613,489	<b>1,094,198</b>	2,417,565
Professional services	28,599	-	43,559	<b>72,158</b>	117,621
Central office costs and USS pension deficit interest charge	51,052	-	131,356	<b>182,408</b>	114,571
Donations to OUSET	128,195	-	-	<b>128,195</b>	40,000
Meeting costs	13,078	6,073	-	<b>19,151</b>	32,268
Events and activities	57,797	-	8,332	<b>66,129</b>	25,310
Training and development	25,419	-	17,533	<b>42,952</b>	23,476
Audit	-	18,600	-	<b>18,600</b>	20,400
Other staff related costs	30	-	7,963	<b>7,993</b>	15,508
Printing and publicity	(316)	-	8,309	<b>7,993</b>	7,884
Subscriptions and affiliations	-	-	921	<b>921</b>	4,255
Grants to Societies	2,850	-	-	<b>2,850</b>	1,018
<b>Total 2023</b>	<b>787,413</b>	<b>24,673</b>	<b>831,462</b>	<b>1,643,548</b>	2,819,876
Total 2022	2,002,824	22,740	794,312	<b>2,819,876</b>	

**10. Auditors' Remuneration**

	<b>2023 £</b>	<b>2022 £</b>
Fees payable to the charity's auditor		
- for the audit of the charity's annual accounts	<b>18,600</b>	20,400
- for the accounts preparation	<b>1,500</b>	-
	<b>20,100</b>	20,400

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL**  
**STATEMENTS FOR THE YEAR ENDED**  
**31 JULY 2023**

**11. Staff costs**

	<b>2023</b>	2022
	<b>£</b>	£
Wages and salaries	<b>1,205,720</b>	1,229,651
Social security costs	<b>107,739</b>	106,474
Contribution to defined contribution pension schemes	<b>237,953</b>	229,055
USS pension scheme deficit recovery provision costs	<b>(447,511)</b>	860,330
	<b>1,103,901</b>	2,425,510

For more details on the defined benefit pension scheme provision costs see notes 17 and 23.

The average number of persons employed by the charity during the year was as follows:

	<b>2023</b>	2022
	<b>No.</b>	No.
Average employees	<b>43</b>	43

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2023</b>	2022
	<b>No.</b>	No.
In the band £70,001 - £80,000	<b>1</b>	1

Key management personnel for the year ended 31 July 2023 consist of the Chair of Trustees and other Trustees who are all unpaid; plus the remunerated roles of the President, Deputy President and Four Senior Managers. Total remuneration in respect of key management personnel for the year ended 31 July 2023 is £268,752 (2022: £250,241).

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022: £nil) in relation to their role as a Trustee.

During the year 2023, 2 Trustees received remuneration in respect of their role as President and Deputy President (2022: 2 Trustees). The value of Trustees' remuneration and other benefits was as follows:

		<b>2023</b>	2022
		<b>£</b>	£
I Cheyne	Remuneration	-	16,288
S Jones	Remuneration	-	28,478
M Greenway	Remuneration	29,828	-
G Jones	Remuneration	25,114	-

During the year ended 31 July 2023, expenses totaling £11,888 were reimbursed or paid directly to 8 Trustees (2022 - £3,455 to 7 Trustees).

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**13. Tangible fixed assets**

	Office equipment £	Computer equipment £	Other fixed assets £	Total £
<b>Cost or valuation</b>				
At 1 August 2022	13,276	30,720	31,403	75,399
Additions	550	1,239	-	1,789
Disposals	(2,089)	(8,514)	-	(10,603)
At 31 July 2023	<b>11,737</b>	<b>23,445</b>	<b>31,403</b>	<b>66,585</b>
<b>Depreciation</b>				
At 1 August 2022	12,583	23,829	31,403	67,815
Charge for the year	574	3,229	-	3,803
On disposals	(2,089)	(8,492)	-	(10,581)
At 31 July 2023	<b>11,068</b>	<b>18,566</b>	<b>31,403</b>	<b>61,037</b>
<b>Net book value</b>				
At 31 July 2023	<b>669</b>	<b>4,879</b>	-	<b>5,548</b>
At 31 July 2022	693	6,891	-	7,584

