

THE OPEN UNIVERSITY STUDENTS EDUCATIONAL TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

CONTENTS

	Page
Trustees' Report	3– 9
Independent Auditors' Report on the Financial Statements	10 - 13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 – 26
Reference and Administrative Details of the Company, its Trustees and Advisers	27

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2024

The Trustees present their annual report together with the audited financial statements of The Open University Students Educational Trust (Ouset) for the 1st of August 2023 to 31st July 2024. The Trustees confirm that the annual report and financial statements of the Charity comply with the current statutory requirements, its Declaration of Trust and the provisions of the Charities SORP (FRS 102).

Objectives and activities

a. Objectives and aims

The Trust was established in 1982 by the Open University Students Association to advance the education of the public.

The objective of the charity, to advance the education of the public, is set out in its Declaration and Trust:

- To advance the education of the public by assisting Open University students in condition of need, hardship or distress by the provision of aid, grants, or other means that shall assist their education within the University.

b. Activities for achieving objectives

The Trust supports students who would be otherwise unable to study with the Open University, whether this is due to being ineligible for other forms of financial assistance or being unable to secure the full amount they may need to fund their studies.

Ouset works closely with the University to promote the opportunity of support and to work together to maximise the use of the Trust's resources to assist successful applicants.

The Trustees and their supporting members of OU Students Association staff are focused on the efficient processing of grant applications for financial assistance and the review of our funding criteria in the light of the constantly changing environment of the Higher Education Sector.

c. Grant Making Policy

It is the policy of Ouset to consider applications from those who can demonstrate a serious intention to succeed in their studies with the University and who can also demonstrate that their need for financial support is genuine.

The Charity monitors the education and financial sectors and adjusts its criteria and guidance to applicants, ensuring these are well adapted to the changing student demographic and their needs.

Grants are only considered toward the cost of study and other closely related study requirements - for example, fees, travel to tutorials or residential schools, childcare costs, set books, IT equipment. Grants are not made for general cost of living expenses.

Trustees give priority to those who have embarked on a qualification but a change in financial circumstances means that they would be unable to continue with their studies without assistance from Ouset.

We continue to monitor the impact of the financial criteria changes we implemented in October 2021. We introduced limits (up to 180 credits for undergraduates and up to 60 credits for postgraduates) to help to ensure funding is distributed as widely as possible. As part of our monitoring strategy, we record all incoming applications including referral details (i.e. how did you hear about Ouset). We also work with other departments of the University to remain up to date with any changes to the wider funding structure within the higher education sector.

Our funding criteria is published on "<https://www.oustudents.com/support-and-advice/ouset/>".

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024**

Objectives and activities (continued)

d. Volunteers

With the exception of the Open University Vice-Chancellor's nominee and the Open University Students Association Chief Executive, all other Trustees are volunteers and only receive reimbursement of out of pocket expenses incurred and directly related to OUSET business.

Achievements and performance

Trustees are proud of the contribution they make to improving the life chances of the grant recipients and as a result, bringing wider benefits to society at large.

These testimonials received from some of the beneficiaries show what a difference our grant awards can make:

"Your generosity has not only relieved me of financial stress but has also instilled in me a drive for excellence in all my academic pursuits." Hüro, April 2024

"I am now continuing with my research project, all thanks to the assistance from OUSET for which I will always be grateful and appreciative for" Martin, April 2024

"It is needless to say; my financial situation hasn't been the best. OUSET came to the rescue in these hard moments!" Anna, March 2024

"I am so grateful to OUSET, I mentioned it the day of my graduation at Ely Cathedral (Cambridgeshire, UK)." Kepa, February 2024

You can read more about these student's journeys or other students like them [here](#).

In 2023/24 financial year, OUSET supported 56 students (2022/23: 37) who met the funding criteria, granting a total of £157,715.75 in awards (2022/23: £99,262.40).

During this year the Trustees also employed a Senior Fundraiser to support their ambitions to create a clear brand and identity for OUSET and to begin to diversify our income by fundraising for the charity through a range of events in. This has been a new venture for OUSET and one we are monitoring as a board, with a view to restructuring in 2025. This restructure will focus on how we administer the Trust to best support governance, operational business as usual, beneficiaries and fundraising.

