

OPEN UNIVERSITY STUDENTS ASSOCIATION
Central Executive Committee (CEC)

8 - 10 October 2021

FINANCE REPORT

The C E C is asked to: -

- i) **note** the attached income and expenditure statement for the year ended 31 July 2021 (Appendix A)
- ii) **note** the attached Board of Trustees approved budget for 2021-22 (Appendix B)

1. Summary Income and Expenditure to 31 July 2021

1.1. The Association's income and expenditure for 2020/21 (subject to audit confirmation), detailed in Appendix A, is summarised as follows:

ACTUAL Income	ACTUAL Expenditure	SURPLUS
£2,043,159	£1,543,833	£499,326
102% of budget	79% of budget	£442k in excess of budget. Includes £14k excess income over expenditure earned from trading.

2. Income

Key points to note are as follows:

- 2.1. **Overview** – actual income has exceeded the income budget by £41k due to no budget being set for TOTUM commission with £35k received; and income from trading exceeding expectations by £9k.

2.2. **Subvention** – we received a core subvention allocation of £1,812,000. In addition, 2020/21 was the final year of the Exam Paper Replacement income arrangement (£71,000). We also received £9,700 for the Individual Representation pilot pre-launch costs; a £2,000 Scottish Funding Council grant (used to support staff costs associated with developing promotional materials and training for Peer Supporters on disability allowance differences for Scottish students); and a £1,500 grant towards the cost of the module pack promotional leaflets.

2.3. **Trading** – despite there being no face to face opportunities to trade, turnover has exceeded expectations with spikes in activity around freshers, virtual graduation ceremonies and in response to promotions.

2.4. **Shop governance** – there is currently an opportunity for a student member to join VP Administration, VP Community and a Trustee in further developing our trading operation. For more information and to promote this amongst your fellow students, please visit the [Volunteer Opportunities](#) section of our website. The closing date for applications is Monday 18 October.

3. Expenditure

3.1. All areas of the expenditure budget have been affected by the ongoing coronavirus pandemic and the continuation of all activity online. This is the main contribution to the saving of £402k against the total expenditure budget.

3.2. Savings made are being reallocated to continue to drive our strategic plan forward, to reform our governance structure and processes, to deliver Conference 2022 and to provide for some activities and/or events to mark and celebrate the Association's 50th anniversary.

4. Budget for 2021/22

4.1. The budget plan at Appendix B was approved by Trustees at their meeting held on 27 July 2021. The plan includes some explanatory notes.

4.2. The core subvention allocation for 2021/22 has been confirmed at £1,865,000. This represents a £53,000 increase (2.95%) on the 2020/21 allocation.

4.3. In addition, the University is funding the cost of the Individual Representation pilot.

4.4. Expenditure budgets have been allocated across all of our core charitable activities as well as to fund projects, central services and administration costs. The budget allocations assume some savings in relation to on-going remote working and between half and two thirds resumption of face to face meetings and activities.

4.5. A contingency budget of £34k is available to Senior Management to allocate according to need, to reflect the high degree of uncertainty in relation to the on-going pandemic.

- 4.6. Income from trading is expected to increase in 2021-2022 with the resumption of face to face graduations currently planned from March 2022. The budget anticipates a proportional increase in costs and therefore a net contribution to charitable activities of £11k.
- 4.7. Overall, the budget plans for an in-year deficit of £100,000, utilising some of the reserves brought forward to support the additional 4 staff roles (2 permanent – Head of Policy and Public Affairs; part-time EDI Officer: 2 fixed term – Conference and 50th Project Manager; part-time Digital Communications Officer).
- 4.8. Trustees will monitor actuals against budget at their quarterly meetings and consider revisions to the original budget, as appropriate, at their February 2022 meeting.

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