**14. Stocks**

	2023 £	2022 £
Finished goods and goods for resale	<b>27,618</b>	30,124

**15. Debtors**

	2023 £	2022 £
<b>Due within one year</b>		
Trade debtors	<b>2,191</b>	4,085
Amounts owed by the Open University	<b>38,711</b>	13,855
Prepayments and accrued income	<b>36,616</b>	29,650
	<b>77,518</b>	47,590

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL**  
**STATEMENTS FOR THE YEAR ENDED 31**  
**JULY 2023**

**16. Creditors: Amounts falling due within one year**

	<b>2023</b>	2022
	£	£
Trade creditors	-	8,251
Other taxation and social security	<b>3,073</b>	5,497
Other creditors	<b>39,006</b>	50,175
Accruals and deferred income	<b>56,408</b>	63,814
	<b><u>98,487</u></b>	<b><u>127,737</u></b>

**17. Provisions**

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with USS to make deficit payments in accordance with the deficit recovery plan. The provision has been calculated by estimating future employer pension payments and applying the deficit recovery contributions. These were outlined in the USS deficit recovery plan arising from the March 2017 actuarial valuation (published February 2019), amended firstly by the March 2018 actuarial valuation (published September 2019) and then amended by the March 2020 actuarial valuation (published September 2021).

The weighted average discount factor that has been applied over the remainder of the deficit recovery plan is 5.52% (2022: 3.31%).

More details on the 2020 actuarial valuation are set out in Note 25.

	<b>2023</b>	2022
	£	£
At 1 August:	<b>1,282,485</b>	418,514
USS pension deficit interest charge:		3,641
	<b>42,450</b>	
Contributions charged:	<b>(447,509)</b>	860,330
<b>At 31 July:</b>	<b><u>£877,426</u></b>	<b><u>1,282,485</u></b>

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**18. Statement of funds**

**Statement of funds - current year**

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2023 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Trustee Projects	30,000	-	(27,200)	51,200	54,000
Conference and association 50th	25,000	-	(23,300)	105,300	107,000
Strategy delivery	50,000	-	(50,500)	500	-
Culture and governance review	15,000	-	(8,100)	(6,900)	-
	<u>120,000</u>	<u>-</u>	<u>(109,100)</u>	<u>150,100</u>	<u>161,000</u>
<b>General funds</b>					
General funds	1,518,909	2,284,489	(2,017,585)	(150,100)	1,635,713
USS pension scheme deficit recovery provision	(1,282,485)	-	405,060	-	(877,425)
	<u>236,424</u>	<u>2,284,489</u>	<u>(1,612,525)</u>	<u>(150,100)</u>	<u>758,288</u>
<b>Total Unrestricted funds</b>	<u>356,424</u>	<u>2,284,489</u>	<u>(1,721,625)</u>	<u>-</u>	<u>919,288</u>
<b>Total Unrestricted Funds</b>	<u>356,424</u>	<u>2,284,489</u>	<u>(1,721,625)</u>	<u>-</u>	<u>919,288</u>

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**18. Statement of funds (continued)**

**Statement of funds - prior year**

	<b>Balance at 1 August 2021 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers in/out £</b>	<b>Balance at 31 July 2022 £</b>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Trustee Projects	30,000	-	-	-	30,000
Conference and Association 50th	88,000	-	(53,000)	(10,000)	25,000
Strategy delivery	95,000	-	(54,000)	9,000	50,000
Culture and Governance Reform	30,000	-	(31,000)	16,000	15,000
	<u>243,000</u>	<u>-</u>	<u>(138,000)</u>	<u>15,000</u>	<u>120,000</u>
<b>General funds</b>					
General funds	1,252,289	2,168,127	(1,886,507)	(15,000)	1,518,909
USS pension scheme deficit recovery provision	(418,514)	-	(863,971)	-	(1,282,485)
	<u>833,775</u>	<u>2,168,127</u>	<u>(2,750,478)</u>	<u>(15,000)</u>	<u>236,424</u>
<b>Total Unrestricted funds</b>	<u><u>1,076,775</u></u>	<u><u>2,168,127</u></u>	<u><u>(2,888,478)</u></u>	<u><u>-</u></u>	<u><u>356,424</u></u>

**Designated Funds:**

Designated funds are provided from General Unrestricted Funds for one-off, time limited projects and, in a non-Conference year, to set aside 50% of the budget for the next planned bi-ennial Conference. Our next Conference will take place in 2024 for which £107,000 has been set aside.