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

Financial review

a. Income and expenditure

Expenditure in the year exceeded income by £97.5k.

The Charity relies on legacies and donations to fund its activities, and these are unpredictable. Whilst Trustees are always saddened to hear of the passing of a member of the Open University student or alumni community, we are grateful that the valuable work of OUSET is often remembered in wills. In 2024/25, income from bequests and legacies amounted to £109k (2022/23 £660k).

The Students Association encourages customers of the OU Students Shop (["https://www.oustudentsshop.com/"](https://www.oustudentsshop.com/)) where students can download past exam papers, free of charge, to donate to the work of OUSET. To maximise the amount it receives from donations, the Trust is registered for Gift Aid, and this is reclaimed quarterly from HMRC.

Other than expenditure on grants, the Trust's largest area of expenditure is the management fee payable to the Association based on a percentage of staff time allocated to the administration and management of the Trust. The basis of the management fee is reviewed annually and agreed between Trustees of the Students Association and Trustees of the Educational Trust. This represents value for money for the Trust, providing a wide range of expertise and time input from a variety of Association staff members.

OUSET has systems in place to provide the appropriate financial information to Trustees and managers to make sound financial decisions and to fulfil Charity Commission requirements. Management and Trustees receive regular financial statements to enable them to monitor the Trust's financial position to help ensure future financial sustainability. The Charity reported no funds in deficit during the year.

b. Reserves

The charity brought forward total free reserves of £1,666,556. There were no restricted funds brought forward. The Trust carries forward to 2024/25 a total of £1,569,075 in unrestricted funds.

Whilst Trustees do not set a minimum or maximum level of reserves, they are mindful of balancing support for applicants in the current year with safeguarding funding to support applicants in future years.

The current Higher Education sector financial picture remains uncertain and everchanging and therefore the context that we operate in is a challenging environment where the Trustees have to apply financial prudence to their decision making to ensure OUSET's financial sustainability.

Nonetheless it is our desire to attract hard to reach students and raise awareness about the Charity's work. This work will continue, ensuring the work of our Trust is publicised; that we monitor the effectiveness of the Charity's funding criteria, the new guidelines notes, and funding application forms, in delivering the Trust's strategic aims. The newly introduced role of the Senior Fundraiser has been to not only raise funds for the charity and explore methods to support this, but to also raise awareness and create an organisational identity, which we feel has a significant impact on ensuring students know about us.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024**

c. Investment policy and performance

Trustees prioritise liquidity over financial returns and accept that this is likely to mean that the real value of the asset will depreciate over time.

Surplus funds are currently invested in tranches of between £200k and £300k in fixed term Treasury Deposits with NatWest for up to 6 months. The balance, to meet day-to-day operational costs, is held in an instant access deposit account with NatWest.

Trustees periodically review their investment policy and liaise with the Associate Director – Finance and Compliance of the Students Association regarding the management of OUSET's funds.

d. 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.

There has been a significant increase in legacy income over the last two years as well as a drop-off in applications for grant funding. At current levels of expenditure, the Charity's reserves would fund several years of charitable activity.

The Charity has few overheads and is therefore protected from the impact of the cost of living crisis.

For this reason, they continue to adopt the going concern basis in preparing financial statements. Further details regarding the adoption concern basis can be found in Accounting Policies.

Structure, governance and management

a. Governing document

The Open University Students' Educational Trust (OUSET) is controlled by its governing document, a Declaration of Trust, dated 22 May 1982 as amended by a scheme dated 9 October 1992 and as further amended by Deed on 9 April 2019 and constitutes a charitable trust.

b. Method of appointment or election of trustees

As per the governing document, the maximum number of Trustees is eight.

Three of the Trustee positions are appointed by virtue of their position within the Open University Students Association (OUSA). These are the Vice President responsible for Administration, the Vice President responsible for Student Support and the Association's Chief Executive. One further Trustee is nominated by the Vice Chancellor of the Open University.