For 2023-2024, Trustees approved £44,000 funding from reserves to continue the Individual Representation pilot for a further year to July 2024. Trustees also agreed to allocate £10,000 from reserves to contribute towards the cost of research and development, working with our elections services provider, on a tool/platform to make the elections process easier to navigate for voters and to encourage more students to participate in elections.

The 50<sup>th</sup> anniversary project, strategy delivery and culture and governance review all concluded during 2022-2023 and so no further designations have been made for 2023-2024.

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted Funds 2023 £</b>	<b>Total funds 2023 £</b>
Tangible fixed assets	5,548	5,548
Current assets	1,889,653	1,889,653
Creditors due within one year	(98,487)	(98,487)
Provisions for liabilities and charges	(877,426)	(877,426)
<b>Total</b>	<b>919,288</b>	<b>919,288</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	7,584	7,584
Current assets	1,759,062	1,759,062
Creditors due within one year	(127,737)	(127,737)
Provisions for liabilities and charges	(1,282,485)	(1,282,485)
<b>Total</b>	<b>356,424</b>	<b>356,424</b>

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 JULY 2023**

**20. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2023</b>	2022
	£	£
Net income/expenditure for the year (as per Statement of Financial Activities)	562,864	(720,351)
<b>Adjustments for:</b>		
Depreciation charges	3,803	4,539
Interests from investments	(29,955)	(921)
Decrease/(increase) in stocks	2,506	(12,117)
Increase in debtors	(29,928)	(13,398)
Increase/(decrease) in creditors	(29,249)	63,530
Pension provision	(405,060)	863,971
<b>Net cash provided by operating activities</b>	<b>74,981</b>	185,253

**21. Analysis of cash and cash equivalents**

	<b>2023</b>	2022
	£	£
Cash in hand	284,517	1,681,348
Cash held on fixed term deposit	1,500,000	-
<b>Total cash and cash equivalents</b>	<b>1,784,517</b>	1,681,348

**22. Analysis of changes in net debt**

	At 1 August 2022	<b>Cash flows</b>	At 31 July
	£	£	<b>2023</b> £
Cash at bank and in hand	1,681,348	103,169	1,784,517
	1,681,348	103,169	1,784,517



**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL**  
**STATEMENTS FOR THE YEAR ENDED**  
**31 JULY 2023**

**23. Pension commitments**

The charity participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which was contracted out of the State Second Pension (S2P) up to 5 April 2016. The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited.

The charity is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 102, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period together with the adjustment reflecting its commitment to make payments under the deficit recovery plan as outlined later in this note.

The fund is invested in a wide range of asset classes, both publicly traded (including equities and fixed income) and private (including private equity, infrastructure, property and timberland). A diversified portfolio helps to spread investment risk across different asset classes and boost the level of confidence in maintaining sufficient investment returns from the funds as a whole.

**USS actuarial valuation**

The latest available complete actuarial valuation that is included in the Statement of Financial Position is as at 31 March 2020, which was carried out using the projected unit method. This is the sixth valuation for USS under the new scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. The value of the assets of the scheme as at 31 March 2020 (the valuation date) was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a deficit of £14.1 billion and a funding level of 83%.

The level of the scheme deficit has led to changes in the deficit recovery plan agreed after the 2018 valuation, and this in turn affects the provision shown in the financial statements.

	2020 Valuation	2018 Valuation
<b>Entire USS Scheme</b>		
Total Assets	£66.5 billion	£63.7 billion
Total Liabilities	£80.6 billion	£67.3 billion
Scheme Deficit	£14.1 billion	£3.6 billion
Funding level	83%	95%

The Open University Students Association's share of the deficit has been modelled based on additional contribution rates along with an estimate of future staff costs, and a discount factor based on high-quality corporate bonds. The discount factor used to calculate the provision at 31 July 2023 was 5.52% (31 July 2022: 3.31%).