The Trust may elect up to six Trustees to serve for a period of two years, unless otherwise determined by the Trustees in exceptional circumstances.

c. Policies adopted for the induction and training of new trustees

On appointment, Trustees are briefed on the role and provided with training on our methods and principles.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024**

Structure, governance and management (continued)

d. Pay policy for senior staff

OUSER does not employ any staff. Instead, OUSER pays a management charge to the Open University Students Association for the staffing support that it receives.

The day to day management of the Charity is managed by the Open University Students Association's Head of Business Services and team.

e. Organisational structure and decision making

The Trustees primarily operate online via a suite of secure forums hosted by OUSA.

These forums provide the opportunity for Trustees to consider applications, meet virtually, discuss the business of the Trust and engage with OUSA staff who support the Trust's administrative functions.

In addition, Board of Trustee meetings are held quarterly. These have been held online and going forward, it is envisaged that meetings will either continue to be held online or in person with the option for Trustees to join online.

f. Related party relationships

The Open University Students Association was instrumental in establishing OUSER and supports the charity in its fundraising endeavours.

In 2023/24, £25000 has been donated by the Students Association to support delivery of OUSER's strategic plan.

Through the OU Students Shop, the Students' Association has continued to invite customers to make a voluntary donation to support the activities of OUSER. In 2023/24, donations from this source totaled £6,772.

g. Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure that appropriate controls and systems are in place. OUSER does not directly employ any staff members but day-to-day duties are handled by the Student Association's Business Services Team and overseen by the Head of Business Services on behalf of the Student Association's Senior Management Team.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2024**

Structure, governance and management (continued)

Trustees have identified its principal risks as:

- The Board's low diversity means the organisation make-up may not be fully representative of its stakeholders. Work is currently underway to address this. Grant applications for funding are also considered by a panel comprising at least two members of the Board to encourage multiple perspectives to support decision-making.
- Awareness of OUSET's offering is low. Increasing awareness will be a key objective for the fundraising strategy in 2024-25.
- A significant increase in applications threatening operational capacity. The Trustees are considering the staffing structure they would like to support them and want to explore how this looks with a view to ensuring that they utilize their partnership with the OU Students Association to support staff.
- Loss or unavailability for prolonged periods of key personnel affecting the ability to progress applications within required time limits. This year we have had a number of Trustees step away from their roles and so there will be a need to recruit new trustees to OUSET to support capacity and case allocation.

Plans for future periods

a. Future developments

OUSET keeps its operation, its criteria and application guidelines under review to ensure continuous improvement to deliver an organisation that can better achieve its objectives.

Trustees have identified four main areas of focus for 2024/25:

- Restructure staffing support available to the Charity to ensure we are able to best support beneficiaries.
- Updating our governing documents to reflect best practice and ensure that we have clear policies and procedures for implementing these.
- Raising awareness of OUSET through a range of events and campaigns, as well as continuing to collect and share the stories of students we have supported.
- Reviewing our funding criteria to ensure we are supporting as many students as possible and that money is used equitably across a range of demographics, working proactively to reach out to any under represented groups.

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024

Statement of Trustees' responsibilities

The Trustees 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).

The law applicable to charities in England/Wales & Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity 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;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and 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 their behalf by:

Danielle Smith

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D Smith

Trustee

Date: 9 February 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OPEN UNIVERSITY STUDENTS EDUCATIONAL TRUST

Opinion

We have audited the financial statements of The Open University Students Educational Trust (the 'charitable company') for the year ended 31 July 2024 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 2024 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OPEN UNIVERSITY STUDENTS EDUCATIONAL TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters 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:

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

Responsibilities of trustees

As explained more fully in the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OPEN UNIVERSITY STUDENTS EDUCATIONAL TRUST (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 Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the investment advisory business and trade regulations, 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 income 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.

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. This description forms part of our Auditors' Report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE OPEN UNIVERSITY STUDENTS
EDUCATIONAL TRUST (CONTINUED)**

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with 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.

HaysMac LLP

HaysMac LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 19/02/2025

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies	3	140,794	140,794	795,631
Investments	4	57,975	57,975	15,673
Total income		198,769	198,769	811,304
Expenditure on:				
Expenditure on:				
Charitable activities	5	296,250	296,250	134,488
Total expenditure		296,250	296,250	134,488
Net movement in funds		(97,481)	(97,481)	676,816
Total funds brought forward as previously reported 1 August				
		1,666,556	1,666,556	1,010,363
Prior year adjustment	17	-	-	(20,623)
Total funds brought forward at 1 August (as restated)				
		1,666,556	1,666,556	989,740
Total funds carried forward		1,569,075	1,569,075	1,666,556

The notes on pages 16 to 25 form part of these financial statements.

**BALANCE SHEET
AS AT 31 JULY 2024**

	Note	2024 £	2023 £
Current assets			
Debtors	9	142,848	450,684
Cash at bank and in hand	14	<u>1,506,482</u>	<u>1,240,127</u>
		1,649,330	1,690,811
Creditors: amounts falling due within one Year	10	(80,255)	(24,255)
Net current assets		<u>1,569,075</u>	1,666,556
Total net assets		<u>1,569,075</u>	<u>1,666,556</u>
Charity funds			
Unrestricted funds	11	<u>1,569,075</u>	<u>1,666,556</u>
Total funds		<u>1,569,075</u>	<u>1,666,556</u>

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

Danielle Smith

.....
D Smith

Trustee

Date: 9 February
2025

The notes on pages 17 to 26 form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024**

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	266,355	482,941
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	266,355	482,941
Cash and cash equivalents at the beginning of the year	1,240,127	795,406
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,506,482	1,240,127
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 17 to 26 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

1. General information

The Open University Students Educational Trust is an unincorporated charitable trust. It is registered in England and Wales with charity registered number 285189 and in Scotland with charity registered number SC038300.

The principal activity of the trust is the provision of aids, grants, loans or other means to assist with the education of students within the Open University.

2. Accounting policies

2.1 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) and the Companies Act 2006.

The Open University Students Educational Trust 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.

2.2 Going concern

The Trustees have assessed the Charity's ability to continue as a going concern. This included a review of forecasts until the end of 2024 and consideration of key risks that could negatively affect the charity.

Considering the number of applications and average grant size, the Trustees regularly review their financial position. As a charity with limited expenditure, we are not greatly impacted by the cost of living rise or inflation, however, we may expect to see applications for grants rise as our beneficiaries are impacted, this is monitored.

After considering these factors, the Trustees have concluded that despite the current economic climate, 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.

2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Income tax recoverable in relation to investment income is recognised at the time the investment

income is receivable.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

2. Accounting policies (continued)

2.4 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 are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

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.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 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.

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

2. Accounting policies (continued)

2.9 Financial instruments

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

2.10 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 Company and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	Total Funds 2023 £
Donations	31,772	31,772	135,650
Legacies	109,022	109,022	659,981
Total 2024	<u>140,794</u>	<u>140,794</u>	<u>795,631</u>
Total 2023	<u>795,631</u>	<u>795,631</u>	

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest received	57,975	57,975	15,673
Total 2023	<u>15,673</u>	<u>15,673</u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

5. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Grants	-	171,343	-	171,343	66,813
Direct costs	109,603	-	-	109,603	59,623
Governance costs	-	-	15,304	15,304	8,052
Total 2024	109,603	171,343	15,304	296,250	134,488
Total 2023	59,623	66,813	8,052	134,488	

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Management charges	59,832	59,274
Fundraising costs	439	-
Staff costs (see note 8)	46,428	-
Card transaction charges	62	155
Data protection	35	35
Bank charges	53	39
Postage	20	75
Miscellaneous costs	2,914	45
Total 2024	109,603	59,623

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Governance costs	15,304	8,052

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

6. Analysis of grants

	Grants to Individuals 2024 £	Total funds 2024 £	Total funds 2023 £
Grants	171,343	171,343	66,813
Total 2023	66,813	66,813	

7. Net income/(expenditure)

This is stated after charging:

	2024 £	2023 £
Auditor's remuneration - audit	6,400	5,304

During the year, no Trustees received any remuneration (2023 - £NIL).

During the year, no Trustees received any benefits in kind (2023 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2023 - £NIL).

8. Staff costs

The Charity has no employees other than the Trustees, who did not receive any remuneration (2023 - £NIL).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

9. Debtors

	2024	2023
	£	£
Trade debtors	2,319	11,910
Other debtors	-	28,484
Prepayments and accrued income	140,529	410,290
	142,848	450,684
	142,848	450,684

10. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Other creditors - grants payable	-	17,669
Accruals and deferred income	80,255	6,586
	80,255	24,255
	80,255	24,255

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

11. Statement of funds

Statement of funds - current year

	Balance at 1 August 2023	Income	Expenditure	Balance at 31 July 2024
	£	£	£	£
Unrestricted funds				
General Funds	1,666,556		(269,250)	1,569,075
	<u>198,769</u>		<u></u>	

Statement of funds - prior year

	Balance at 1 August 2022	Income	Expenditure	Balance at 31 July 2023
	£	£	£	£
Unrestricted funds				
General Funds	989,740	811,304	(134,488)	1,666,556
	<u></u>	<u></u>	<u></u>	<u></u>

12. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2024	Total funds 2024
	£	£
Current assets	1,649,330	1,649,330
Creditors due within one year	(80,255)	(80,255)
Total	<u>1,569,075</u>	<u>1,569,075</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

12. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2023 £	Total funds 2023 £
Current assets	1,690,811	1,690,811
Creditors due within one year	(24,255)	(24,255)
Total	<u>1,666,556</u>	<u>1,666,556</u>

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

	2024 £	2023 £
Net income for the year (as per Statement of Financial Activities)	(97,481)	676,816
Adjustments for:		
Decrease/(Increase) in debtors	307,836	(212,985)
Increase/(decrease) in creditors	56,000	(19,110)
Net cash provided by operating activities	<u>266,355</u>	<u>444,721</u>

14. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	356,482	240,127
Fixed term deposit	1,150,000	1,000,000
Total cash and cash equivalents	<u>1,506,482</u>	<u>1,240,127</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

15. Analysis of changes in net debt

	At 1 August 2023	Cash flows	At 31 July 2024
	£	£	£
Cash at bank and in hand	1,240,127	266,355	1,506,482
	1,240,127	266,355	1,56,482

16. Related party transactions

As described in the Trustees' Report, the majority of Trustees of the Open University Students Educational Trust (Ouset) are appointed by virtue of their position within The Open University Students Association (OUSA) and one nomination by the Vice Chancellor of The Open University (OU).

During the year administrative services were charged by OUSA, see below for details:

Charges from OUSA	2024	2023
Management charge	59,832	£59,274
Recharges	£2,722	£2,909

During the year donations were collected by OUSA, see below for details:

Funds from OUSA	2024	2023
50th fundraising	0	£5,967
Webstore donations	£3,101	£4,153
Society donation	0	Nil
OUSA Donations	£25,000	£128,195

At the year end a balance of £5,004 was due to OUSA (2023: £28,484 was receivable from OUSA).

17. Controlling party

The Trustees consider that there is no ultimate controlling party.

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2024**

Charity registered numbers	285189 and SCO38300
Principal office	PO Box 397 Walton Hall Milton Keynes Buckinghamshire MK7 6BE
Independent auditors	HaysMac LLP Statutory Auditors 10 Queen Street Place London EC4R 1AG
Bankers	National Westminster Bank plc 501 Silbury Boulevard Milton Keynes
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M HR
Trustees	M Bryan, OUSA Vice President Administration S Jones, Co-opted Trustee, Chair and Immediate Past President J McDougall, Co-opted Trustee B Metcalf, OUSA Chief Executive D Smith, Co-opted Trustee S O'Kelly, OU Vice Chancellor Nominee M Walker, Vice President Student Welfare