The total provision at 31 July 2023 was £877,425 (at 31 July 2022 £1,282,485). The movement in the provision for the deficit is shown in Note 17.

USS is a 'last man standing' scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

**Employer and Employee contributions**

As part of the 2020 valuation, the trustees determined, after consultation with employers, a revision to the existing recovery plan to pay off the revised shortfall by 30 April 2038. The changes required to meet the funding shortfall include changes to the employer covenant support to the scheme, along with increases in employer and employee contributions and changes to scheme benefits as follows:

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR  
ENDED 31 JULY 2023**

**23. Pension commitments (continued)**

<b>Period</b>	<b>Employers</b>	<b>Employees</b>
To 30 September 2021	21.1%	9.6%
1 October 2019 to 30 September 2021	24.4%	9.8%
1 October 2021 onwards	21.6%	9.8%

Deficit recovery contributions due within one year from the charity are £23,064 (2022: £31,788).

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation.

The major assumptions used to calculate the obligation are:

	<b>2023</b>	2022
Discount rate	<b>5.52%</b>	3.31%
Salary growth	<b>3.40%</b>	4.80%

**24. Operating lease commitments**

At 31 July 2023 the charity had commitments to make future minimum lease payments under non- cancellable operating leases as follows:

	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Not later than 1 year	<b>1,140</b>	1,140
Later than 1 year and not later than 5 years	<b>665</b>	1,805
	<b><u>1,805</u></b>	<u>2,945</u>

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL**  
**STATEMENTS FOR THE YEAR ENDED**  
**31 JULY 2023**

**25. Related party transactions**

During the year administrative services for The Open University Students' Educational Trust (OUSET) were provided, see below for details:

<b>Charges to OUSET</b>	<b>2023</b>	<b>2022</b>
Management charge	<b>£49,395</b>	£51,254
Recharges	<b>£2,879</b>	£3,206

During the year donations were collected on behalf of OUSET, see below for details:

<b>Funds to OUSET</b>	<b>2023</b>	<b>2022</b>
50th fundraising	<b>£5,967</b>	£15,150
Webstore donations	<b>£4,153</b>	£5,190
Donations from OUSA	<b>£128,195</b>	£20,000
Donations from Societies	-	£392

At the year end a balance of £28,484 (2022: £35,340) was payable to OUSET.

During the year ended 31 July 2023 the Charity received £1,942,000 (2022: £1,865,000) from The Open University (OU) in the form of a subvention and £53,010 (2022: £52,000) in respect of other income. The OU recharged costs totaling £1,569,669 (2022: £1,566,481). At the year end the Charity was owed £38,711 (2022: £13,855).

**26. Controlling party**

The Trustees believe that there is no ultimate controlling party.

**THE OPEN UNIVERSITY STUDENT ASSOCIATION**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 JULY 2023**

<b>Trustees</b>	M Bryan, Officer Trustee J Doran, Student Trustee M Greenaway, Officer Trustee G Jones, Officer Trustee C Phua, Student Trustee M Price, External Trustee A Seaton, Student Trustee C Wallace, Student Trustee F Zombor, Student Trustee L Charles (appointed 18 October 2022 and resigned 22 August 2023) R Dobek (appointed 18 October 2022) S Pickersgill (appointed 5 December 2022 and resigned 11 October 2023)
<b>Company registered number</b>	12031028
<b>Charity registered numbers</b>	1183837 and SC049546
<b>Registered office</b>	PO BOX 397 Walton Hall Milton Keynes Buckinghamshire MK7 6BE
<b>Chief executive officer</b>	Beth Metcalf
<b>Independent auditors</b>	Haysmacintyre LLP Statutory Auditors 10 Queen Street Place London EC4R 1AG
<b>Bankers</b>	National Westminster Bank PLC 501 Silbury Boulevard Milton Keynes
<b>Solicitors</b>	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR