

# THE ULVERSCROFT FOUNDATION

England & Wales · Charity number 264873

## Details

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**Status** Registered

**Legal form** Trust

**Registered** 1972-12-13

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** The Ulverscroft Foundation  
The Green  
Bradgate Road  
Anstey  
Leicester  
LE7 7FU

**Phone** 01162361595

**Email** [foundation@ulverscroft.co.uk](mailto:foundation@ulverscroft.co.uk)

**Website** [www.ulverscroft-foundation.org.uk](http://www.ulverscroft-foundation.org.uk)

## Activities

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**Objects:** THE RELIEF, ASSISTANCE, TREATMENT AND EDUCATION OF SICK OR HANDICAPPED PERSONS AND IN PARTICULAR PERSONS SUFFERING FROM DEFECTIVE EYESIGHT. (FOR DETAILS SEE CLAUSE 3 OF TRUST DEED DATED 31ST OCTOBER 1972).

**Activities:** SUPPORTS VISUALLY IMPAIRED PEOPLE WORLDWIDE

## Classification

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- **How:** Makes Grants To Organisations, Sponsors Or Undertakes Research
- **What:** The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

## Geography

- Australia
- Benin
- Burkina Faso
- Ghana
- India
- Israel
- Kenya
- Malawi
- Tanzania
- The Gambia
- Uganda
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-10-31	£8,360,000	£9,286,000	£20,266,000	84
2023-10-31	£8,394,000	£9,115,000	£19,958,000	85
2022-10-31	£8,704,000	£8,496,000	£20,066,000	90
2021-10-31	£8,632,000	£8,532,000	£20,863,000	98
2020-10-31	£8,794,000	£11,739,000	£17,523,000	123

## Trustees

Name	Role	Appointed
<b>ROBERT PAUL GENT</b>	Chair	2013-03-13
Christopher Andrew Ashton		2022-04-21
Ian Robert Moon		2020-01-01
<b>JAMES STUART DEANE</b>		2025-06-05
<b>ROGER JOHN CROOKS</b>		2002-03-06

**THE ULVERSCROFT FOUNDATION**

England & Wales - Charity number 264873

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# Accounts

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**THE ULVERSCROFT FOUNDATION**  
**AND ITS SUBSIDIARY UNDERTAKINGS**

**ANNUAL ACCOUNTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2024**

**SOMERBYS LIMITED**  
**CHARTERED ACCOUNTANTS**  
**30 NELSON STREET**  
**LEICESTER**  
**LE1 7BA**

# THE ULVERSCROFT FOUNDATION AND ITS SUBSIDIARY UNDERTAKINGS

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CHARITY REGISTRATION NO: 264873

GOVERNED BY DEED OF TRUST DATED 31 OCTOBER 1972

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**Legal and administrative information**

Trustees	R.P. Gent * (chairman) R.J. Crooks * J. Sandford-Smith G.H.A. Woodruff I.R. Moon * C. Ashton R. Clarke  (* Investment sub-committee)
Secretary	Mrs. J. Sumner
Treasurer	I.R. Moon
Office	No.1 The Green Bradgate Road Anstey Leicester LE7 7FU
Statutory Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Barclays Bank plc Leicester
Investment Advisors	RBC Brewin Dolphin 9 Colmore Row Birmingham B3 2BJ

**ANNUAL REPORT OF THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2024**

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The Trustees present their report and the audited financial statements of The Ulverscroft Foundation and its subsidiary undertakings for the year ended 31 October 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

**Trustees of the charity**

The trustees who have served during the year and since the year end were as follows:

R.P. Gent \* (chairman)  
R.J. Crooks \*  
J. Sandford-Smith  
G.H.A. Woodruff  
I.R. Moon \*  
C. Ashton  
R. Clarke

(\* Investment sub-committee)

**Structure, governance and management**

The Foundation was created and is governed by a Deed of Trust dated 31 October 1972 and its Charity Registration number is 264873.

New Trustees are chosen by the existing Trustees having regard to both their general and specific experience of the activities of the Foundation and may be appointed by the continuing Trustees for such limited period as they may decide. The ordinance of the Trust is reviewed and amended regularly by the Trustees. New and existing Trustees have this and other relevant information; discussions take place and explanations are given when appropriate regarding the policies and activities of the Charitable Trust and regarding the duties and responsibilities of Trustees generally. The Foundation complies with the principles of the Code of Good Governance.

The Foundation is operated on a day to day basis by the Secretary and the Treasurer, who call upon any of the Trustees for material decisions. The Trustees meet eight times a year and more frequently if required. Alternate meetings concentrate on progress reports and financial reports of the Foundation and its trading subsidiary company, The Ulverscroft Group Limited.

The Trustees consider on a regular basis, the major risks to which the Foundation and its assets might at some time become exposed. The main risk identified at the present time and for the immediate future is the continuing reduction in local authority funding which will impact on the market for the group's products. In addition to any specific risks identified, the Trustees are aware that any trading venture, such as the Ulverscroft Group, may experience failures and losses, not always within the Foundation's control. The Trustees endeavour to ensure that adequate direction and management exists within the Group and review quarterly reports produced by the Group on the trading status of each activity, its level of success and forecast of its future progress or decline, in addition to financial reports on profits, assets, liabilities and cash flow.

Mr R.J. Crooks and Mr R.P. Gent were both Trustees at the signing date of the accounts who hold title to property belonging to the Foundation.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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**Objectives and activities**

The primary objects of the Ulverscroft Foundation, as recorded in the original Trust Deed, are to relieve, assist and provide treatment and education for sick or handicapped persons and in particular (but without prejudice to the generality of the foregoing) persons suffering from defective eyesight; to promote or conduct medical research and to provide and assist in the provision of facilities for the treatment or alleviation of sick or handicapped persons.

There are no specific restrictions nor are there specific investment powers imposed by the Trust Deed.

The policies adopted to further these objects are summarised as follows:

- to gather in donations, legacies and investment income including that from the wholly owned trading organisation, the Ulverscroft Group Limited, which by the nature of its trading activity of publishing large print books and audio books, supports the objects of the Foundation by assisting persons with visual impairment.
- in their capacity as investors and shareholders of the Ulverscroft Group Limited, the Trustees are required to act in accordance with their ordinance, remaining independent from the management of the Group and its day to day activities while reviewing the state of business progress; in other respects acting as shareholders.
- to manage with the support of its investment advisors, the investment of funds not utilised in the wholly owned trading organisation or for other charitable purposes at the time.
- to develop long and short term charitable projects and to make grants in accordance with the objects of the Foundation.
- to administer the Foundation as efficiently as possible through its Secretariat.

**Public benefit**

Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

In considering applications Trustees take into account evidence of need, the likely numbers of beneficiaries, clarity of outcomes, achievability, sustainability and financial viability. They also consider the applicant's previous track record of achievement, including other funding already obtained. Specialist advice may be sought where appropriate.

In the case of funding for research, Trustees look for evidence of medium to long-term potential to deliver significant public benefit.

A further iteration of the online application form was designed to improve the bidding process for applicants, in the knowledge that some may have limited IT skills. Trustees continue to explore ways of encouraging more, and better quality, applications.

The Foundation's partnership with Share the Vision has been extended. It offers an effective means of providing strategic support to the public library sector, to improve the quality of service offered to library users who are visually impaired.

**Investment powers, policy and performance**

In accordance with the Trust Deed and agreed Investment Policy, the Trustees may invest in any manner of investments at their discretion. The Trustees have the same powers in all respects as if they were absolute owners. The shareholdings in listed companies, shown on the Balance Sheet of the Foundation, amount to 59% of the fixed asset investments.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

The main investment held by the Foundation is that in the Ulverscroft Group, amounting to £7,200,000. The Trustees consider this to be a sound investment having regard to its activities and to the Balance Sheet value of the Group.

Other than the Ulverscroft Group, the Trustees take advice from their investment advisors with the policy of a balance of yield and security, subject to ethical considerations, for example, firearms, gambling, tobacco products and animal testing are all excluded. The performance during the year is regarded as satisfactory taking account of market conditions.

During the financial year 2023/24 Trustees reviewed their investment risk profile with the assistance of their advisors and it was determined to retain the current level of risk.

**The Ulverscroft Group**

Since 1964, Ulverscroft Limited has republished existing titles in a format easily read by blind and partially sighted people. Profits were given to charitable causes connected with blind and partially sighted people and to ophthalmic research. In 1972, the Ulverscroft Foundation was formed and acquired the Company in order to protect its trade and the charitable distribution of its surplus profits.

The accounts of Ulverscroft Group Limited incorporating the original Large Print Books Company are now consolidated with those of the Foundation.

Reductions in public spending have impacted adversely on the Group's trading position. It is addressing these issues through cost savings and continuing to develop its digital offering.

**Grants**

Grants are made in accordance with the objects of the Foundation and are focused, when possible, on charity projects in partnership with the recipient organisations. 42 grants were approved during the year, totalling £540,033 (£288,348 falling due after more than one year). Additionally, payments totalling £108,242 were made in respect of grant projects in progress, which were started in previous years. The total grant payments during the year amounted to £359,927.

Included in creditors due within one year and after more than one year are grants for future years where intent has been declared, without legal obligation, to maintain payments over future defined periods, primarily for research. A list of material grants and projects expended during the year is included within the attached accounts. Major grants approved to date include those to the Ulverscroft Vision Research Group and the University of Leicester. Both of these programmes have been bedevilled by difficulty in recruiting and retaining suitably skilled academic staff.

In the case of the University of Leicester, an appointment has been made (with University and NHS funding) of an Associate Professor /Consultant Ophthalmologist. This will support work on retinoblastoma, nystagmus, and other conditions.

Other major awards were made to The Reading Agency, for the development of Reading Friends groups; to the University of Surrey, to fund multi-disciplinary research to create a full colour artificial retina; to the Ruharo Mission Hospital Eye Centre, Uganda; and to UN ABPAM: Burkina Faso for equipment and training in their school for young, visually impaired people.

**Achievements and performance**

By the very nature of the objectives laid down for the Foundation, and the policies of the Trustees to achieve them, there are no regular defined patterns of charitable giving. The search for suitable recipients for major grants is ongoing, do not occur on a regular basis and in any event are dependent on the finance available. The Foundation reviews its grants policy regularly to ensure that an appropriate balance is maintained between expenditure on research and innovation, clinical care, and community-based support to visually impaired people in the UK and overseas.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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This year the Foundation received the final instalment of a generous legacy from Mr William Hogg of Glasgow, totalling £337,000. A further legacy of £30,000 was received from the estate of Mrs Joyce Privett. Gifts such as these are often prompted by a reference to the Foundation and its work, which is printed in every large print book published by Ulverscroft Ltd. The Trustees are profoundly grateful for all donations, large or small. They help further our charitable work, and often come with touching personal testimony of the importance of large print books to visually impaired readers.

The performance of the publishing company continues to cause concern, although the Australian and New Zealand markets remain strong. The Trust identified a potential new Trustee who has extensive senior level experience of public libraries. In the event, it was felt that her skills would be more valuable in the capacity of non-executive director of Ulverscroft Group Ltd., a post which she has accepted.

**Financial review**

The attached Statement of Financial Activities and the supporting notes summarise clearly the resources received and expended during the year ended 31 October 2024 and the attached Balance Sheet and its supporting notes reflect the position in terms of assets and liabilities at 31 October 2024. The Trustees consider that the results and position are satisfactory.

The above paragraphs describe the various policies adopted by the Trustees within the activities of the Foundation which have included the management of finance. Funding sources are detailed in the Financial Activities Statement and stem from dividends and interest from investments, donations and bequests. Resources expended by the Foundation are also detailed and, other than grants, primarily relate to salaries and professional fees.

Reserves are set out on page 15 of the attached accounts. Total reserves amount to £20,266,000 of which £10,783,000 relates to the general funds of the Foundation and £9,483,000 relates to the Trading Group. There are no restricted funds at the balance sheet date and free reserves (unrestricted reserves excluding fixed assets but including investments) amounted to £16,131,000. The Trustees' policy is to maintain sufficient uncommitted funds in reserves to ensure the future sustainability of its charitable activities, including the award of major grants and capital investments.

**Unpaid volunteers and services in kind**

The Foundation does not depend upon the services of unpaid volunteers or other services in kind.

**Plans for future periods**

The Trustees continue to search for the opportunity to direct the funds of the Foundation towards major projects which appear to bring particular benefit and relief to those who are blind and partially sighted, including research towards the prevention of related diseases, the challenge being to select projects where the Foundation's resources can achieve the maximum effect. The research project to create an artificial retina is an example of an initiative which, if successful, will greatly improve the quality of life of visually-impaired people.

Trustees are aware of the need to address succession planning. In the coming year, we will welcome a new Trustee, James Deane, a consultant ophthalmic surgeon. James' presence will ensure that his fellow Trustees will still have access to expert clinical opinion. Other skill areas remain to be addressed, notably financial expertise.

The Trust's Administrator is taking steps to ensure that organisations we grant aid acknowledge the Trust's assistance appropriately. This should ensure a continued flow of quality applications.

There are no known post balance sheet events and no known contingent liabilities to be disclosed to date. The Trustees confirm that they believe this report and the attached accounts, which should be read with this report, comply with current statutory requirements including the Statement of Recommended Practice (SORP FRS102).

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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**Risk policy**

The Trustees have reviewed for any significant risks and have put in place systems or procedures to manage these.

**Trustees' responsibilities statement**

The Trustees are responsible for preparing the Trustees' Annual 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 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 Foundation and of the incoming resources and application of resources of the Foundation 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 in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Foundation's procedures for mitigating the risks associated with money laundering and financial crime are approved by its auditors and bankers, and comply with the Charity Commission's requirements for due diligence in awarding grants. This has now been incorporated into a formal policy on financial crime.

On behalf of the Trustees



**R P GENT**  
TRUSTEE

5<sup>th</sup> June 2025

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2024**

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**Opinion**

We have audited the financial statements of The Ulverscroft Foundation and its subsidiaries for the year ended 31 October 2024 which comprise the Consolidated Statement of Financial Activities, Parent Statement of Financial Activities, the Consolidated Balance Sheet, Parent Balance Sheet, Consolidated Cash Flow Statement, Parent Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and parent charity's affairs as at 31 October 2024, and of the group's 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity'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.

**Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)  
YEAR ENDED 31 OCTOBER 2024**

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

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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 accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 as set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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In the context of The Ulverscroft Foundation and its subsidiary undertakings, we have not identified any specific laws and regulations other than general commercial laws and regulations, such as: Charities Act 2011; Charity Commission guidance; Trustees Act 2000; Health and Safety legislation and GDPR regulations.

Our understanding of the legal and regulatory framework applicable to The Ulverscroft Foundation and its subsidiary undertakings and how the charity has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries, we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non-compliance have occurred.

Our understanding of the charity's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of this report**

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



Date: 9 June 2025

**SOMERBYS LIMITED**

Chartered Accountants  
Statutory Auditor  
30 Nelson Street  
Leicester  
LE1 7BA

Somerbys Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 OCTOBER 2024**

<u>Current Financial Year</u>	Note	General Funds	Restricted Funds	Total 2024	Total 2023
		£000	£000	£000	£000
<b>Income and endowments from:</b>					
Voluntary income	2	73	-	73	124
Other trading activities		-	-	-	-
Trading income	3	7,714	-	7,714	7,747
Investment income	4	573	-	573	523
Other income		-	-	-	-
<b>Total</b>		<b>8,360</b>	<b>-</b>	<b>8,360</b>	<b>8,394</b>
<b>Expenditure on:</b>					
Raising funds:					
Commercial trading:-					
Expenditure - continuing	3 & 5	8,605	-	8,605	8,215
Taxation	10	54	-	54	-
Investment management costs		27	-	27	27
Costs of generating voluntary funds	6	4	-	4	4
Charitable activities	7	596	-	596	869
<b>Total</b>		<b>9,286</b>	<b>-</b>	<b>9,286</b>	<b>9,115</b>
<b>Net income and net movement in funds before gains and losses on investments</b>					
		(926)	-	(926)	(721)
Investment gains/(losses)		1,234	-	1,234	(292)
<b>Net income</b>		<b>308</b>	<b>-</b>	<b>308</b>	<b>(1,013)</b>
<b>Other recognised gains/(losses)</b>					
Foreign exchange adjustment		-	-	-	-
Revaluation gains/(losses)		-	-	-	905
<b>Net movement in funds</b>		<b>308</b>	<b>-</b>	<b>308</b>	<b>(108)</b>
<b>Reconciliation of funds</b>					
Total Funds at 1 November 2023		19,958	-	19,958	20,066
Total Funds at 31 October 2024		20,266	-	20,266	19,958

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 OCTOBER 2024**

<u>Prior Financial Year</u>	Note	General Funds £000	Restricted Funds £000	Total 2023 £000
<b>Income and endowments from:</b>				
Voluntary income	2	124	-	124
Other trading activities		-	-	-
Trading income	3	7,747	-	7,747
Investment income	4	523	-	523
Other		-	-	-
		<hr/>	<hr/>	<hr/>
<b>Total</b>		<b>8,394</b>	<b>-</b>	<b>8,394</b>
		<hr/>	<hr/>	<hr/>
<b>Expenditure on:</b>				
Raising funds:				
Commercial trading:-				
Expenditure - continuing	3 & 5	8,215	-	8,215
Taxation	10	-	-	-
Investment management costs		27	-	27
Costs of generating voluntary funds	6	4	-	4
Charitable activities	7	869	-	869
		<hr/>	<hr/>	<hr/>
<b>Total</b>		<b>9,115</b>	<b>-</b>	<b>9,115</b>
		<hr/>	<hr/>	<hr/>
<b>Net income and net movement in funds before gains and losses on investments</b>				
		(721)	-	(721)
Investment gains/(losses)		(292)	-	(292)
		<hr/>	<hr/>	<hr/>
<b>Net income</b>		<b>(1,013)</b>	<b>-</b>	<b>(1,013)</b>
<b>Other recognised gains/(losses)</b>				
Foreign exchange adjustment		-	-	-
Revaluation gains/(losses)		905	-	905
		<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		<b>(108)</b>	<b>-</b>	<b>(108)</b>
<b>Reconciliation of funds</b>				
Total Funds at 1 November 2022		20,066	-	20,066
		<hr/>	<hr/>	<hr/>
Total Funds at 31 October 2023		<b>19,958</b>	<b>-</b>	<b>19,958</b>
		<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2024**

<b><u>Current Financial Year</u></b>	<b>Note</b>	<b>General Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2024 £000</b>	<b>Total 2023 £000</b>
<b>Income and endowments from:</b>					
Voluntary income	2	73	-	73	124
Gift aid from trading group		300	-	300	300
Investment income		510	-	510	450
<b>Total</b>		<b>883</b>	<b>-</b>	<b>883</b>	<b>874</b>
<b>Expenditure on:</b>					
Raising funds:					
Investment management costs		27	-	27	27
Costs of generating voluntary funds	6	4	-	4	4
Charitable activities	7	596	-	596	869
<b>Total</b>		<b>627</b>	<b>-</b>	<b>627</b>	<b>900</b>
<b>Net (expenditure)/income and net movement in funds before gains and losses on investments</b>		<b>256</b>	<b>-</b>	<b>256</b>	<b>(26)</b>
Investment (losses)/gains		1,021	-	1,021	(264)
<b>Net (expenditure)/income</b>		<b>1,277</b>	<b>-</b>	<b>1,277</b>	<b>(290)</b>
<b>Other recognised gains</b>					
Revaluation gains/(losses)		(500)	-	(500)	-
<b>Net movement in funds</b>		<b>777</b>	<b>-</b>	<b>777</b>	<b>(290)</b>
Fund balances carried forward at 1 November 2023		19,217		19,217	19,507
Fund balances carried forward at 31 October 2024		19,994	-	19,994	19,217

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2024

<u>Prior Financial Year</u>	Note	General Funds £000	Restricted Funds £000	Total 2023 £000
<b>Income and endowments from:</b>				
Voluntary income	2	124	-	124
Gift aid from trading group		300	-	300
Investment income		450	-	450
<b>Total</b>		<b>874</b>	<b>-</b>	<b>874</b>
<b>Expenditure on:</b>				
Raising funds:				
Investment management costs		27	-	27
Costs of generating voluntary funds	6	4	-	4
Charitable activities	7	869	-	869
<b>Total</b>		<b>900</b>	<b>-</b>	<b>900</b>
<b>Net (expenditure)/income and net movement in funds before gains and losses on investments</b>		<b>(26)</b>	<b>-</b>	<b>(26)</b>
Investment (losses)/gains		(264)	-	(264)
<b>Net (expenditure)/income</b>		<b>(290)</b>	<b>-</b>	<b>(290)</b>
<b>Other recognised gains</b>				
Revaluation gains/(losses)		-	-	-
<b>Net movement in funds</b>		<b>(290)</b>	<b>-</b>	<b>(290)</b>
Fund balances carried forward at 1 November 2022		19,507	-	19,507
Fund balances carried forward at 31 October 2023		19,217	-	19,217

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**CONSOLIDATED BALANCE SHEET  
AT 31 OCTOBER 2024**

	Note	2024 £000	2023 £000
<b>Fixed assets</b>			
Intangible assets	11	410	499
Tangible assets	12	4,136	4,146
Investments	13	13,179	12,543
		<hr/>	<hr/>
		17,725	17,188
<b>Current assets</b>			
Stocks	14	794	939
Debtors	15	1,757	1,950
Cash at bank and in hand	16	2,951	2,841
		<hr/>	<hr/>
		5,502	5,730
<b>Creditors: amounts falling due within one year</b>	17	(2,511)	(2,555)
		<hr/>	<hr/>
<b>Net current assets</b>		2,991	3,175
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		20,716	20,363
<b>Creditors: amounts falling due after more than one year</b>	18	(450)	(405)
		<hr/>	<hr/>
		20,266	19,958
<b>Funds</b>			
<b>Unrestricted income funds</b> (including capital redemption reserve of £1.2 million)		20,266	19,958
		<hr/>	<hr/>
<b>Total funds</b>		20,266	19,958
		<hr/>	<hr/>

Approved by the Board of Trustees on 5<sup>th</sup> June 2025

And signed on its behalf by:

**R P GENT**

**R CROOKS**

**BALANCE SHEET  
AT 31 OCTOBER 2024**

	Note	2024 £000	2023 £000
<b>Fixed assets</b>			
Tangible assets	12	600	600
Investments	13	18,304	17,744
		18,904	18,344
<b>Current assets</b>			
Debtors	15	95	148
Cash at bank and in hand	16	1,939	1,491
		2,034	1,639
<b>Creditors: amounts falling due within one year</b>	17	(494)	(361)
		1,540	1,278
<b>Net current assets</b>			
		1,540	1,278
<b>Total assets less current liabilities</b>			
		20,444	19,622
<b>Creditors: amounts falling due after more than one year</b>	18	(450)	(405)
		19,994	19,217
<b>Net assets</b>			
		19,994	19,217
<b>Funds</b>			
<b>Unrestricted income funds:</b>			
General funds		19,994	19,217
		19,994	19,217

Approved by the Board of Trustees on 5<sup>th</sup> June 2025

And signed on its behalf by:

R P GENT

R CROOKS

**STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 OCTOBER 2024**

	Note	The Group		The Charity	
		2024	2023	2024	2023
		£000	£000	£000	£000
<b>Cash used in operating activities</b>	23	(1,002)	(1,197)	(22)	(130)
Proceeds from sale of investment property		-	361	-	-
Proceeds from sale of investments		1,807	2,177	998	1,744
Purchase of investments		(1,209)	(3,145)	(1,037)	(2,250)
Purchase of tangible fixed assets		(26)	(30)	-	-
Purchase of intangible fixed assets		(33)	(34)	-	-
Investment income		573	523	509	450
<b>Cash provided by investing activities</b>		1,112	(148)	470	(56)
<b>Change in cash and cash equivalents in the year</b>		110	(1,345)	448	(186)
<b>Cash and cash equivalent brought forward</b>		2,841	4,186	1,491	1,677
<b>Cash and cash equivalent carried forward</b>		2,951	2,841	1,939	1,491
<b>Analysis of cash and cash equivalents</b>					
Cash and bank and in hand		2,951	2,841	1,939	1,491
<b>Cash and cash equivalents as at 31 October 2024</b>		2,951	2,841	1,939	1,491

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
YEAR ENDED 31 OCTOBER 2024**

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## **1. Accounting policies**

### **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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 (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Trustees are satisfied that the Group has sufficient resources and therefore consider that the going concern basis remains appropriate.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### **1.1 Basis of consolidation**

The financial statements consolidate the results of The Ulverscroft Foundation for the year ended 31 October 2024 with those of its subsidiary undertakings for the same financial year on a line by line basis. A summary of the results of the subsidiaries is shown in note 3.

### **1.2 Income recognition**

Voluntary income excluding legacies is accounted for on a receipts basis. Legacy income is recognised when there is notification of a grant of probate and the amount receivable can be measured with sufficient accuracy.

Fundraising trading income comprises the invoiced value of goods supplied, exclusive of VAT and trade discounts and is wholly attributable to the principal activity of the trading group.

### **1.3 Expenditure recognition**

Resources expended are accounted for on an accruals basis. The irrecoverable element of VAT, where applicable, is included with the item of expense to which it relates.

Support costs are those costs which enable the raising of funds and charitable activities to be undertaken.

### **1.4 Grants payable**

Grants are accounted for on an accruals basis and are accounted for in full if the amount awarded is unconditional or the conditions attached have been met. Grants paid are shown as a movement in creditors. Details of grants in the year are shown in note 7.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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**1.5 Investment assets and investment income**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Investments in subsidiaries are measured at cost less impairment.

Investment income is accounted for on a receipts basis

**1.6 Leased assets**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**1.7 Employee benefits**

The trading group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.8 Intangible assets**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis through the Consolidated Statement of Financial Activities over its useful economic life, being 10 years from the date of transition to FRS102 or acquisition, if later.

**1.9 Tangible fixed assets**

Tangible fixed assets under the historical cost convention, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line basis. The estimated useful lives are as follows:

Plant and machinery	4 to 5 years
Fixtures and fittings	4 to 5 years
Motor vehicles	4 to 5 years
Freehold property	50 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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**1.9 Tangible fixed assets (continued)**

Annual impairment reviews are performed in accordance with the requirements of FRS102 to ensure that the carrying value is not higher than the recoverable amount.

**1.10 Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

**1.11 Stocks and work in progress**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress and finished goods include advanced royalties, labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Financial Activities.

**1.12 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.13 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk to change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**1.14 Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

**1.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans and grants, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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**1.16 Foreign currency translation**

Foreign currency transactions are translated into the functional currency using in-house exchange rates at the date of the transaction. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and which arise when remitted from overseas bank accounts, are deemed to be 'realised' and recognised in turnover. Amounts arising on the retranslation of year end monetary items are deemed to be 'unrealised' and appear in administrative expenses in the profit and loss account.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange difference arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**1.17 Pensions - defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.18 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised on respect of all timing difference that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed of and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing difference in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent difference except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and that amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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**1.19 Provisions for liabilities**

Provisions are made where an event had taken place that gives the Group a legal or constructive obligation that probably required settlement by transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated profit and loss account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**1.20 Fund accounting**

Unrestricted funds are those that are available for use, at the discretion of the Trustees, in furtherance of the general objectivities of the charity.

Restricted funds are those that are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Where restricted income has been expended on the designated project it is considered that the restrictions have been met and the sums are therefore transferred to unrestricted funds.

**1.21 Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

(a) There were no critical judgments in applying the Group's accounting policies:

(b) Critical accounting estimates and assumptions:

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

(i) Stock provisioning:

The Group considers it necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the work in progress provision, management considers the nature, condition and age of the stock, as well as applying assumptions around anticipated saleability and future usage.

(ii) Investment properties:

The Group carries its investment properties at fair value being recognised in the Statement of Financial Activities. See accounting policy note 1.10 and note 12 for more information

(iii) Legacy income:

Income from pecuniary and residuary legacies are recognised when there is entitlement and the income is measurable and probable.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

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**2. Voluntary income**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Donations	2	1
Legacies	71	123
	<hr/>	<hr/>
	73	124
	<hr/>	<hr/>

**3. Subsidiary activities**

The charity owns the whole of the ordinary share capital of Ulverscroft Group Limited, which is incorporated in England and Wales. Ulverscroft Group Limited has a number of other subsidiary companies under its control which, together, form the trading group as detailed in note 13. The trading group is principally engaged in the publishing, printing and distribution of large print and audio books for the blind and partially sighted to libraries in the English speaking world.

A summary of the consolidated results for the trading group is shown on the next page. Audited accounts for the consolidated trading group have been filed with the Registrar of Companies.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

3	<b>Subsidiary activities (continued)</b>	<b>2024</b>	<b>2023</b>
		<b>£000</b>	<b>£000</b>
	<b>Turnover - continuing</b>	7,714	7,747
	Cost of sales	(5,145)	(4,911)
	<b>Gross profit</b>	2,569	2,836
	Distribution costs	(914)	(682)
	Administrative expenses	(2,561)	(2,638)
	Exceptional administrative expenses	-	-
	Fair value movements	213	878
	Other operating income	-	-
	<b>Operating profit/(loss) – continuing</b>	(693)	394
	Investment income	78	88
	Interest payable	-	-
	<b>Profit/(Loss) on ordinary activities before taxation</b>	(615)	482
	Taxation - current	(54)	-
	<b>Profit/(Loss) on ordinary activities after taxation</b>	(669)	482
	Non-controlling interest	-	-
	<b>Profit/(Loss) attributable to the parent company</b>	(669)	482
	Foreign exchange losses	-	-
	Amount gift aided to parent charity	(300)	(300)
	<b>Movement in funds for the year</b>	(969)	182
	<b>Asset, liabilities and funds</b>		
	Assets	9,690	10,835
	Liabilities	(2,018)	(2,194)
	<b>Funds</b>		
	Funds attributable to the parent company	7,672	8,641
		7,672	8,641
		<b>2024</b>	<b>2023</b>
		<b>£000</b>	<b>£000</b>
4	<b>Investment income</b>		
	Bank interest	3	3
	Building Society interest	70	27
	Return on listed investments	500	493
		573	523
		<b>2024</b>	<b>2023</b>
		<b>£000</b>	<b>£000</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

**5 Net income for the year**

Net income is stated after charging:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Auditors remuneration		
audit fees	35	32
other services	7	7
Goodwill amortisation	99	99
Amortisation of intangible fixed assets	23	107
Depreciation	35	43
Foreign exchange (profit)/loss	108	88
Operating lease rentals	92	80
	<u>          </u>	<u>          </u>

**6 Support costs**

The charity allocates its support costs to reflect the use of resources in each area.

	<b>Costs of generating voluntary funds £000</b>	<b>Charitable activities £000</b>	<b>Governance costs £000</b>	<b>Total £000</b>
Staff costs	4	32	7	43
Office costs	-	2	1	3
Professional fees	-	-	1	1
Trustees travelling expenses	-	-	2	2
Auditor's fees	-	-	9	9
Insurance	-	2	-	2
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<b>4</b>	<b>36</b>	<b>20</b>	<b>60</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

A total of 6 trustees (2023 – 6 trustees) were paid travelling expenses in the year, as shown above.

**7 Charitable activities**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Grants payable	540	814
Support costs (note 6)	36	36
Governance costs (note 6)	20	19
	<u>          </u>	<u>          </u>
	<b>596</b>	<b>869</b>
	<u>          </u>	<u>          </u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2024

7 Charitable activities (continued)

The following grants were approved in year:

	<u>2024</u> £000
The Reading Agency	70
University of Surrey	68
Ruharu Mission/Keith W. - Uganda	40
UN-ABPAM - Burkina Faso	34
Share the Vision (over 3 years)	30
Orbis Charitable Trust	25
University of St. Andrews	21
Coventry Resource Centre	20
Andean Medical Mission - Bolivia	20
Malawi University of S. & T. - Malawi	20
Right To Sight & Health - Ghana	20
Tshemba Charitable Foundation	16
Book For All Trust - India	12
Embrace the Middle East – Egypt	10
My Sight York	10
Microphthalmia Support (MACS)	10
Sightline Vision (NW) Limited	8
Greenwich Docklands Festival	8
Teeside & D. Society for the Blind	7
Sutton Vision	7
Nepal Leprosy Trust	7
Vision of Adventure	6
Vision Northumberland	6
Be The Band	5
Life Cycle Bristol	5
Open Sight Hampshire	5
Outlook Trust for Visually Impaired	5
British Limbless Assoc'n (BLESMA)	5
EthiopiAid – Ethiopia	5
The John Fawcett Foundation – Bali	5
Greenwich Leisure Ltd	5
KACSU – Kenya	4
Lancashire Lions VI Sports Club	3
Leicester Visually Impaired Bowling	3
InterCare Limited	3
Walthew House	3
Pleasance Theatre Trust	2
Ribble Valley Visually Impaired	2
Wirral C. Narrowboat Trust	2
Royal Court Liverpool Trust	1
Choose Nature	1
VI Talk	1

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540

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

		2024
<b>8</b>	<b>Grants approved and not yet paid (notes 17 and 18):</b>	<b>£000</b>
	<b>Charitable activities (continued)</b>	
	University of Leicester	427
	Ulv. Vision Research Gp	166
	University of Surrey	68
	Ruharu Mission/Keith W. - Uganda	40
	The Reading Agency	35
	UN-ABPAM - Burkina Faso	34
	Share the Vision	30
	University of St Andrews	22
	University of Leicester	21
	Coventry Resource Centre	20
	Malawi Unviversity of S. & T. - Malawi	20
	Right To Sight & Health - Ghana	20
	Share the Vision	16
	Vision Action: Ghana	14
		933

**9 Staff costs**

The average number of employees during the year were as follows:

	2024	2023
Management and administration of the charity	1	1
Trading group Administration	51	52
Production	32	32
	84	85

The total staff costs for the year were:

	2024	2023
	<b>£000</b>	<b>£000</b>
Wages and salaries	2,275	2,290
Social security costs	197	205
Other pension costs	85	87
	2,557	2,582

Two directors (2023 – four) of the Ulverscroft Group Limited have benefits accruing under a defined contribution pension scheme. Total employee benefits (including pension contributions) paid to key management personnel of the trading group amounted to £145,000.

One employee of the trading group received employee benefits (excluding pension contributions) in excess of £60,000. They earned between £60,000 and £80,000.

During the year, one Trustee also acted as Treasurer and received remuneration for their services amounting to £6,568 (2023 - £6,568) in accordance with Section 185 of the Charity Act 2011. No Trustees of the Foundation earn in excess of £60,000. Reimbursed expenses are shown in note 6.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

10 **Taxation**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Corporation Tax - adjustments in respect of previous periods	54	-
	<hr/>	<hr/>
<b>Tax on loss on ordinary profits</b>	<b>54</b>	<b>-</b>
	<hr/>	<hr/>

**Factors affecting the tax charge for the year**

The tax assessed for the year is different from the expected rate of corporation tax. The differences are explained below:

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Profit/(Loss) on ordinary activities before taxation	(615)	482
	<hr/>	<hr/>

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Profit/(Loss) on ordinary activities multiplied by the expected rate of corporate tax of 25% (2023 – 25%)	(154)	120

Effects of:

Expenses not deducted for tax purposes	1	2
Goodwill amortisation and impairment	25	25
Non taxable income	(73)	(242)
Depreciation in excess of capital allowances	2	17
Capital allowances in excess of depreciation	(6)	-
Utilisation of losses	-	(6)
Chargeable gains	-	15
Losses carried forward	211	56
Other differences	(6)	13
Adjustments in respect of previous periods	54	-
	<hr/>	<hr/>
	<b>54</b>	<b>-</b>
	<hr/>	<hr/>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024****11 Intangible assets****The Group****Goodwill  
arising on  
consolidation**

## Cost

At 1 November 2023

3,128

Additions

33

At 31 October 2024

3,161

## Amortisation

At 1 November 2023

2,629

Provision for year

122

At 31 October 2024

2,751

## Net book amount

At 31 October 2024

410

At 31 October 2023

499

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2024

12 Tangible assets

	Investment Property £000	Freehold Property £000	Plant and Machinery £000	Fixtures, Fittings and Motor Vehicles £000	Total £000
<b>The Group</b>					
Cost or valuation					
At 1 November 2023	2,784	1,268	74	430	4,556
Additions	-	-	5	21	26
Disposals	-	-	-	-	-
Exchange adjustment	-	-	-	(2)	(2)
Reclassification	-	-	-	-	-
Revaluation	-	-	-	-	-
At 31 October 2024	2,784	1,268	79	449	4,580
Depreciation					
At 1 November 2023	-	(29)	49	390	410
Provided in the year	-	4	3	29	36
Disposals	-	-	-	-	-
Exchange adjustment	-	-	-	(2)	(2)
Reclassification	-	-	-	-	-
At 31 October 2024	-	(25)	52	417	444
Net book amount At 31 October 2024	2,784	1,293	27	32	4,136
Net book amount At 31 October 2023	2,784	1,297	25	40	4,146

The net book amount at 31 October 2024 represents fixed assets used for:

Management and administration of the charity	-	400	-	-	400
Trading purposes	-	897	25	40	962
Investment purposes	2,784	-	-	-	2,784
	2,784	1,297	25	40	4,146

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

**12 Tangible assets (cont'd)**

The investment properties were valued in 2023 by the directors on an open market value for existing use basis. The Trustees believe there to be no material difference between the 2023 valuations and their open market value at the balance sheet date.

If the investment properties had been accounted for under the historic cost accounting rules, including the net book value of those properties reclassified at the transition date to FRS102, the properties would have been included at £2,303,000 (2023: £2,303,000).

The Foundation's investment property was last revalued by the Trustees in 2022 on an open market basis. The Trustees consider that this continues to represent the open market value of the property at 31 October 2024.

The historical cost of the Foundation property as a whole is £317,000 of which £286,000 relates to the investment property portion.

	<b>Freehold Property £000</b>	<b>Investment Property £000</b>	<b>Total £000</b>
<b>The Charity</b>			
Cost or valuation			
At 1 November 2023	60	540	600
Revaluation	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 October 2024	60	540	600
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 November 2023	-	-	-
And at 31 October 2024	-	-	-
	<hr/>	<hr/>	<hr/>
Net book amount			
At 31 October 2024	60	540	600
	<hr/>	<hr/>	<hr/>
At 31 October 2023	60	540	600
	<hr/>	<hr/>	<hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2024

13 Investments	The Group £000	The Charity £000
Quoted investments:		
Market value at 1 November 2023	12,543	10,044
Additions	1,439	1,268
Eliminated on Disposal	(1,925)	(1,117)
Unrealised gains	1,122	909
	<hr/>	<hr/>
Market value at 31 October 2024	13,179	11,104
	<hr/>	<hr/>
Investment in Group undertakings:		
At 1 November 2023	-	7,700
Impairment		(500)
At 31 October 2024		7,200
	<hr/>	<hr/>
<b>Total:</b>		
Market value at 31 October 2024	13,179	18,304
	<hr/>	<hr/>
Market value at 31 October 2023	10,719	17,300
	<hr/>	<hr/>
Historical cost at 31 October 2024	10,910	17,490
	<hr/>	<hr/>

**Group undertakings**

Name	Principal activity
Ulverscroft Group Limited – Co. No. 01672255	Holding company
Ulverscroft Limited* – Co. No. 01068776	Publishing and distribution
Ulverscroft Large Print (Australia) Pty Limited* (incorporated in Australia) – Co. No. 055644105	Publishing and distribution
Ulverscroft Large Print (USA) Inc.* (incorporated in USA) – Co. No. 1794135	Dormant
La Jolie Ronde Limited* – Co. No. 02291948	Educational publishing and franchising
Words & Graphics Limited*(**) – Co. No. 02379011	Dormant
Oakhill Publishing Limited* - Co No. 05387076	Dormant

\* Shares held by Ulverscroft Group Limited

All of the above subsidiary undertakings are wholly owned and have been consolidated into these financial statements on a line by line basis. With the exception of the overseas subsidiary undertakings, as noted above, all of the subsidiary undertakings are incorporated in England and Wales.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

14	Stocks	The Group		The Charity	
		2024 £000	2023 £000	2024 £000	2023 £000
	Work in progress	386	443	-	-
	Finished goods and goods for resale	408	496	-	-
		<u>794</u>	<u>939</u>	<u>-</u>	<u>-</u>
15	Debtors	The Group		The Charity	
		2024 £000	2023 £000	2024 £000	2023 £000
	Trade debtors	1,138	1,223	-	-
	Other debtors	86	95	-	-
	Prepayments and accrued income	533	632	95	148
		<u>1,757</u>	<u>1,950</u>	<u>95</u>	<u>148</u>
16	Cash and cash equivalents	The Group		The Charity	
		2024 £000	2023 £000	2024 £000	2023 £000
	Cash at bank and in hand	2,951	2,841	1,939	1,491
		<u>2,951</u>	<u>2,841</u>	<u>1,939</u>	<u>1,491</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2024

17 Creditors: amounts falling due within one year

	The Group		The Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Trade creditors	1,236	1,284	3	6
Social security and other taxes	72	56	-	-
Other creditors	141	136	-	-
Grants	483	348	483	348
Accruals and deferred income	579	731	8	7
	<u>2,511</u>	<u>2,555</u>	<u>494</u>	<u>361</u>

18 Creditors: amounts falling due after more than one year

	The Group		The Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Due between two and five years:				
Grants	450	405	450	405
Onerous lease provision	-	-	-	-
	<u>450</u>	<u>405</u>	<u>450</u>	<u>405</u>

19 Pension commitments

**The Group**

The trading group makes payments to employees' individual personal pension plans. The assets of the scheme are held separately from those of the trading group in an independently administered fund. The pension cost charge represents contributions payable by the trading group and amounted to £85,000 (2023 - £87,000). At the year end there were outstanding contributions of £5,000 (2023 - £5,000).

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2024**

**20 Financial commitments**

At 31 October 2024 the Group and charity had future minimum lease payment under non-cancellable operating leases as follows:

**The Group**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Within one year	10	10
Within two to five years	1	11
After more than five years	-	-
	<hr/>	<hr/>
	11	21
	<hr/>	<hr/>

**The Charity**

	<b>2023</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Under one year	-	-
Within two to five years	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

**21 Related party transactions**

Transactions between individual group companies have not been disclosed as the group has taken advantage of the exemption conferred by FRS102 on the basis that the group is a wholly owned subsidiary of the Foundation.

**22 Restricted income fund**

There were no restricted fund balances held at 31 October 2024.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2024

23 Reconciliation of net incoming resources to net cash inflow from operating activities

	The Group		The Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Net incoming resources	362	(108)	777	(290)
Depreciation	35	43	-	-
Goodwill amortisation	122	206	-	-
Interest received	(573)	(523)	(510)	(450)
Interest paid	-	-	-	-
Decrease/(increase) in stocks	146	(196)	-	-
Decrease/(increase) in debtors	156	(119)	53	126
Increase/(decrease) in creditors	(16)	131	179	220
Increase/(decrease) in provisions	-	(36)	-	-
Foreign exchange	-	-	-	-
Investment (gains)/losses	(1,021)	292	(1,021)	264
Taxation received/(paid)	-	18	-	-
Profit/loss on sale	-	-	-	-
Revaluation (gains)/losses	(213)	(905)	-	-
Non-operating items	-	-	500	-
	(1,002)	(1,197)	(22)	(130)

24 Financial instruments

	The Group		The Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost	1,224	1,318	-	-
	1,224	1,318	-	-
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(2,383)	(2,229)	(936)	(759)
	(2,383)	(2,229)	(936)	(759)

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, amounts owed to group undertakings, and other creditors.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
 YEAR ENDED 31 OCTOBER 2024

25 Analysis of changes in net funds

	The Group			The Charity		
	At 01.11.23 £000	Cashflow £000	At 31.10.24 £000	At 01.11.23 £000	Cashflow £000	At 31.10.24 £000
Net cash Cash at bank and in hand	2,841	110	2,951	1,491	448	1,939
	2,841	110	2,951	1,491	448	1,939
	2,841	110	2,951	1,491	448	1,939

**THE ULVERSCROFT FOUNDATION**

England & Wales - Charity number 264873

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# Accounts

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**THE ULVERSCROFT FOUNDATION**  
**AND ITS SUBSIDIARY UNDERTAKINGS**

**ANNUAL ACCOUNTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2023**

**SOMERBYS LIMITED**  
**CHARTERED ACCOUNTANTS**  
**30 NELSON STREET**  
**LEICESTER**  
**LE1 7BA**

# THE ULVERSCROFT FOUNDATION AND ITS SUBSIDIARY UNDERTAKINGS

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CHARITY REGISTRATION NO: 264873

GOVERNED BY DEED OF TRUST DATED 31 OCTOBER 1972

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**Legal and administrative information**

Trustees	R.P. Gent * (chairman) R.J. Crooks * J. Sandford-Smith G.H.A. Woodruff I.R. Moon * C. Ashton R. Clarke  (* Investment sub-committee)
Secretary	Mrs. J. Sumner
Treasurer	I.R. Moon
Office	No.1 The Green Bradgate Road Anstey Leicester LE7 7FU
Statutory Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Barclays Bank plc Leicester
Investment Advisors	RBC Brewin Dolphin 9 Colmore Row Birmingham B3 2BJ

**ANNUAL REPORT OF THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2023**

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The Trustees present their report and the audited financial statements of The Ulverscroft Foundation and its subsidiary undertakings for the year ended 31 October 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

**Trustees of the charity**

The trustees who have served during the year and since the year end were as follows:

R.P. Gent \* (chairman)

R.J. Crooks \*

J. Sandford-Smith

G.H.A. Woodruff

I.R. Moon \*

C. Ashton

R. Clarke

(\* Investment sub-committee)

**Structure, governance and management**

The Foundation was created and is governed by a Deed of Trust dated 31 October 1972 and its Charity Registration number is 264873.

New Trustees are chosen by the existing Trustees having regard to both their general and specific experience of the activities of the Foundation and may be appointed by the continuing Trustees for such limited period as they may decide. The ordinance of the Trust is reviewed and amended regularly by the Trustees. New and existing Trustees have this and other relevant information; discussions take place and explanations are given when appropriate regarding the policies and activities of the Charitable Trust and regarding the duties and responsibilities of Trustees generally. The Foundation complies with the principles of the Code of Good Governance.

The Foundation is operated on a day to day basis by the Secretary and the Treasurer, who call upon any of the Trustees for material decisions. The Trustees meet eight times a year and more frequently if required. Alternate meetings concentrate on progress reports and financial reports of the Foundation and its trading subsidiary company, The Ulverscroft Group Limited.

The Trustees consider on a regular basis, the major risks to which the Foundation and its assets might at some time become exposed. The main risk identified at the present time and for the immediate future is the continuing reduction in local authority funding which will impact on the market for the group's products. In addition to any specific risks identified, the Trustees are aware that any trading venture, such as the Ulverscroft Group, may experience failures and losses, not always within the Foundation's control. The Trustees endeavour to ensure that adequate direction and management exists within the Group and review quarterly reports produced by the Group on the trading status of each activity, its level of success and forecast of its future progress or decline, in addition to financial reports on profits, assets, liabilities and cash flow.

Mr R.J. Crooks and Mr R.P. Gent were both Trustees at the signing date of the accounts who hold title to property belonging to the Foundation.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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**Objectives and activities**

The primary objects of the Ulverscroft Foundation, as recorded in the original Trust Deed, are to relieve, assist and provide treatment and education for sick or handicapped persons and in particular (but without prejudice to the generality of the foregoing) persons suffering from defective eyesight; to promote or conduct medical research and to provide and assist in the provision of facilities for the treatment or alleviation of sick or handicapped persons.

There are no specific restrictions nor are there specific investment powers imposed by the Trust Deed.

The policies adopted to further these objects are summarised as follows:

- to gather in donations, legacies and investment income including that from the wholly owned trading organisation, the Ulverscroft Group Limited, which by the nature of its trading activity of publishing large print books and audio books, supports the objects of the Foundation by assisting persons with visual impairment.
- in their capacity as investors and shareholders of the Ulverscroft Group Limited, the Trustees are required to act in accordance with their ordinance, remaining independent from the management of the Group and its day to day activities while reviewing the state of business progress; in other respects acting as shareholders.
- to manage with the support of its investment advisors, the investment of funds not utilised in the wholly owned trading organisation or for other charitable purposes at the time.
- to develop long and short term charitable projects and to make grants in accordance with the objects of the Foundation.
- to administer the Foundation as efficiently as possible through its Secretariat.

**Public benefit**

Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

In considering applications Trustees take into account evidence of need, the likely numbers of beneficiaries, clarity of outcomes, achievability, sustainability and financial viability. They also consider the applicant's previous track record of achievement, including other funding already obtained. Specialist advice may be sought where appropriate.

In the case of funding for research, Trustees look for evidence of medium to long-term potential to deliver significant public benefit.

Further revisions have been made to the online application procedure. The final version is designed to ensure that applicants are clear about the information which trustees require.

One of the trustees has engaged with a number of successful applicants to produce joint publicity around significant awards. It was hoped that an improved profile for the Foundation would encourage more, and better quality, applications.

**Investment powers, policy and performance**

In accordance with the Trust Deed and agreed Investment Policy, the Trustees may invest in any manner of investments at their discretion. The Trustees have the same powers in all respects as if they were absolute owners. The shareholdings in listed companies, shown on the Balance Sheet of the Foundation, amount to 57% of the fixed asset investments.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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The main investment held by the Foundation is that in the Ulverscroft Group, amounting to £7,700,000. The Trustees consider this to be a sound investment having regard to its activities and to the Balance Sheet value of the Group.

Other than the Ulverscroft Group, the Trustees take advice from their investment advisors with the policy of a balance of yield and security, subject to ethical considerations, for example, firearms, gambling, tobacco products and animal testing are all excluded. The performance during the year is regarded as satisfactory taking account of market conditions.

During the financial year 2022/23 Trustees reviewed their investment risk profile with the assistance of their advisors and it was determined to retain the current level of risk.

**The Ulverscroft Group**

Since 1964, Ulverscroft Limited has republished existing titles in a format easily read by blind and partially sighted people. Profits were given to charitable causes connected with blind and partially sighted people and to ophthalmic research. In 1972, the Ulverscroft Foundation was formed and acquired the Company in order to protect its trade and the charitable distribution of its surplus profits.

The accounts of Ulverscroft Group Limited incorporating the original Large Print Books Company are now consolidated with those of the Foundation.

Reductions in public spending have impacted adversely on the Group's trading position. It is addressing these issues through cost savings and continuing to develop its digital offering.

**Grants**

Grants are made in accordance with the objects of the Foundation and are focused, when possible, on charity projects in partnership with the recipient organisations. 40 grants were approved during the year totalling £814,387 (£404,789 falling due after more than one year). Additionally, payments totalling £239,251 were made in respect of grant projects in progress, which were started in previous years. The total grant payments during the year amounted to £597,189. An adjustment was made of £137 in relation to a recipient returning an underspend of their grant.

Included in creditors due within one year and after more than one year are grants for future years where intent has been declared, without legal obligation, to maintain payments over future defined periods, primarily for research. A list of material grants and projects expended during the year is included within the attached accounts. Major grants approved to date include those to the Ulverscroft Vision Research Group and University of Leicester.

The Trust's continuing support of the University of Leicester will support work on retinoblastoma, nystagmus, and other conditions, following the appointment (with University and NHS funding) of an Associate Professor/Consultant Ophthalmologist.

Other major awards were made to The Reading Agency, for the development of Reading Friends Groups; to Second Sight, for its work in India; to the Bangladesh Protibandhi Unnayan Sangstha for a project to improve self-development and employment opportunities for blind people in that country; and to the London School of Hygiene and Tropical Medicine for the development of simulation training in South Africa.

**Achievements and performance**

By the very nature of the objectives laid down for the Foundation, and the policies of the Trustees to achieve them, there are no regular defined patterns of charitable giving. The search for suitable recipients for major grants is ongoing, do not occur on a regular basis and in any event are dependent on the finance available. The Foundation reviews its grants policy annually to ensure that an appropriate balance is maintained between expenditure on research and innovation, clinical care, and community-based support to visually-impaired people in the UK and overseas.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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The Foundation benefitted from a number of donations and legacies, including a very generous legacy from the estate of Mr William Hogg of Glasgow. We are immensely grateful for all such gifts, which help ensure that we can continue to support worthy projects worldwide.

Although the Ulverscroft Group has seen some cost savings from the rationalisations carried out over the past few years, trading conditions remain extremely challenging. The investment in digital content has not yet delivered a significant increase in revenue. However, it was noted that overseas sales, particularly to Australia, were performing strongly. Further investment is planned with the appointment of a Head of Sales and Marketing. The situation is of concern to the Foundation as the sole shareholder in the Group.

**Financial review**

The attached Statement of Financial Activities and the supporting notes summarise clearly the resources received and expended during the year ended 31 October 2023 and the attached Balance Sheet and its supporting notes reflect the position in terms of assets and liabilities at 31 October 2023. The Trustees consider that the results and position are satisfactory.

The above paragraphs describe the various policies adopted by the Trustees within the activities of the Foundation which have included the management of finance. Funding sources are detailed in the Financial Activities Statement and stem from dividends and interest from investments, donations and bequests. Resources expended by the Foundation are also detailed and, other than grants, primarily relate to salaries and professional fees.

Reserves are set out on page 15 of the attached accounts. Total reserves amount to £19,958,000 of which £10,321,000 relates to the general funds of the Foundation and £9,637,000 relates to the Trading Group. There are no restricted funds at the balance sheet date and free reserves (unrestricted reserves excluding fixed assets but including investments) amounted to £15,812,000. The Trustees' policy is to maintain sufficient uncommitted funds in reserves to ensure the future sustainability of its charitable activities, including the award of major grants and capital investments.

**Unpaid volunteers and services in kind**

The Foundation does not depend upon the services of unpaid volunteers or other services in kind.

**Plans for future periods**

The Trustees continue to search for the opportunity to direct the funds of the Foundation towards major projects which appear to bring particular benefit and relief to those who are blind and partially sighted, including research towards the prevention of related diseases, the challenge being to select projects where the Foundation's resources can achieve the maximum effect. Over the coming year the Foundation will be working actively to identify suitable potential Trustees to replace likely retirements and resignations. The skills areas we will be seeking will be in finance, clinical practice and social media.

Trustees will continue to explore ways to improve awareness of the Foundation's activities, in the interests of attracting a diverse range of high quality applications.

There are no known post balance sheet events and no known contingent liabilities to be disclosed to date. The Trustees confirm that they believe that this report and attached accounts, which should be read with this report, comply with current statutory requirements including the Statement of Recommended Practice (SORP FRS102).

**Risk policy**

The Trustees have reviewed for any significant risks and have put in place systems or procedures to manage these.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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**Trustees' responsibilities statement**

The Trustees are responsible for preparing the Trustees' Annual 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 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 Foundation and of the incoming resources and application of resources of the Foundation 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 in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Foundation's procedures for mitigating the risks associated with money laundering and financial crime are approved by its auditors and bankers, and comply with the Charity Commission's requirements for due diligence in awarding grants. This has now been incorporated into a formal policy on financial crime.

On behalf of the Trustees

**R P GENT**  
TRUSTEE

6<sup>th</sup> June 2024

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2023**

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**Opinion**

We have audited the consolidated financial statements of The Ulverscroft Foundation for the year ended 31 October 2023 which comprise the Consolidated Statement of Financial Activities, Parent Statement of Financial Activities, the Consolidated Balance Sheet, Parent Balance Sheet, Consolidated Cash Flow Statement, Parent Cash Flow Statement and notes to the financial statements, 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 group's and parent charity's affairs as at 31 October 2023, and of the group's incoming resources and application of resources 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity'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.

**Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023**

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

We have nothing to report in this regard.

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

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records; 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 set out on page 6, the Trustees are responsible for the preparation of financial statements which 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 group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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In the context of The Ulverscroft Foundation and its subsidiary undertakings, we have not identified any specific laws and regulations other than general commercial laws and regulations, such as: Charities Act 2011; Charity Commission guidance; Trustees Act 2000; Health and Safety legislation and GDPR regulations.

Our understanding of the legal and regulatory framework applicable to The Ulverscroft Foundation and its subsidiary undertakings and how the charity has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries, we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non-compliance have occurred.

Our understanding of the charity's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management, and those charged with governance to identify any instances of non-compliance with laws and regulations.
- Enquiry of management, and those charged with governance to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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**Use of this report**

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**SOMERBYS LIMITED**

Chartered Accountants

Statutory Auditor

30 Nelson Street

Leicester

LE1 7BA

Date:

Somerbys Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 OCTOBER 2023**

<b><u>Current Financial Year</u></b>	<b>Note</b>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Total 2023</b>	<b>Total 2022</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Income and endowments from:</b>					
Voluntary income	2	124	-	124	318
Other trading activities		-	-	-	-
Trading income	3	7,747	-	7,747	7,984
Investment income	4	523	-	523	400
Other income		-	-	-	2
<b>Total</b>		<b>8,394</b>	<b>-</b>	<b>8,394</b>	<b>8,704</b>
<b>Expenditure on:</b>					
Raising funds:					
Commercial trading:-					
Expenditure - continuing	3 & 5	8,215	-	8,215	7,939
Taxation	10	-	-	-	-
Investment management costs		27	-	27	25
Costs of generating voluntary funds	6	4	-	4	3
Charitable activities	7	869	-	869	529
<b>Total</b>		<b>9,115</b>	<b>-</b>	<b>9,115</b>	<b>8,496</b>
<b>Net income and net movement in funds before gains and losses on investments</b>					
		(721)	-	(721)	208
Investment gains/(losses)		(292)	-	(292)	(1,212)
<b>Net income</b>		<b>(1,013)</b>	<b>-</b>	<b>(1,013)</b>	<b>(1,004)</b>
<b>Other recognised gains/(losses)</b>					
Foreign exchange adjustment		-	-	-	2
Revaluation gains/(losses)		905	-	905	205
<b>Net movement in funds</b>		<b>(108)</b>	<b>-</b>	<b>(108)</b>	<b>(797)</b>
<b>Reconciliation of funds</b>					
Total Funds at 1 November 2022		20,066	-	20,066	20,863
Total Funds at 31 October 2023		19,958	-	19,958	20,066

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2023

<u>Prior Financial Year</u>	Note	General Funds £000	Restricted Funds £000	Total 2022 £000
<b>Income and endowments from:</b>				
Voluntary income	2	318	-	318
Other trading activities		-	-	-
Trading income	3	7,984	-	7,984
Investment income	4	400	-	400
Other		2	-	2
		<hr/>	<hr/>	<hr/>
<b>Total</b>		8,704	-	8,704
		<hr/>	<hr/>	<hr/>
<b>Expenditure on:</b>				
Raising funds:				
Commercial trading:-				
Expenditure - continuing	3 & 5	7,939	-	7,939
Taxation	10	-	-	-
Investment management costs		25	-	25
Costs of generating voluntary funds	6	3	-	3
Charitable activities	7	529	-	529
		<hr/>	<hr/>	<hr/>
<b>Total</b>		8,496	-	8,496
		<hr/>	<hr/>	<hr/>
<b>Net income and net movement in funds before gains and losses on investments</b>				
		208	-	208
Investment gains/(losses)		(1,212)	-	(1,212)
		<hr/>	<hr/>	<hr/>
<b>Net income</b>		(1,004)	-	(1,004)
<b>Other recognised gains/(losses)</b>				
Foreign exchange adjustment		2	-	2
Revaluation gains/(losses)		205	-	205
		<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		(797)	-	(797)
<b>Reconciliation of funds</b>				
Total Funds at 1 November 2021		20,863	-	20,863
		<hr/>	<hr/>	<hr/>
Total Funds at 31 October 2022		20,066	-	20,066
		<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2023

<u>Current Financial Year</u>	Note	General Funds £000	Restricted Funds £000	Total 2023 £000	Total 2022 £000
<b>Income and endowments from:</b>					
Voluntary income	2	124	-	124	318
Gift aid from trading group		300	-	300	550
Investment income		450	-	450	373
<b>Total</b>		<b>874</b>	<b>-</b>	<b>874</b>	<b>1,241</b>
<b>Expenditure on:</b>					
Raising funds:					
Investment management costs		27	-	27	25
Costs of generating voluntary funds	6	4	-	4	3
Charitable activities	7	869	-	869	529
<b>Total</b>		<b>900</b>	<b>-</b>	<b>900</b>	<b>557</b>
<b>Net (expenditure)/income and net movement in funds before gains and losses on investments</b>		<b>(26)</b>	<b>-</b>	<b>(26)</b>	<b>684</b>
Investment (losses)/gains		(264)	-	(264)	(883)
<b>Net (expenditure)/income</b>		<b>(290)</b>	<b>-</b>	<b>(290)</b>	<b>(199)</b>
<b>Other recognised gains</b>					
Revaluation gains/(losses)		-	-	-	200
<b>Net movement in funds</b>		<b>(290)</b>	<b>-</b>	<b>(290)</b>	<b>1</b>
Fund balances carried forward at 1 November 2022		19,507		19,507	19,506
Fund balances carried forward at 31 October 2023		19,217	-	19,217	19,507

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2023

<u>Prior Financial Year</u>	Note	General Funds £000	Restricted Funds £000	Total 2022 £000
<b>Income and endowments from:</b>				
Voluntary income	2	318	-	318
Gift aid from trading group		550	-	550
Investment income		373	-	373
		<hr/>	<hr/>	<hr/>
<b>Total</b>		1,241	-	1,241
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Expenditure on:</b>				
Raising funds:				
Investment management costs		25	-	25
Costs of generating voluntary funds	6	3	-	3
Charitable activities	7	529	-	529
		<hr/>	<hr/>	<hr/>
<b>Total</b>		557	-	557
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Net (expenditure)/income and net movement in funds before gains and losses on investments</b>		684	-	684
Investment (losses)/gains		(883)	-	(883)
		<hr/>	<hr/>	<hr/>
<b>Net (expenditure)/income</b>		(199)	-	(199)
<b>Other recognised gains</b>				
Revaluation gains/(losses)		200	-	200
		<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		1	-	1
Fund balances carried forward at 1 November 2021		19,506	-	19,506
		<hr/>	<hr/>	<hr/>
Fund balances carried forward at 31 October 2022		19,507	-	19,507
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**CONSOLIDATED BALANCE SHEET  
AT 31 OCTOBER 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Intangible assets	11	499	671
Tangible assets	12	4,146	3,616
Investments	13	12,543	11,867
		17,188	16,154
<b>Current assets</b>			
Stocks	14	939	743
Debtors	15	1,950	1,849
Cash at bank and in hand	16	2,841	4,186
		5,730	6,778
<b>Creditors: amounts falling due within one year</b>	17	(2,555)	(2,664)
<b>Net current assets</b>		3,175	4,114
<b>Total assets less current liabilities</b>		20,363	20,268
<b>Creditors: amounts falling due after more than one year</b>	18	(405)	(202)
		19,958	20,066
<b>Funds</b>			
<b>Unrestricted income funds</b> (including capital redemption reserve of £1.2 million)		19,958	20,066
		19,958	20,066
<b>Total funds</b>		19,958	20,066

Approved by the Board of Trustees on 6<sup>th</sup> June 2024

And signed on its behalf by:

**R P GENT**

**R CROOKS**

**BALANCE SHEET  
AT 31 OCTOBER 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Tangible assets	12	600	600
Investments	13	17,744	17,503
		18,344	18,103
<b>Current assets</b>			
Debtors	15	148	273
Cash at bank and in hand	16	1,491	1,677
		1,639	1,950
<b>Creditors: amounts falling due within one year</b>	17	(361)	(380)
		1,278	1,570
<b>Net current assets</b>		1,278	1,570
<b>Total assets less current liabilities</b>		19,622	19,673
<b>Creditors: amounts falling due after more than one year</b>	18	(405)	(166)
		19,217	19,507
<b>Net assets</b>		19,217	19,507
<b>Funds</b>			
<b>Unrestricted income funds:</b>			
General funds		19,217	19,507
		19,217	19,507
		19,217	19,507

Approved by the Board of Trustees on 6<sup>th</sup> June 2024

And signed on its behalf by:

**R P GENT**

**R CROOKS**

**STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 OCTOBER 2023**

	Note	The Group 2023	2022	The Charity 2023	2022
		£000	£000	£000	£000
<b>Cash used in operating activities</b>	23	(1,197)	149	(130)	152
Proceeds from sale of investment property		361	900	-	-
Proceeds from sale of investments		2,177	1,375	1,744	1,287
Purchase of investments		(3,145)	(1,713)	(2,250)	(1,399)
Purchase of tangible fixed assets		(30)	(49)	-	-
Purchase of intangible fixed assets		(34)	(65)	-	-
Investment income		523	400	450	373
<b>Cash provided by investing activities</b>		(148)	848	(56)	261
<b>Change in cash and cash equivalents in the year</b>		(1,345)	997	(186)	413
<b>Cash and cash equivalent brought forward</b>		4,186	3,189	1,677	1,264
<b>Cash and cash equivalent carried forward</b>		2,841	4,186	1,491	1,677
<b>Analysis of cash and cash equivalents</b>					
Cash and bank and in hand		2,841	4,186	1,491	1,677
<b>Cash and cash equivalents as at 31 October 2023</b>		2,841	4,186	1,491	1,677

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
YEAR ENDED 31 OCTOBER 2023**

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**1. Accounting policies****Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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 (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Trustees are satisfied that the Group has sufficient resources and therefore consider that the going concern basis remains appropriate.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**1.1 Basis of consolidation**

The financial statements consolidate the results of The Ulverscroft Foundation for the year ended 31 October 2023 with those of its subsidiary undertakings for the same financial year on a line by line basis. A summary of the results of the subsidiaries is shown in note 3.

**1.2 Income recognition**

Voluntary income excluding legacies is accounted for on a receipts basis. Legacy income is recognised when there is notification of a grant of probate and the amount receivable can be measured with sufficient accuracy.

Fundraising trading income comprises the invoiced value of goods supplied, exclusive of VAT and trade discounts and is wholly attributable to the principal activity of the trading group.

**1.3 Expenditure recognition**

Resources expended are accounted for on an accruals basis. The irrecoverable element of VAT, where applicable, is included with the item of expense to which it relates.

Support costs are those costs which enable the raising of funds and charitable activities to be undertaken.

**1.4 Grants payable**

Grants are accounted for on an accruals basis and are accounted for in full if the amount awarded is unconditional or the conditions attached have been met. Grants paid are shown as a movement in creditors. Details of grants in the year are shown in note 7.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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**1.5 Investment assets and investment income**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Investments in subsidiaries are measured at cost less impairment.

Investment income is accounted for on a receipts basis

**1.6 Leased assets**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**1.7 Employee benefits**

The trading group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.8 Intangible assets**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis through the Consolidated Statement of Financial Activities over its useful economic life, being 10 years from the date of transition to FRS102 or acquisition, if later.

**1.9 Tangible fixed assets**

Tangible fixed assets under the historical cost convention, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line basis. The estimated useful lives are as follows:

Plant and machinery	4 to 5 years
Fixtures and fittings	4 to 5 years
Motor vehicles	4 to 5 years
Freehold property	50 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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Annual impairment reviews are performed in accordance with the requirements of FRS102 to ensure that the carrying value is not higher than the recoverable amount.

**1.10 Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

**1.11 Stocks and work in progress**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress and finished goods include advanced royalties, labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Financial Activities.

**1.12 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.13 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk to change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**1.14 Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

**1.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans and grants, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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**1.16 Foreign currency translation**

Foreign currency transactions are translated into the functional currency using in-house exchange rates at the date of the transaction. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and which arise when remitted from overseas bank accounts, are deemed to be 'realised' and recognised in turnover. Amounts arising on the retranslation of year end monetary items are deemed to be 'unrealised' and appear in administrative expenses in the profit and loss account.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange difference arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**1.17 Pensions - defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.18 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised on respect of all timing difference that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed of and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing difference in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent difference except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and that amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2023**

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**1.19 Provisions for liabilities**

Provisions are made where an event had taken place that gives the Group a legal or constructive obligation that probably required settlement by transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated profit and loss account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**1.20 Fund accounting**

Unrestricted funds are those that are available for use, at the discretion of the Trustees, in furtherance of the general objectivities of the charity.

Restricted funds are those that are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Where restricted income has been expended on the designated project it is considered that the restrictions have been met and the sums are therefore transferred to unrestricted funds.

**1.21 Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

(a) There were no critical judgments in applying the Group's accounting policies:

(b) Critical accounting estimates and assumptions:

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

(i) Stock provisioning:

The Group considers it necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the work in progress provision, management considers the nature, condition and age of the stock, as well as applying assumptions around anticipated saleability and future usage.

(ii) Investment properties:

The Group carries its investment properties at fair value being recognised in the Statement of Financial Activities. See accounting policy note 1.10 and note 12 for more information

(iii) Legacy income:

Income from pecuniary and residuary legacies are recognised when there is entitlement and the income is measurable and probable.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

## 2. Voluntary income

	2023 £000	2022 £000
Donations	1	53
Legacies	123	265
	<hr/>	<hr/>
	124	318
	<hr/> <hr/>	<hr/> <hr/>

## 3. Subsidiary activities

The charity owns the whole of the ordinary share capital of Ulverscroft Group Limited, which is incorporated in England and Wales. Ulverscroft Group Limited has a number of other subsidiary companies under its control which, together, form the trading group as detailed in note 13. The trading group is principally engaged in the publishing, printing and distribution of large print and audio books for the blind and partially sighted to libraries in the English speaking world.

A summary of the consolidated results for the trading group is shown on the next page. Audited accounts for the consolidated trading group have been filed with the Registrar of Companies.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

3	<b>Subsidiary activities (continued)</b>	<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>
	<b>Turnover</b> - continuing	7,747	7,984
	Cost of sales	(4,911)	(4,669)
	<b>Gross profit</b>	2,836	3,315
	Distribution costs	(682)	(727)
	Administrative expenses	(2,638)	(2,550)
	Exceptional administrative expenses	-	(8)
	Fair value movements	878	(124)
	Other operating income	-	-
	<b>Operating profit/(loss) – continuing</b>	394	(94)
	Investment income	88	43
	Interest payable	-	-
	<b>Profit/(Loss) on ordinary activities before taxation</b>	482	(51)
	Taxation - current	-	-
	<b>Profit/(Loss) on ordinary activities after taxation</b>	482	(51)
	Non-controlling interest	-	-
	<b>Profit/(Loss) attributable to the parent company</b>	482	(51)
	Foreign exchange losses	-	-
	Amount gift aided to parent charity	(300)	(550)
	<b>Movement in funds for the year</b>	182	(601)
	<b>Asset, liabilities and funds</b>		
	Assets	10,835	10,779
	Liabilities	(2,194)	(2,320)
	<b>Funds</b>		
	Funds attributable to the parent company	8,641	8,459
		8,641	8,459
		<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>
4	<b>Investment income</b>		
	Bank interest	3	3
	Building Society interest	27	3
	Return on listed investments	493	394
		523	400
		<b>2023</b>	<b>2022</b>
		<b>£000</b>	<b>£000</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

5 **Net income for the year**

Net income is stated after charging:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Auditors remuneration		
audit fees	32	33
other services	7	7
Goodwill amortisation	99	99
Amortisation of intangible fixed assets	107	100
Depreciation	43	55
Foreign exchange (profit)/loss	88	24
Operating lease rentals	80	96
	<hr/>	<hr/>

6 **Support costs**

The charity allocates its support costs to reflect the use of resources in each area.

	<b>Costs of generating voluntary funds £000</b>	<b>Charitable activities £000</b>	<b>Governance costs £000</b>	<b>Total £000</b>
Staff costs	4	35	8	47
Office costs	-	1	1	2
Professional fees	-	-	-	-
Trustees travelling expenses	-	-	-	-
Auditor's fees	-	-	8	8
Insurance	-	-	2	2
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>4</b>	<b>36</b>	<b>19</b>	<b>59</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

A total of 6 trustees (2022 – 7 trustees) were paid travelling expenses in the year, as shown above.

7 **Charitable activities**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Grants payable	814	481
Support costs (note 6)	36	31
Governance costs (note 6)	19	17
	<hr/>	<hr/>
	<b>869</b>	<b>529</b>
	<hr/> <hr/>	<hr/> <hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

7 Charitable activities (continued)

The following grants were approved in year:	<u>2023</u> <u>£000</u>
University of Leicester	427
Second Sight: India	81
LSH&TM Will Dean: South Africa	67
The Reading Agency	35
Bangladesh Protibandhi Unnayan Sangstha (BPUS): Bangladesh	20
Clinique Ophthalmologique St Raphael: DR Congo	20
Sheffield Royal Society for the Blind	15
Vision Action: Zambia	14
Advantage Africa: Uganda	10
CBM: Zimbabwe	10
Feed the Mind: Uganda	10
MoorVision	10
Orchestra of the Swan	10
Fife Society for the Blind trading as Seescape	8
Accrington & District Blind Society ELVIN	5
Henshaws	5
Kent Association for the Blind	5
Mondo Foundation: Tanzania	5
Sight Support West of England	5
St Vincent's School for Sensory Impairment: International	5
Wirral Society of the Blind & Partially Sighted	5
Living Paintings Trust	4
Blind in Business	3
Bucks Vision	3
CAM Sight (Cambridge Society for the Blind & Partially Sighted)	3
NAB	3
Sight Loss Shropshire	3
Time & Talents	3
4 Sight Vision Support	2
Alive & Kicking: Kenya, Zambia & UK	2
Berkshire Vision	2
Braille Chess Association	2
Happy Days	2
Inter Care: Tanzania	2
Middlesex Association for the Blind	2
Walsall Society for the Blind	2
Warwickshire Vision Support	2
Insight Gloucestershire	1
Living Options Devon	1

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814

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

	<b>2023</b>
	<b>£000</b>
<b>8 Grants approved and not yet paid (notes 17 and 18):</b>	
<b>Charitable activities (continued)</b>	
University of Leicester	459
Ulverscroft Vision Research Group	243
Share the Vision	17
Rotheram Sight & Sound	15
Vision Action:Zambia	14
North Wales Access. Holidays	5
	753
	753

**9 Staff costs**

The average number of employees during the year were as follows:

	<b>2023</b>	<b>2022</b>
Management and administration of the charity	1	1
Trading group Administration	52	51
Production	32	36
	85	88
	85	88

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
The total staff costs for the year were:		
Wages and salaries	2,290	2,215
Social security costs	205	204
Other pension costs	87	85
	2,582	2,504
	2,582	2,504

Four directors (2022 – two) of the Ulverscroft Group Limited have benefits accruing under a defined contribution pension scheme. Total employee benefits (including pension contributions) paid to key management personnel of the trading group amounted to £178,000.

Two employees of the trading group received employee benefits (excluding pension contributions) in excess of £60,000. One employee earned between £70,000 and £80,000, and one employee earned between £100,000 and £110,000.

During the year, one Trustee also acted as Treasurer and received remuneration for their services amounting to £6,568 (2022 - £nil) in accordance with Section 185 of the Charity Act 2011. No Trustees of the Foundation earn in excess of £60,000. Reimbursed expenses are shown in note 6.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

10 **Taxation**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Corporation Tax	-	-
<b>Tax on loss on ordinary profits</b>	<b>-</b>	<b>-</b>

**Factors affecting the tax charge for the year**

The tax assessed for the year is different from the expected rate of corporation tax. The differences are explained below:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Profit/(Loss) on ordinary activities before taxation	482	(51)
Profit/(Loss) on ordinary activities multiplied by the expected rate of corporate tax of 25% (2022 – 19%)	120	(10)
Effects of:		
Expenses not deducted for tax purposes	2	30
Goodwill amortisation and impairment	25	19
Other timing differences	-	1
Non taxable income	(242)	(10)
Depreciation in excess of capital allowances	17	27
Capital allowances in excess of depreciation	-	(2)
Utilisation of losses	(6)	(87)
Chargeable gains	15	59
Losses carried forward	56	-
Other differences	13	-
	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

## 11 Intangible assets

The GroupGoodwill  
arising on  
consolidation

Cost

At 1 November 2022

3,094

Additions

34

At 31 October 2023

3,128

Amortisation

At 1 November 2022

2,423

Provision for year

206

At 31 October 2023

2,629

Net book amount

At 31 October 2023

499

At 31 October 2022

671

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

12 Tangible assets

	Investment Property £000	Freehold Property £000	Plant and Machinery £000	Fixtures, Fittings and Motor Vehicles £000	Total £000
<b>The Group</b>					
Cost or valuation					
At 1 November 2022	2,240	1,268	74	412	3,994
Additions	-	-	-	30	30
Disposals	-	-	-	(1)	(1)
Exchange adjustment	-	-	-	(11)	(11)
Reclassification	-	-	-	-	-
Revaluation	544	-	-	-	-
At 31 October 2023	2,784	1,268	74	430	4,556
Depreciation					
At 1 November 2022	-	(33)	46	365	378
Provided in the year	-	4	3	36	43
Disposals	-	-	-	(1)	(1)
Exchange adjustment	-	-	-	(10)	(10)
Reclassification	-	-	-	-	-
At 31 October 2023	-	(29)	49	390	410
Net book amount					
At 31 October 2023	2,784	1,297	25	40	4,146
Net book amount					
At 31 October 2022	2,240	1,301	28	47	3,616

The net book amount at 31 October 2023 represents fixed assets used for:

Management and administration of the charity	-	400	-	-	400
Trading purposes	-	897	25	40	962
Investment purposes	2,784	-	-	-	2,784
	2,784	1,297	25	40	4,146

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

12 **Tangible assets (cont'd)**

The fair value based on their estimated open market value of the investment properties were revalued by the directors in the year resulting in a revaluation surplus of £904,759.

If the investment properties had been accounted for under the historic cost accounting rules, including the net book value of those properties reclassified at the transition date to FRS102, the properties would have been included at £2,303,000 (2022: £2,671,000).

The Foundation's investment property was last revalued by the Trustees in 2022 on an open market basis. The Trustees consider that this continues to represent the open market value of the property at 31 October 2023.

The historical cost of the Foundation property as a whole is £317,000 of which £286,000 relates to the investment property portion.

	<b>Freehold Property £000</b>	<b>Investment Property £000</b>	<b>Total £000</b>
<b>The Charity</b>			
Cost or valuation			
At 1 November 2022	60	540	600
Revaluation	-	-	-
	-----	-----	-----
At 31 October 2023	60	540	600
	-----	-----	-----
Depreciation			
At 1 November 2022	-	-	-
And at 31 October 2023	-	-	-
	-----	-----	-----
Net book amount			
At 31 October 2023	60	540	600
	=====	=====	=====
At 31 October 2023	60	540	600
	-----	-----	-----

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

13 Investments	The Group £000	The Charity £000
Quoted investments:		
Market value at 1 November 2022	11,867	9,803
Additions	1,203	2,250
Eliminated on Disposal		(1,683)
Unrealised gains	(527)	(326)
	<hr/>	<hr/>
Market value at 31 October 2023	12,543	10,044
	<hr/>	<hr/>
Investment in Group undertakings:		
At 1 November 2022 and 31 October 2023	-	7,700
	<hr/>	<hr/>
<b>Total:</b>		
Market value at 31 October 2023	12,543	17,744
	<hr/>	<hr/>
Market value at 31 October 2022	11,867	17,503
	<hr/>	<hr/>
Historical cost at 31 October 2023	10,719	17,300
	<hr/>	<hr/>

**Group undertakings**

Name	Principal activity
Ulverscroft Group Limited – Co. No. 01672255	Holding company
Ulverscroft Limited* – Co. No. 01068776	Publishing and distribution
Ulverscroft Large Print (Australia) Pty Limited* (incorporated in Australia) – Co. No. 055644105	Publishing and distribution
Ulverscroft Large Print (USA) Inc.* (incorporated in USA) – Co. No. 1794135	Publishing and distribution
La Jolie Ronde Limited* – Co. No. 02291948	Educational publishing and franchising
Words & Graphics Limited*(**) – Co. No. 02379011	Dormant
Oakhill Publishing Limited* - Co No. 05387076	Dormant

\* Shares held by Ulverscroft Group Limited

All of the above subsidiary undertakings are wholly owned and have been consolidated into these financial statements on a line by line basis. With the exception of the overseas subsidiary undertakings, as noted above, all of the subsidiary undertakings are incorporated in England and Wales.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

14	Stocks	The Group		The Charity	
		2023 £000	2022 £000	2023 £000	2022 £000
	Work in progress	443	388	-	-
	Finished goods and goods for resale	496	355	-	-
		<u>939</u>	<u>743</u>	<u>-</u>	<u>-</u>
15	Debtors	The Group		The Charity	
		2023 £000	2022 £000	2023 £000	2022 £000
	Trade debtors	1,223	1,061	-	-
	Other debtors	95	110	-	-
	Prepayments and accrued income	632	678	148	273
		<u>1,950</u>	<u>1,849</u>	<u>148</u>	<u>273</u>
16	Cash and cash equivalents	The Group		The Charity	
		2023 £000	2022 £000	2023 £000	2022 £000
	Cash at bank and in hand	2,841	4,186	1,491	1,677
		<u>2,841</u>	<u>4,186</u>	<u>1,491</u>	<u>1,677</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

17 Creditors: amounts falling due within one year

	The Group		The Charity	
	2023	2022	2023	2022
	£000	£000	£000	£000
Trade creditors	1,284	1,175	6	3
Social security and other taxes	56	58	-	-
Other creditors	136	153	-	-
Grants	348	370	348	370
Accruals and deferred income	731	908	7	7
	<u>2,555</u>	<u>2,664</u>	<u>361</u>	<u>380</u>

18 Creditors: amounts falling due after more than one year

The Group and The Charity	Group		Charity	
	2023	2022	2023	2022
	£000	£000	£000	£000
Due between two and five years:				
Grants	405	166	405	166
Onerous lease provision		36	-	-
	<u>405</u>	<u>202</u>	<u>405</u>	<u>166</u>

19 Pension commitments

The Group

The trading group makes payments to employees' individual personal pension plans. The assets of the scheme are held separately from those of the trading group in an independently administered fund. The pension cost charge represents contributions payable by the trading group and amounted to £87,000 (2022 - £85,000). At the year end there were outstanding contributions of £5,000 (2022 - £10,000).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2023

20 **Financial commitments**

At 31 October 2023 the Group and charity had future minimum lease payment under non-cancellable operating leases as follows:

**The Group**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Within one year	-	36
Within two to five years	-	-
After more than five years	-	-
	<hr/>	<hr/>
	-	36
	<hr/> <hr/>	<hr/> <hr/>

**The Charity**

	<b>2022</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Under one year	-	-
Within two to five years	-	-
	<hr/>	<hr/>
	-	-
	<hr/> <hr/>	<hr/> <hr/>

21 **Related party transactions**

Transactions between individual group companies have not been disclosed as the group has taken advantage of the exemption conferred by FRS102 on the basis that the group is a wholly owned subsidiary of the Foundation.

22 **Restricted income fund**

There were no restricted fund balances held at 31 October 2023.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

23 Reconciliation of net incoming resources to net cash inflow from operating activities

	The Group		The Charity	
	2023 £000	2022 £000	2023 £000	2022 £000
Net incoming resources	(108)	(797)	(290)	1
Depreciation	43	55	-	-
Goodwill amortisation	206	200	-	-
Interest received	(523)	(400)	(450)	(373)
Interest paid	-	-	-	-
Decrease/(increase) in stocks	(196)	(59)	-	-
Decrease/(increase) in debtors	(119)	(349)	126	(256)
Increase/(decrease) in creditors	131	517	220	97
Increase/(decrease) in provisions	(36)	(27)	-	-
Foreign exchange	-	2	-	-
Investment (gains)/losses	292	1,212	264	883
Taxation received/(paid)	18	-	-	-
Profit/loss on sale	-	-	-	-
Revaluation (gains)/losses	(905)	(205)	-	(200)
	<u>(1,197)</u>	<u>149</u>	<u>(130)</u>	<u>152</u>

24 Financial instruments

	The Group		The Charity	
	2023 £000	2022 £000	2023 £000	2022 £000
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost	1,318	1,171	-	-
	<u>1,318</u>	<u>1,171</u>	<u>-</u>	<u>-</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(2,229)	(1,957)	(759)	(539)
	<u>(2,229)</u>	<u>(1,957)</u>	<u>(759)</u>	<u>(539)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, amounts owed to group undertakings, and other creditors.

**THE ULVERSCROFT FOUNDATION**

England & Wales - Charity number 264873

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# Accounts

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**THE ULVERSCROFT FOUNDATION**  
**AND ITS SUBSIDIARY UNDERTAKINGS**

**ANNUAL ACCOUNTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2022**

**SOMERBYS LIMITED**  
**CHARTERED ACCOUNTANTS**  
**30 NELSON STREET**  
**LEICESTER**  
**LE1 7BA**

# THE ULVERSCROFT FOUNDATION AND ITS SUBSIDIARY UNDERTAKINGS

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CHARITY REGISTRATION NO: 264873

GOVERNED BY DEED OF TRUST DATED 31 OCTOBER 1972

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**Legal and administrative information**

Trustees	R.P. Gent * (chairman) R.J. Crooks * J. Sandford-Smith G.H.A. Woodruff I.R. Moon * C. Ashton (appointed 21 April 2022) R. Clarke (appointed 21 April 2022)  (* Investment sub-committee)
Secretary	Mrs. J. Sumner
Treasurer	I.R. Moon (appointed 20 October 2022)
Office	No.1 The Green Bradgate Road Anstey Leicester LE7 7FU
Statutory Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Barclays Bank plc Leicester
Investment Advisors	RBC Brewin Dolphin 9 Colmore Row Birmingham B3 2BJ

**ANNUAL REPORT OF THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2022**

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The Trustees present their report and the audited financial statements of The Ulverscroft Foundation and its subsidiary undertakings for the year ended 31 October 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

**Trustees of the charity**

The trustees who have served during the year and since the year end were as follows:

R.P. Gent *	(chairman)
R.J. Crooks *	
J. Sandford-Smith	
D.T. Hicks	Resigned 10 <sup>th</sup> March 2022
G.H.A. Woodruff	
I.R. Moon *	
C. Ashton	Appointed 21 <sup>st</sup> April 2022
R. Clarke	Appointed 21 <sup>st</sup> April 2022

(\* Investment sub-committee)

**Structure, governance and management**

The Foundation was created and is governed by a Deed of Trust dated 31 October 1972 and its Charity Registration number is 264873.

New Trustees are chosen by the existing Trustees having regard to both their general and specific experience of the activities of the Foundation and may be appointed by the continuing Trustees for such limited period as they may decide. The ordinance of the Trust is reviewed and amended regularly by the Trustees. New and existing Trustees have this and other relevant information; discussions take place and explanations are given when appropriate regarding the policies and activities of the Charitable Trust and regarding the duties and responsibilities of Trustees generally. The Foundation complies with the principles of the Code of Good Governance.

In April 2022 Mr Chris Ashton and Mr Richard Clarke were welcomed as Trustees. Their appointment followed an open recruitment process.

The Foundation is operated on a day to day basis by the Secretary and the Treasurer, who call upon any of the Trustees for material decisions. The Trustees meet eight times a year and more frequently if required. Alternate meetings concentrate on progress reports and financial reports of the Foundation and its trading subsidiary company, The Ulverscroft Group Limited.

In September 2022 Trustees were saddened by the sudden death of our Treasurer, Eric Hill. Eric had served the Foundation loyally and with distinction since 1995, and he will be greatly missed as a much-loved colleague.

Trustee, Ian Moon, agreed to undertake the role of Treasurer and his appointment commenced on 20<sup>th</sup> October 2022.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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The Trustees consider on a regular basis, the major risks to which the Foundation and its assets might at some time become exposed. The main risk identified at the present time and for the immediate future is the continuing reduction in local authority funding which will impact on the market for the group's products. In addition to any specific risks identified, the Trustees are aware that any trading venture, such as the Ulverscroft Group, may experience failures and losses, not always within the Foundation's control. The Trustees endeavour to ensure that adequate direction and management exists within the Group and review quarterly reports produced by the Group on the trading status of each activity, its level of success and forecast of its future progress or decline, in addition to financial reports on profits, assets, liabilities and cash flow.

Mr R.J. Crooks and Mr R.P. Gent were both Trustees at the signing date of the accounts who hold title to property belonging to the Foundation.

**Objectives and activities**

The primary objects of the Ulverscroft Foundation, as recorded in the original Trust Deed, are to relieve, assist and provide treatment and education for sick or handicapped persons and in particular (but without prejudice to the generality of the foregoing) persons suffering from defective eyesight; to promote or conduct medical research and to provide and assist in the provision of facilities for the treatment or alleviation of sick or handicapped persons.

There are no specific restrictions nor are there specific investment powers imposed by the Trust Deed.

The policies adopted to further these objects are summarised as follows:

- to gather in donations, legacies and investment income including that from the wholly owned trading organisation, the Ulverscroft Group Limited, which by the nature of its trading activity of publishing large print books and audio books, supports the objects of the Foundation by assisting persons with visual impairment.
- in their capacity as investors and shareholders of the Ulverscroft Group Limited, the Trustees are required to act in accordance with their ordinance, remaining independent from the management of the Group and its day to day activities while reviewing the state of business progress; in other respects acting as shareholders.
- to manage with the support of its investment advisors, the investment of funds not utilised in the wholly owned trading organisation or for other charitable purposes at the time.
- to develop long and short term charitable projects and to make grants in accordance with the objects of the Foundation.
- to administer the Foundation as efficiently as possible through its Secretariat.

**Public benefit**

Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

In considering applications Trustees take into account evidence of need, the likely numbers of beneficiaries, clarity of outcomes, achievability, sustainability and financial viability. They also consider the applicant's previous track record of achievement, including other funding already obtained. Specialist advice may be sought where appropriate.

In the case of funding for research, Trustees look for evidence of medium to long-term potential to deliver significant public benefit.

Detailed criteria to assist applicants are listed on the Foundation's Website, and the Secretary offers advice when requested. An online application process has been developed to improve the process for applicants and to promote greater consistency of decision-making.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022**

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**Investment powers, policy and performance**

In accordance with the Trust Deed and agreed Investment Policy, the Trustees may invest in any manner of investments at their discretion. The Trustees have the same powers in all respects as if they were absolute owners. The shareholdings in listed companies, shown on the Balance Sheet of the Foundation, amount to 50% of the fixed asset investments.

The main investment held by the Foundation is that in the Ulverscroft Group, amounting to £7,700,000. The Trustees consider this to be a sound investment having regard to its activities and to the Balance Sheet value of the Group.

Other than the Ulverscroft Group, the Trustees take advice from their investment advisors with the policy of a balance of yield and security, subject to ethical considerations, for example, firearms, gambling, tobacco products and animal testing are all excluded. The performance during the year is regarded as satisfactory taking account of market conditions.

During the financial year 2021/22 Trustees reviewed their investment risk profile with the assistance of their advisors and it was determined to retain the current level of risk.

**The Ulverscroft Group**

Since 1964, Ulverscroft Limited (formerly known as Ulvescroft Large Print Books Limited) has republished existing titles in a format easily read by blind and partially sighted people. Profits were given to charitable causes connected with blind and partially sighted people and to ophthalmic research. In 1972, the Ulverscroft Foundation was formed and acquired the Company in order to protect its trade and the charitable distribution of its surplus profits

The accounts of Ulverscroft Group Limited incorporating the original Large Print Books Company are now consolidated with those of the Foundation.

Reductions in public spending have impacted adversely on the Group's trading position. It is addressing these issues through cost savings and diversification (e.g. developing a digital offering). A viability study commissioned in the financial year 2019/20 resulted in the creation of an action plan to enable the Group to meet the challenges presented by a rapidly-changing commercial environment, and the Trustees are closely monitoring the Group's performance against the plan.

**Grants**

Grants are made in accordance with the objects of the Foundation and are focused, when possible, on charity projects in partnership with the recipient organisations. 32 grants were approved during the year totalling £484,764 (£165,611 falling due after more than one year). Additionally, payments totalling £145,718 were made in respect of grant projects in progress, which were started in previous years. The total grant payments during the year amounted to £382,970. An adjustment was made in the year of £3,500 as a result of previous grants being cancelled.

Included in creditors due within one year and after more than one year are grants for future years where intent has been declared, without legal obligation, to maintain payments over future defined periods, primarily for research. A list of material grants and projects expended during the year is included within the attached accounts. Major grants approved to date include those to the Ulverscroft Vision Research Group and, University of Leicester.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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**Achievements and performance**

By the very nature of the objectives laid down for the Foundation, and the policies of the Trustees to achieve them, there are no regular defined patterns of charitable giving. The search for suitable recipients for major grants is ongoing, do not occur on a regular basis and in any event are dependent on the finance available. The Foundation reviews its grants policy annually to ensure that an appropriate balance is maintained between expenditure on research and innovation, clinical care, and community-based support to visually-impaired people in the UK and overseas.

The Ulverscroft Group's performance has recovered from its loss-making position of recent years, through strenuous efforts to reduce costs and increase revenue. In particular, there has been major investment in improving the company's digital offer. However, reducing footfall in libraries and pressure on library budgets continue to pose severe challenges.

**Financial review**

The attached Statement of Financial Activities and the supporting notes summarise clearly the resources received and expended during the year ended 31 October 2022 and the attached Balance Sheet and its supporting notes reflect the position in terms of assets and liabilities at 31 October 2022. The Trustees consider that the results and position are satisfactory.

The above paragraphs describe the various policies adopted by the Trustees within the activities of the Foundation which have included the management of finance. Funding sources are detailed in the Financial Activities Statement and stem from dividends and interest from investments, donations and bequests. Resources expended by the Foundation are also detailed and, other than grants, primarily relate to salaries and professional fees.

Reserves are set out on page 15 of the attached accounts. Total reserves amount to £20,066,000 of which £10,927,000 relates to the general funds of the Foundation and £9,139,000 relates to the Trading Group. There are no restricted funds at the balance sheet date and free reserves (unrestricted reserves excluding fixed assets but including investments) amounted to £16,450,000. The Trustees' policy is to maintain sufficient uncommitted funds in reserves to ensure the future sustainability of its charitable activities, including the award of major grants and capital investments.

**Unpaid volunteers and services in kind**

The Foundation does not depend upon the services of unpaid volunteers or other services in kind.

**Plans for future periods**

The Trustees continue to search for the opportunity to direct the funds of the Foundation towards major projects which appear to bring particular benefit and relief to those who are blind and partially sighted, including research towards the prevention of related diseases, the challenge being to select projects where the Foundation's resources can achieve the maximum effect. The Foundation has completed a strategic partnership with Share the Vision, which will fund an agreed programme of works designed to improve access to books and reading for visually impaired people through public libraries. A physical and online resource pack has been produced and circulated to all library authorities in England and Wales, aimed at helping them target and promote their offer to visually impaired users. The pack is available in English and Welsh and includes prominent acknowledgement of the Ulverscroft Foundation's support.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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Trustees will continue to explore ways to improve awareness of the Foundation's activities, in the interests of attracting a diverse range of high quality applications.

There are no known post balance sheet events and no known contingent liabilities to be disclosed to date. The Trustees confirm that they believe that this report and attached accounts, which should be read with this report, comply with current statutory requirements including the Statement of Recommended Practice (SORP FRS102).

**Risk policy**

The Trustees have reviewed for any significant risks and have put in place systems or procedures to manage these.

**Trustees' responsibilities statement**

The Trustees are responsible for preparing the Trustees' Annual 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 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 Foundation and of the incoming resources and application of resources of the Foundation 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 in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Foundation's procedures for mitigating the risks associated with money laundering and financial crime are approved by its auditors and bankers, and comply with the Charity Commission's requirements for due diligence in awarding grants. Work is under way to incorporate these procedures into a formal policy on financial crime.

On behalf of the Trustees

**R P GENT**  
TRUSTEE

8<sup>th</sup> June 2023

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2022**

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**Opinion**

We have audited the consolidated financial statements of The Ulverscroft Foundation for the year ended 31 October 2022 which comprise the Consolidated Statement of Financial Activities, Parent Statement of Financial Activities, the Consolidated Balance Sheet, Parent Balance Sheet, Consolidated Cash Flow Statement, Parent Cash Flow Statement and notes to the financial statements, 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 group's and parent charity's affairs as at 31 October 2022, and of the group's incoming resources and application of resources 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity'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.

**Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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

We have nothing to report in this regard.

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

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records; 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 set out on page 6, the Trustees are responsible for the preparation of financial statements which 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 group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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In the context of The Ulverscroft Foundation and its subsidiary undertakings, we have not identified any specific laws and regulations other than general commercial laws and regulations, such as: Charities Act 2011; Charity Commission guidance; Health and Safety legislation and GDPR regulations.

Our understanding of the legal and regulatory framework applicable to The Ulverscroft Foundation and its subsidiary undertakings and how the charity has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries, we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non-compliance have occurred.

Our understanding of the charity's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management, and those charged with governance to identify any instances of non-compliance with laws and regulations.
- Enquiry of management, and those charged with governance to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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**Use of this report**

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**SOMERBYS LIMITED**

Chartered Accountants

Statutory Auditor

30 Nelson Street

Leicester

LE1 7BA

Date:

Somerbys Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2022

<u>Current Financial Year</u>	Note	General Funds	Restricted Funds	Total 2022	Total 2021
		£000	£000	£000	£000
<b>Income and endowments from:</b>					
Voluntary income	2	318	-	318	5
Other trading activities		-	-	-	-
Trading income	3	7,984	-	7,984	8,178
Investment income	4	400	-	400	371
Other		2	-	2	78
<b>Total</b>		<b>8,704</b>	<b>-</b>	<b>8,704</b>	<b>8,632</b>
<b>Expenditure on:</b>					
Raising funds:					
Commercial trading:-					
Expenditure - continuing	3 & 5	7,939	-	7,939	8,621
Taxation	10	-	-	-	(147)
Investment management costs		25	-	25	33
Costs of generating voluntary funds	6	3	-	3	3
Charitable activities	7	529	-	529	22
<b>Total</b>		<b>8,496</b>	<b>-</b>	<b>8,496</b>	<b>8,532</b>
<b>Net income and net movement in funds before gains and losses on investments</b>		<b>208</b>	<b>-</b>	<b>208</b>	<b>100</b>
Investment gains/(losses)		(1,212)	-	(1,212)	2,099
<b>Net income</b>		<b>(1,004)</b>	<b>-</b>	<b>(1,004)</b>	<b>2,199</b>
<b>Other recognised gains/(losses)</b>					
Foreign exchange adjustment		2	-	2	1
Revaluation gains/(losses)		205	-	205	-
<b>Net movement in funds</b>		<b>(797)</b>	<b>-</b>	<b>(797)</b>	<b>2,200</b>
<b>Reconciliation of funds</b>					
Total Funds at 1 November 2021		20,863	-	20,863	18,663
Total Funds at 31 October 2022		20,066	-	20,066	20,863

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2022

<u>Prior Financial Year</u>	Note	General Funds £000	Restricted Funds £000	Total 2021 £000
<b>Income and endowments from:</b>				
Voluntary income	2	5	-	5
Other trading activities				
Trading income	3	8,178	-	8,178
Investment income	4	371	-	371
Other		78	-	78
		<hr/>	<hr/>	<hr/>
<b>Total</b>		8,632	-	8,632
		<hr/>	<hr/>	<hr/>
<b>Expenditure on:</b>				
Raising funds:				
Commercial trading:-				
Expenditure - continuing	3 & 5	8,621	-	8,621
Taxation	10	(147)	-	(147)
Investment management costs		33	-	33
Costs of generating voluntary funds	6	3	-	3
Charitable activities	7	22	-	22
		<hr/>	<hr/>	<hr/>
<b>Total</b>		8,532	-	8,532
		<hr/>	<hr/>	<hr/>
<b>Net income and net movement in funds before gains and losses on investments</b>				
		100	-	100
Investment gains/(losses)		2,099	-	2,099
		<hr/>	<hr/>	<hr/>
<b>Net income</b>		2,199	-	2,199
<b>Other recognised gains/(losses)</b>				
Foreign exchange adjustment		1	-	1
		<hr/>	<hr/>	<hr/>
<b>Net movement in funds</b>		2,200	-	2,200
<b>Reconciliation of funds</b>				
Total Funds at 1 November 2020		18,663	-	18,663
		<hr/>	<hr/>	<hr/>
Total Funds at 31 October 2021		20,863	-	20,863
		<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2022

<u>Current Financial Year</u>	Note	General Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
<b>Income and endowments from:</b>					
Voluntary income	2	318	-	318	5
Gift aid from trading group		550	-	550	300
Investment income		373	-	373	361
Other income		-	-	-	1
<b>Total</b>		<b>1,241</b>	<b>-</b>	<b>1,241</b>	<b>667</b>
<b>Expenditure on:</b>					
Raising funds:					
Investment management costs		25	-	25	33
Costs of generating voluntary funds	6	3	-	3	3
Charitable activities	7	529	-	529	22
<b>Total</b>		<b>557</b>	<b>-</b>	<b>557</b>	<b>58</b>
<b>Net (expenditure)/income and net movement in funds before gains and losses on investments</b>		<b>684</b>	<b>-</b>	<b>684</b>	<b>609</b>
Investment (losses)/gains		(883)	-	(883)	1,419
<b>Net (expenditure)/income</b>		<b>(199)</b>	<b>-</b>	<b>(199)</b>	<b>2,028</b>
<b>Other recognised gains</b>					
Revaluation gains/(losses)		200	-	200	-
<b>Net movement in funds</b>		<b>1</b>	<b>-</b>	<b>1</b>	<b>2,028</b>
Fund balances carried forward at 1 November 2021		19,506		19,506	17,478
Fund balances carried forward at 31 October 2022		19,507	-	19,507	19,506

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2022

<u>Prior Financial Year</u>	Note	General Funds £000	Restricted Funds £000	Total 2021 £000
<b>Income and endowments from:</b>				
Voluntary income	2	5	-	5
Gift aid from trading group		300	-	300
Investment income		361	-	361
Other income		1	-	1
<b>Total</b>		<b>667</b>	<b>-</b>	<b>667</b>
<b>Expenditure on:</b>				
Raising funds:				
Investment management costs		33	-	33
Costs of generating voluntary funds	6	3	-	3
Charitable activities	7	22	-	22
<b>Total</b>		<b>58</b>	<b>-</b>	<b>58</b>
<b>Net (expenditure)/income and net movement in funds before gains and losses on investments</b>		<b>609</b>	<b>-</b>	<b>609</b>
Investment (losses)/gains		1,419	-	1,419
<b>Net (expenditure)/income</b>		<b>2,028</b>	<b>-</b>	<b>2,028</b>
<b>Other recognised gains</b>				
Revaluation gains/(losses)		-	-	-
<b>Net movement in funds</b>		<b>2,028</b>	<b>-</b>	<b>2,028</b>
Fund balances carried forward at 1 November 2020		17,478	-	17,478
Fund balances carried forward at 31 October 2021		19,506	-	19,506

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**CONSOLIDATED BALANCE SHEET  
AT 31 OCTOBER 2022**

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Intangible assets	11	671	805
Tangible assets	12	3,616	4,317
Investments	13	11,867	12,742
		16,154	17,864
<b>Current assets</b>			
Stocks	14	743	684
Debtors	15	1,849	1,500
Cash at bank and in hand	16	4,186	3,189
		6,778	5,373
<b>Creditors: amounts falling due within one year</b>	17	(2,664)	(2,311)
		4,114	3,062
<b>Net current assets</b>		4,114	3,062
<b>Total assets less current liabilities</b>		20,268	20,926
<b>Creditors: amounts falling due after more than one year</b>	18	(202)	(63)
		20,066	20,863
<b>Funds</b>			
<b>Unrestricted income funds</b> (including capital redemption reserve of £1.2 million)		20,066	20,863
		20,066	20,863
<b>Total funds</b>		20,066	20,863

Approved by the Board of Trustees on 8<sup>th</sup> June 2023

And signed on its behalf by:

**R P GENT**

**R CROOKS**

**BALANCE SHEET  
AT 31 OCTOBER 2022**

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets	12	600	400
Investments	13	17,503	18,274
		18,103	18,674
<b>Current assets</b>			
Debtors	15	273	17
Cash at bank and in hand	16	1,677	1,264
		1,950	1,281
<b>Creditors: amounts falling due within one year</b>	17	(380)	(448)
		1,570	833
<b>Net current assets</b>		1,570	833
<b>Total assets less current liabilities</b>		19,673	19,507
<b>Creditors: amounts falling due after more than one year</b>	18	(166)	(1)
<b>Net assets</b>		19,507	19,506
<b>Funds</b>			
<b>Unrestricted income funds:</b>			
General funds		19,507	19,506
		19,507	19,506
		19,507	19,506

Approved by the Board of Trustees on 8<sup>th</sup> June 2023

And signed on its behalf by:

**R P GENT**

**R CROOKS**

**STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 OCTOBER 2022**

	Note	The Group 2022	2021	The Charity 2022	2021
		£000	£000	£000	£000
<b>Cash used in operating activities</b>	24	149	(131)	152	(282)
Proceeds from sale of investment property		900	-	-	-
Proceeds from sale of investments		1,375	1,831	1,287	1,386
Purchase of investments		(1,713)	(3,066)	(1,399)	(1,594)
Purchase of subsidiary		-	-	-	-
Purchase of tangible fixed assets		(49)	(3)	-	-
Purchase of intangible fixed assets		(65)	-	-	-
Investment income		400	387	373	362
Interest paid		-	(3)	-	-
<b>Cash provided by investing activities</b>		848	(854)	261	154
<b>Change in cash and cash equivalents in the year</b>		997	(985)	413	(128)
<b>Cash and cash equivalent brought forward</b>		3,189	4,174	1,264	1,392
<b>Cash and cash equivalent carried forward</b>		4,186	3,189	1,677	1,264
<b>Analysis of cash and cash equivalents</b>					
Cash and bank and in hand		4,186	3,189	1,677	1,264
<b>Cash and cash equivalents as at 31 October 2022</b>		4,186	3,189	1,677	1,264

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
YEAR ENDED 31 OCTOBER 2022**

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**1. Accounting policies****Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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 (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Trustees are satisfied that the Group has sufficient resources and therefore consider that the going concern basis remains appropriate.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**1.1 Basis of consolidation**

The financial statements consolidate the results of The Ulverscroft Foundation for the year ended 31 October 2022 with those of its subsidiary undertakings for the same financial year on a line by line basis. A summary of the results of the subsidiaries is shown in note 3.

**1.2 Income recognition**

Voluntary income excluding legacies is accounted for on a receipts basis. Legacy income is recognised when there is notification of a grant of probate and the amount receivable can be measured with sufficient accuracy.

Fundraising trading income comprises the invoiced value of goods supplied, exclusive of VAT and trade discounts and is wholly attributable to the principal activity of the trading group.

**1.3 Expenditure recognition**

Resources expended are accounted for on an accruals basis. The irrecoverable element of VAT, where applicable, is included with the item of expense to which it relates.

Support costs are those costs which enable the raising of funds and charitable activities to be undertaken.

**1.4 Grants payable**

Grants are accounted for on an accruals basis and are accounted for in full if the amount awarded is unconditional or the conditions attached have been met. Grants paid are shown as a movement in creditors. Details of grants in the year are shown in note 8.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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**1.5 Investment assets and investment income**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in ‘net gains / (losses) on investments’ in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Investments in subsidiaries are measured at cost less impairment.

**1.6 Leased assets**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**1.7 Employee benefits**

The trading group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.8 Intangible assets**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer’s interest in the fair value of the Group’s share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis through the Consolidated Statement of Financial Activities over its useful economic life, being 10 years from the date of transition to FRS102 or acquisition, if later.

**1.9 Tangible fixed assets**

Tangible fixed assets under the historical cost convention, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line basis. The estimated useful lives are as follows:

Plant and machinery	4 to 5 years
Fixtures and fittings	4 to 5 years
Motor vehicles	4 to 5 years
Freehold property	50 years

The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

Annual impairment reviews are performed in accordance with the requirements of FRS102 to ensure that the carrying value is not higher than the recoverable amount.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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**1.10 Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

**1.11 Stocks and work in progress**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress and finished goods include advanced royalties, labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Financial Activities.

**1.12 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.13 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk to change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**1.14 Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

**1.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans and grants, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022**

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**1.16 Foreign currency translation**

Foreign currency transactions are translated into the functional currency using in-house exchange rates at the date of the transaction. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and which arise when remitted from overseas bank accounts, are deemed to be 'realised' and recognised in turnover. Amounts arising on the retranslation of year end monetary items are deemed to be 'unrealised' and appear in administrative expenses in the profit and loss account.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange difference arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**1.17 Pensions - defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.18 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised on respect of all timing difference that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed of and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing difference in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent difference except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and that amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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**1.19 Provisions for liabilities**

Provisions are made where an event had taken place that gives the Group a legal or constructive obligation that probably required settlement by transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated profit and loss account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**1.20 Fund accounting**

Unrestricted funds are those that are available for use, at the discretion of the Trustees, in furtherance of the general objectivities of the charity.

Restricted funds are those that are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Where restricted income has been expended on the designated project it is considered that the restrictions have been met and the sums are therefore transferred to unrestricted funds.

**1.21 Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

(a) Critical judgments in applying the Group's accounting policies:

None

(b) Critical accounting estimates and assumptions:

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

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note 1.9 for the useful economic lives for each class of assets.

(ii) Stock provisioning:

The Group considers it necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the work in progress provision, management considers the nature, condition and age of the stock, as well as applying assumptions around anticipated saleability and future usage.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2022**

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**1.21 Judgements and key sources of estimation uncertainty (continued)**

(iii) Investment properties:

The Group carries its investment properties at fair value being recognised in the Statement of Financial Activities. See accounting policy note 1.10 and note 12 for more information

(iv) Legacy income:

Income from pecuniary and residuary legacies are recognised when there is entitlement and the income is measurable and probable.

(v) Expenditure allocations:

Expenditure is apportioned where it relates to more than one cost category.

**2. Voluntary income**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Donations	53	4
Legacies	265	1
	<hr/>	<hr/>
	318	5
	<hr/>	<hr/>

**3. Subsidiary activities**

The charity owns the whole of the ordinary share capital of Ulverscroft Group Limited, which is incorporated in England and Wales. Ulverscroft Group Limited has a number of other subsidiary companies under its control which, together, form the trading group as detailed in note 13. The trading group is principally engaged in the publishing, printing and distribution of large print and audio books for the blind and partially sighted to libraries in the English speaking world.

A summary of the consolidated results for the trading group is shown on the next page. Audited accounts for the consolidated trading group have been filed with the Registrar of Companies.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

3	<b>Subsidiary activities (continued)</b>	<b>2022</b>	<b>2021</b>
		<b>£000</b>	<b>£000</b>
	<b>Turnover</b> - continuing	7,984	8,178
	Cost of sales	(4,669)	(4,895)
	<b>Gross profit</b>	3,315	3,283
	Distribution costs	(727)	(708)
	Administrative expenses	(2,550)	(2,922)
	Exceptional administrative expenses	(8)	(107)
	Fair value movements	(124)	680
	Other operating income	-	77
	<b>Operating profit/(loss) – continuing</b>	(94)	303
	Investment income	43	25
	Interest payable	-	(3)
	<b>Profit/(Loss) on ordinary activities before taxation</b>	(51)	325
	Taxation - current	-	147
	<b>Profit/(Loss) on ordinary activities after taxation</b>	(51)	472
	Non-controlling interest	-	-
	<b>Profit/(Loss) attributable to the parent company</b>	(51)	472
	Foreign exchange losses	-	-
	Amount gift aided to parent charity	(550)	(300)
	<b>Movement in funds for the year</b>	(601)	172
	<b>Asset, liabilities and funds</b>		
	Assets	10,779	10,983
	Liabilities	(2,320)	(1,926)
	<b>Funds</b>		
	Funds attributable to the parent company	8,459	9,057
		8,459	9,057
		8,459	9,057
		<b>2022</b>	<b>2021</b>
		<b>£000</b>	<b>£000</b>
4	<b>Investment income</b>		
	Bank interest	3	5
	Building Society interest	3	5
	Return on listed investments	394	361
		400	371
		400	371

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

5 **Net income for the year**

Net income is stated after charging:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Auditors remuneration	25	28
audit fees	7	7
other services	99	99
Goodwill amortisation	100	91
Amortisation of intangible fixed assets	55	89
Depreciation	24	(10)
Foreign exchange (profit)/loss	96	140
Operating lease rentals	25	28
	<hr/>	<hr/>

6 **Support costs**

The charity allocates its support costs to reflect the use of resources in each area.

	<b>Costs of generating voluntary funds £000</b>	<b>Charitable activities £000</b>	<b>Governance costs £000</b>	<b>Total £000</b>
Staff costs	3	30	7	40
Office costs	-	1	1	2
Professional fees	-	-	-	-
Trustees travelling expenses	-	-	-	-
Auditor's fees	-	-	7	7
Insurance	-	-	2	2
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>3</b>	<b>31</b>	<b>17</b>	<b>51</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

A total of 7 trustees (2021 – 6 trustees) were paid travelling expenses in the year, as shown above.

7 **Charitable activities**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Grants payable	481	(26)
Support costs (note 6)	31	32
Governance costs (note 6)	17	16
	<hr/>	<hr/>
	<b>529</b>	<b>22</b>
	<hr/> <hr/>	<hr/> <hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

7 Charitable activities (continued)

The following grants were approved in year:	<u>2022</u> <u>£000</u>
Ulverscroft Vision Research Group	243
Age UK Westminster	2
Braille IT	1
North Wales Access. Holidays	5
Sight for Surrey	3
Bury Blind Society	3
Happy Days Children's Society	2
Chailey Heritage Foundation	2
Galloways Society for the Blind	2
Ruharo Eye Centre	21
Andean Medical Mission	8
IMET 2000 – Uganda	73
World Child Cancer	10
RAF Association	2
4Sight Vision Support	2
Medic to Medic	7
Mondo Foundation	5
KACSU	2
MACS	5
Sense	5
Orbis	18
All Aboard Watersports	4
Vocalise	4
Deafblind Scotland	5
Cotswold Vale Talking Newspaper	1
John Fawcett Foundation	5
Leicester Hospitals Charity	26
Childhood Eye Cancer Trust	5
Sightline Vision NW Ltd	5
Sight Advice South Lakes	2
Torch Trust for the Blind	2
Walthew House	4
Comprehensive Research Network adjustment	(2)
Ystragynlais Lib. Powys CC adjustment	(1)
	481

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

	<b>2022</b>
	<b>£000</b>
<b>8 Grants approved and not yet paid (notes 17 and 18):</b>	
<b>Charitable activities (continued)</b>	
Ulverscroft Vision Research Group	334
University of Leicester	105
Share the Vision	26
LSH&TM Will Dean Surgical Training	65
Ulverscroft David Owen Prize	1
North Wales Access. Holidays	5
	536
	536

**9 Staff costs**

The average number of employees during the year were as follows:

	<b>2022</b>	<b>2021</b>
Management and administration of the charity	1	1
Trading group Administration	38	63
Production	51	34
	90	98
	90	98

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
The total staff costs for the year were:		
Wages and salaries	2,215	2,280
Social security costs	204	213
Other pension costs	85	88
	2,504	2,581
	2,504	2,581

Two directors (2021 – two) of the Ulverscroft Group Limited have benefits accruing under a defined contribution pension scheme. Total employee benefits (including pension contributions) paid to key management personnel of the trading group amounted to £189,000.

Two employees of the trading group received employee benefits (excluding pension contributions) in excess of £60,000. One employee earned between £70,000 and £80,000, and one employee earned between £100,000 and £110,000.

None of the Trustees received nor waived remuneration from the Foundation in 2022 or 2021 and none of the Foundation staff earn in excess of £60,000. Reimbursed expenses are shown in note 6.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

10 Taxation

	2022 £000	2021 £000
Corporation Tax	-	(37)
Adjustments in respect of previous periods	-	(110)
	<hr/>	<hr/>
<b>Tax on loss on ordinary profits</b>	<b>-</b>	<b>(147)</b>
	<hr/>	<hr/>

**Factors affecting the tax charge for the year**

The tax assessed for the year is different from the expected rate of corporation tax. The differences are explained below:

	2022 £000	2021 £000
Profit/(Loss) on ordinary activities before taxation	(51)	325
	<hr/>	<hr/>
	2022 £000	2021 £000
Loss on ordinary activities multiplied by the expected rate of corporate tax of 19% (2021 – 19%)	(10)	62
Effects of:		
Expenses not deducted for tax purposes	30	1
Adjustments in respect of previous periods	-	(110)
Goodwill amortisation and impairment	19	19
Other timing differences	1	6
Deferred tax not recognised	-	33
Non taxable income	(10)	(148)
Depreciation in excess of capital allowances	-	27
Research and development enhanced deductions	-	(37)
Capital allowances in excess of depreciation	(2)	-
Utilisation of losses	(87)	-
Chargeable gains	59	-
	<hr/>	<hr/>
	<b>-</b>	<b>(147)</b>
	<hr/>	<hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

## 11 Intangible assets

<u>The Group</u>	<b>Goodwill arising on consolidation</b>
Cost	
At 1 November 2021	5,990
Additions	65
Disposals	(2,961)
	<hr/>
At 31 October 2022	3,094
	<hr/>
Amortisation	
At 1 November 2021	5,185
Provision for year	199
Disposals	(2,961)
	<hr/>
At 31 October 2022	2,423
	<hr/>
Net book amount	
At 31 October 2022	671
	<hr/>
At 31 October 2021	805
	<hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

12 Tangible assets

	Investment Property £000	Freehold Property £000	Plant and Machinery £000	Fixtures, Fittings and Motor Vehicles £000	Total £000
<b>The Group</b>					
Cost or valuation					
At 1 November 2021	2,935	1,266	67	434	4,702
Additions	-	2	7	40	49
Disposals	(900)	-	-	(71)	(971)
Exchange adjustment	-	-	-	9	9
Reclassification	-	-	-	-	-
Revaluation	205	-	-	-	205
At 31 October 2022	2,240	1,268	74	412	3,994
Depreciation					
At 1 November 2021	-	(37)	44	378	385
Provided in the year	-	4	2	49	55
Disposals	-	-	-	(71)	(71)
Exchange adjustment	-	-	-	9	9
Reclassification	-	-	-	-	-
At 31 October 2022	-	(33)	46	365	378
Net book amount					
At 31 October 2022	2,240	1,301	28	47	3,616
Net book amount					
At 31 October 2021	2,935	1,303	23	56	4,317

The net book amount at 31 October 2022 represents fixed assets used for:

Management and administration of the charity	-	400	-	-	400
Trading purposes	-	901	28	47	976
Investment purposes	2,240	-	-	-	2,240
	2,240	1,301	28	47	3,616

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

12 **Tangible assets (cont'd)**

The fair value based on their estimated open market value of the investment properties were revalued by the directors in the year resulting in a revaluation surplus of £205,000.

If the investment properties had been accounted for under the historic cost accounting rules, including the net book value of those properties reclassified at the transition date to FRS102, the properties would have been included at £2,671,000 (2021: £2,508,000).

The Foundation's investment property was revalued by the Trustees in the year based on the estimated open market value of £600,000 resulting in a revaluation surplus of £200,000.

The historical cost of the Foundation property as a whole is £317,000 of which £286,000 relates to the investment property portion.

	<b>Freehold Property £000</b>	<b>Investment Property £000</b>	<b>Total £000</b>
<b>The Charity</b>			
Cost or valuation			
At 1 November 2021	40	360	400
Revaluation	20	180	200
	<hr/>	<hr/>	<hr/>
At 31 October 2022	60	540	600
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 November 2021	-	-	-
And at 31 October 2022	-	-	-
	<hr/>	<hr/>	<hr/>
Net book amount			
At 31 October 2022	60	540	600
	<hr/>	<hr/>	<hr/>
At 31 October 2021	40	360	400
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

13 Investments	The Group £000	The Charity £000
Quoted investments:		
Market value at 1 November 2021	12,742	10,574
Additions	1,713	1,396
Eliminated on Disposal	(1,485)	(1,393)
Unrealised gains	(1,103)	(774)
	<hr/>	<hr/>
Market value at 31 October 2022	11,867	9,803
	<hr/>	<hr/>
Investment in Group undertakings:		
At 1 November 2021 and 31 October 2022	-	7,700
	<hr/>	<hr/>
<b>Total:</b>		
Market value at 31 October 2022	11,867	17,503
	<hr/>	<hr/>
Market value at 31 October 2021	12,742	18,274
	<hr/>	<hr/>
Historical cost at 31 October 2022	9,948	16,530
	<hr/>	<hr/>

### Group undertakings

Name	Principal activity
Ulverscroft Group Limited – Co. No. 01672255	Holding company
F.A Thorpe (Publishing) Limited* – Co. No. 00803803	Dissolved 2 November 2021
Ulverscroft Limited (formerly Ulverscroft Large Print Books Limited)* – Co. No. 01068776	Publishing and distribution
Library Magna Books Limited* – Co. No. 01145362	Dissolved 4 January 2022
Ulverscroft Large Print (Australia) Pty Limited* (incorporated in Australia) – Co. No. 055644105	Publishing and distribution
Ulverscroft Large Print (USA) Inc.* (incorporated in USA) – Co. No. 1794135	Publishing and distribution
Isis Publishing Limited* – Co. No. 02723226	Dissolved 3 May 2022
Soundings Limited* – Co. No. 01664231	Dissolved 4 January 2022
La Jolie Ronde Limited* – Co. No. 02291948	Educational publishing and franchising
Words & Graphics Limited*(**) – Co. No. 02379011	Dormant
Oakhill Publishing Limited* - Co No. 05387076	Dormant

\* Shares held by Ulverscroft Group Limited

All of the above subsidiary undertakings are wholly owned and have been consolidated into these financial statements on a line by line basis. With the exception of the overseas subsidiary undertakings, as noted above, all of the subsidiary undertakings are incorporated in England and Wales.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
 YEAR ENDED 31 OCTOBER 2022

14	Stocks	The Group		The Charity	
		2022 £000	2021 £000	2022 £000	2021 £000
	Work in progress	388	408	-	-
	Finished goods and goods for resale	355	276	-	-
		<u>743</u>	<u>684</u>	<u>-</u>	<u>-</u>
15	Debtors	The Group		The Charity	
		2022 £000	2021 £000	2022 £000	2021 £000
	Trade debtors	1,061	1,040	-	-
	Other debtors	110	68	-	-
	Prepayments and accrued income	678	392	273	17
		<u>1,849</u>	<u>1,500</u>	<u>273</u>	<u>17</u>
16	Cash and cash equivalents	The Group		The Charity	
		2022 £000	2021 £000	2022 £000	2021 £000
	Cash at bank and in hand	4,186	3,189	1,677	1,264
		<u>4,186</u>	<u>3,189</u>	<u>1,677</u>	<u>1,264</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

17 Creditors: amounts falling due within one year

	The Group		The Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade creditors	1,175	796	3	4
Social security and other taxes	58	70	-	-
Other creditors	153	135	-	-
Grants	370	437	370	437
Accruals and deferred income	908	873	7	7
	<u>2,664</u>	<u>2,311</u>	<u>380</u>	<u>448</u>

18 Creditors: amounts falling due after more than one year

The Group and The Charity	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Due between two and five years:				
Grants	166	1	166	1
Onerous lease provision	36	62	-	-
	<u>202</u>	<u>63</u>	<u>166</u>	<u>1</u>

19 Pension commitments

The Group

The trading group makes payments to employees' individual personal pension plans. The assets of the scheme are held separately from those of the trading group in an independently administered fund. The pension cost charge represents contributions payable by the trading group and amounted to £85,000 (2021 - £88,000). At the year end there were outstanding contributions of £10,000 (2021 - £12,000).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

20 **Financial commitments**

At 31 October 2022 the Group and charity had future minimum lease payment under non-cancellable operating leases as follows:

**The Group**

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Within one year	36	64
Within two to five years	-	31
After more than five years	-	-
	<hr/>	<hr/>
	36	95
	<hr/> <hr/>	<hr/> <hr/>

**The Charity**

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Under one year	-	1
Within two to five years	-	-
	<hr/>	<hr/>
	-	1
	<hr/> <hr/>	<hr/> <hr/>

21 **Related party transactions**

Transactions between individual group companies have not been disclosed as the group has taken advantage of the exemption conferred by FRS102 on the basis that the group is a wholly owned subsidiary of the Foundation.

22 **Restricted income fund**

There were no restricted fund balances held at 31 October 2022.

23 **Events after the end of the reporting period**

During the year the Foundation was notified of a potential legacy although this could not be reliably quantified prior to the balance sheet date. Since this date the Foundation has been notified that they will receive £250,000 in relation to this legacy and therefore this amount has been recognised as legacy income and a debtor in these financial statements.

In addition to this, the Foundation has been notified that a further amount is expected to be received in relation to the legacy. At the date of approval of these financial statements, the amount of this additional legacy income could not be reliably quantified. The amount is expected to be a maximum of £134,813.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2022

24 Reconciliation of net incoming resources to net cash inflow from operating activities

	The Group		The Charity	
	2022 £000	2021 £000	2022 £000	2021 £000
Net incoming resources	(797)	2,053	1	2,028
Depreciation	55	87	-	-
Goodwill amortisation	200	190	-	-
Interest received	(400)	(386)	(373)	(361)
Interest paid	-	3	-	-
Decrease/(increase) in stocks	(59)	578	-	-
Decrease/(increase) in debtors	(349)	493	(256)	-
Increase/(decrease) in creditors	517	(1,040)	97	(530)
Increase/(decrease) in provisions	(27)	(109)	-	-
Foreign exchange	2	1	-	-
Investment (gains)/losses	1,212	(2,099)	883	(1,419)
Taxation received/(paid)	-	93	-	-
Profit/loss on sale	-	5	-	-
Revaluation (gains)/losses	(205)	-	(200)	-
	<u>149</u>	<u>(131)</u>	<u>152</u>	<u>(282)</u>

25 Financial instruments

	The Group		The Charity	
	2022 £000	2021 £000	2022 £000	2021 £000
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost	1,171	1,108	-	-
	<u>1,171</u>	<u>1,108</u>	<u>-</u>	<u>-</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(1,957)	(1,502)	(539)	(441)
	<u>(1,957)</u>	<u>(1,502)</u>	<u>(539)</u>	<u>(441)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, amounts owed to group undertakings, and other creditors.

**THE ULVERSCROFT FOUNDATION**

England & Wales - Charity number 264873

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# Accounts

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**THE ULVERSCROFT FOUNDATION**  
**AND ITS SUBSIDIARY UNDERTAKINGS**

**ANNUAL ACCOUNTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2021**

**SOMERBYS LIMITED**  
**CHARTERED ACCOUNTANTS**  
**30 NELSON STREET**  
**LEICESTER**  
**LE1 7BA**

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CHARITY REGISTRATION NO: 264873

GOVERNED BY DEED OF TRUST DATED 31 OCTOBER 1972

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**Legal and administrative information**

Trustees	R.P. Gent * (chairman) R.J. Crooks * J. Sandford-Smith R.A. Clarke (resigned 23 <sup>rd</sup> July 2021) D.T. Hicks (resigned 10 <sup>th</sup> March 2022) G.H.A. Woodruff I.R. Moon * C. Ashton (appointed 21 <sup>st</sup> April 2022) R. Clarke (appointed 21 <sup>st</sup> April 2022)  (* Investment sub-committee)
Secretary	Mrs. J. Sumner
Treasurer	E.V. Hill *
Office	No.1 The Green Bradgate Road Anstey Leicester LE7 7FU
Statutory Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Barclays Bank plc Leicester
Investment Advisors	Brewin Dolphin 9 Colmore Row Birmingham B3 2BJ

**ANNUAL REPORT OF THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2021**

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The Trustees present their report and the audited financial statements of The Ulverscroft Foundation and its subsidiary undertakings for the year ended 31 October 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

**Structure, governance and management**

The Foundation was created and is governed by a Deed of Trust dated 31 October 1972 and its Charity Registration number is 264873.

New Trustees are chosen by the existing Trustees having regard to both their general and specific experience of the activities of the Foundation and may be appointed by the continuing Trustees for such limited period as they may decide. The ordinance of the Trust is reviewed and amended regularly by the Trustees. New and existing Trustees have this and other relevant information; discussions take place and explanations are given when appropriate regarding the policies and activities of the Charitable Trust and regarding the duties and responsibilities of Trustees generally. The Foundation complies with the principles of the Code of Good Governance.

The Foundation is operated on a day to day basis by the Secretary and the Treasurer, who call upon any of the Trustees for material decisions. The Trustees meet eight times a year and more frequently if required. Alternate meetings concentrate on progress reports and financial reports of the Foundation and its trading subsidiary company, The Ulverscroft Group Limited.

The Trustees consider on a regular basis, the major risks to which the Foundation and its assets might at some time become exposed. The main risk identified at the present time and for the immediate future is the continuing reduction in local authority funding which will impact on the market for the group's products. In addition to any specific risks identified, the Trustees are aware that any trading venture, such as the Ulverscroft Group, may experience failures and losses, not always within the Foundation's control. The Trustees endeavour to ensure that adequate direction and management exists within the Group and review quarterly reports produced by the Group on the trading status of each activity, its level of success and forecast of its future progress or decline, in addition to financial reports on profits, assets, liabilities and cash flow.

Mr R.J. Crooks and Mr R.P. Gent were both Trustees at the signing date of the accounts who hold title to property belonging to the Foundation.

**Objectives and activities**

The primary objects of the Ulverscroft Foundation, as recorded in the original Trust Deed, are to relieve, assist and provide treatment and education for sick or handicapped persons and in particular (but without prejudice to the generality of the foregoing) persons suffering from defective eyesight; to promote or conduct medical research and to provide and assist in the provision of facilities for the treatment or alleviation of sick or handicapped persons.

There are no specific restrictions nor are there specific investment powers imposed by the Trust Deed.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2021**

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The policies adopted to further these objects are summarised as follows:

- to gather in donations, legacies and investment income including that from the wholly owned trading organisation, the Ulverscroft Group Limited, which by the nature of its trading activity of publishing large print books and audio books, supports the objects of the Foundation by assisting persons with visual impairment.
- in their capacity as investors and shareholders of the Ulverscroft Group Limited, the Trustees are required to act in accordance with their ordinance, remaining independent from the management of the Group and its day to day activities while reviewing the state of business progress; in other respects acting as shareholders.
- to manage with the support of its investment advisors, the investment of funds not utilised in the wholly owned trading organisation or for other charitable purposes at the time.
- to develop long and short term charitable projects and to make grants in accordance with the objects of the Foundation.
- to administer the Foundation as efficiently as possible through its Secretariat.

**Public benefit**

Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

In considering applications Trustees take into account evidence of need, the likely numbers of beneficiaries, clarity of outcomes, achievability, sustainability and financial viability. They also consider the applicant's previous track record of achievement, including other funding already obtained. Specialist advice may be sought where appropriate.

In the case of funding for research, Trustees look for evidence of medium to long-term potential to deliver significant public benefit.

Detailed criteria to assist applicants are listed on the Foundation's Website, and the Secretary offers advice when requested. An online application process has been developed to improve the process for applicants and to promote greater consistency of decision-making.

**Investment powers, policy and performance**

In accordance with the Trust Deed and agreed Investment Policy, the Trustees may invest in any manner of investments at their discretion. The Trustees have the same powers in all respects as if they were absolute owners. The shareholdings in listed companies, shown on the Balance Sheet of the Foundation, amount to 58% of the fixed asset investments.

The main investment held by the Foundation is that in the Ulverscroft Group, amounting to £7,700,000. The Trustees consider this to be a sound investment having regard to its activities and to the Balance Sheet value of the Group.

Other than the Ulverscroft Group, the Trustees take advice from their investment advisors with the policy of a balance of yield and security, subject to ethical considerations, for example, firearms, gambling, tobacco products and animal testing are all excluded. The performance during the year is regarded as satisfactory taking account of market conditions.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2021**

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**The Ulverscroft Group**

Since 1964, Ulverscroft Limited (formerly known as Ulvescroft Large Print Books Limited) has republished existing titles in a format easily read by blind and partially sighted people. Profits were given to charitable causes connected with blind and partially sighted people and to ophthalmic research. In 1972, the Ulverscroft Foundation was formed and acquired the Company in order to protect its trade and the charitable distribution of its surplus profits

The accounts of Ulverscroft Group Limited incorporating the original Large Print Books Company are now consolidated with those of the Foundation.

Reductions in public spending have impacted adversely on the Group's trading position. It is addressing these issues through cost savings and diversification (e.g. developing a digital offering). A viability study commissioned in the financial year 2019/20 resulted in the creation of an action plan to enable the Group to meet the challenges presented by a rapidly-changing commercial environment, and the Trustees are closely monitoring the Group's performance against the plan.

**Grants**

Grants are made in accordance with the objects of the Foundation and are focused, when possible, on charity projects in partnership with the recipient organisations. 22 grants were approved during the year totalling £80,000 (£37,000 being due in future years). Additionally, payments totalling £462,000 were made in respect of grant projects in progress, which were started in previous years. The total grant payments during the year amounted to £505,000. An adjustment was made in the year of £106,000 as a result of an over provision for a grant in earlier years.

Included in creditors due within one year and after more than one year are grants for future years where intent has been declared, without legal obligation, to maintain payments over future defined periods, primarily for research. A list of material grants and projects expended during the year is included within the attached accounts. Major grants approved to date include those to GOSH Ulverscroft Vision Research Group, University of Leicester, Will Dean Surgical Training Programme and University of Liverpool.

**Achievements and performance**

By the very nature of the objectives laid down for the Foundation, and the policies of the Trustees to achieve them, there are no regular defined patterns of charitable giving. The search for suitable recipients for major grants is ongoing, do not occur on a regular basis and in any event are dependent on the finance available. The Foundation reviews its grants policy annually to ensure that an appropriate balance is maintained between expenditure on research and innovation, clinical care, and community-based support to visually-impaired people in the UK and overseas.

The Covid pandemic has had an adverse impact on the finances of many charities, which have been unable to conduct their normal fundraising activities. Consequently the Ulverscroft Foundation has received a number of requests to assist with day-to-day funding needs. The Trustees have taken the view that the Foundation's limited resources should continue to be used to support projects which are additional to applicants' day to day activities, as this is vital to the longer-term development of services for blind and partially-sighted people. They have therefore reluctantly declined to support applications for maintenance funding.

The Group has attempted to increase its market share and has diversified into the downloadable ebook and spoken word market. Although coming late to the market, the Group has achieved some success in this area. The Group continues to rely substantially on sales to the public library system in the UK and English-speaking countries and on its language courses provided by one of its subsidiaries, La Jolie Ronde Ltd. Although sales to libraries continue to hold up well, Trustees are conscious of the threat posed by reducing library budgets. The Group has reorganised its business to counter a challenging financial situation. Initiatives have included rationalising its publishing programme to focus on higher quality titles, disposing of premises, and consolidating production facilities. A thoroughgoing review of staffing requirements has resulted in a greatly reduced head count.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2021**

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**Financial review**

The attached Statement of Financial Activities and the supporting notes summarise clearly the resources received and expended during the year ended 31 October 2021 and the attached Balance Sheet and its supporting notes reflect the position in terms of assets and liabilities at 31 October 2021. The Trustees consider that the results and position are satisfactory.

The above paragraphs describe the various policies adopted by the Trustees within the activities of the Foundation which have included the management of finance. Funding sources are detailed in the Financial Activities Statement and stem from dividends and interest from investments, donations and bequests. Resources expended by the Foundation are also detailed and, other than grants, primarily relate to salaries and professional fees.

Reserves are set out on page 12 of the attached accounts. Total reserves amount to £20,863,000 of which £11,491,000 relates to the general funds of the Foundation and £9,372,000 relates to the Trading Group. There are no restricted funds at the balance sheet date and free reserves (unrestricted reserves excluding fixed assets but including investments) amounted to £16,546,000. The Trustees' policy is to maintain sufficient uncommitted funds in reserves to ensure the future sustainability of its charitable activities, including the award of major grants and capital investments.

**Unpaid volunteers and services in kind**

The Foundation does not depend upon the services of unpaid volunteers or other services in kind.

**Plans for future periods**

The Trustees continue to search for the opportunity to direct the funds of the Foundation towards major projects which appear to bring particular benefit and relief to those who are blind and partially sighted, including research towards the prevention of related diseases, the challenge being to select projects where the Foundation's resources can achieve the maximum effect. The Foundation has completed a strategic partnership with Share the Vision, which will fund an agreed programme of works designed to improve access to books and reading for visually impaired people through public libraries. The commencement of the programme was delayed in the light of the Covid pandemic and the subsequent closure of libraries. Additionally, the Trustees continue to select and respond with grants to appeals.

Trustees will continue to explore ways to improve awareness of the Foundation's activities, in the interests of attracting a diverse range of high quality applications.

There are no known post balance sheet events and no known contingent liabilities to be disclosed to date. The Trustees confirm that they believe that this report and attached accounts, which should be read with this report, comply with current statutory requirements including the Statement of Recommended Practice (SORP FRS102).

**Risk policy**

The Trustees have reviewed for any significant risks and have put in place systems or procedures to manage these.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2021**

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**Trustees' responsibilities statement**

The Trustees are responsible for preparing the Trustees' Annual 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 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 Foundation and of the incoming resources and application of resources of the Foundation 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 in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Trustees

**IR MOON**  
TRUSTEE

9<sup>th</sup> June 2022

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2021**

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**Opinion**

We have audited the consolidated financial statements of The Ulverscroft Foundation for the year ended 31 October 2021 which comprise the Consolidated Statement of Financial Activities, Parent Statement of Financial Activities, the Consolidated Balance Sheet, Parent Balance Sheet, Consolidated Cash Flow Statement, Parent Cash Flow Statement and notes to the financial statements, 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 group's and parent charity's affairs as at 31 October 2021, and of the group's incoming resources and application of resources 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021**

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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.

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

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records; 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 set out on page 6, the Trustees are responsible for the preparation of financial statements which 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 group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

The risk of not detecting a material misstatement resulting from error is considered to be low. The risk of not detecting a material misstatement resulting from fraud is higher, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

In the context of The Ulverscroft Foundation and its subsidiary undertakings, we have not identified any specific laws and regulations other than general commercial laws and regulations, such as: Charities Act 2011; Charity Commission guidance; Health and Safety legislation and GDPR regulations.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2021**

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Our understanding of the legal and regulatory framework applicable to The Ulverscroft Foundation and its subsidiary undertakings and how the charity has complied with its obligations has been obtained by enquiry of management and those charged with governance.

As part of our enquiries, we have discussed policies and procedures on compliance with laws and regulations and whether any instances of non-compliance have occurred.

Our understanding of the charity's policies and procedures on fraud risk has been obtained through enquiry with management as to the control activities, operational systems in place and whether there is knowledge of any actual, suspected or alleged fraud.

We consider that the audit team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. During our audit work there were no significant instances of non-compliance identified.

In response to the audit risks identified in respect of irregularity and fraud, we have undertaken the following procedures:

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Enquiry of management, and those charged with governance to identify any instances of non-compliance with laws and regulations.
- Enquiry of management, and those charged with governance to identify any subsequent events that have occurred after the year end relating to this financial year.
- Reviewing legal expenses during and after the year end for evidence of non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 auditor's report.

**Use of this report**

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**SOMERBYS LIMITED**

Chartered Accountants  
Statutory Auditor  
30 Nelson Street  
Leicester  
LE1 7BA

Date: 29<sup>th</sup> July 2022

Somerbys Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2021

	Note	General Funds	Restricted Fund	Total 2021	Total 2020 As restated
		£000	£000	£000	£000
<b>Income and endowments from:</b>					
Voluntary income	2	5	-	5	19
Other trading activities					
Trading income	3	8,178	-	8,178	8,221
Investment income	4	371	-	371	383
Other		78	-	78	171
<b>Total</b>		<b>8,632</b>	<b>-</b>	<b>8,632</b>	<b>8,794</b>
<b>Expenditure on:</b>					
Raising funds:					
Commercial trading:-					
Expenditure - continuing	3 & 5	8,621	-	8,621	10,993
Taxation	10	(147)	-	(147)	-
Investment management costs		33	-	33	27
Costs of generating voluntary funds	6	3	-	3	3
Charitable activities	7	22	-	22	716
<b>Total</b>		<b>8,532</b>	<b>-</b>	<b>8,532</b>	<b>11,739</b>
<b>Net income and net movement in funds before gains and losses on investments</b>		<b>100</b>	<b>-</b>	<b>100</b>	<b>(2,945)</b>
Investment gains/(losses)		2,099	-	2,099	(439)
<b>Net income</b>		<b>2,199</b>	<b>-</b>	<b>2,199</b>	<b>(3,384)</b>
<b>Other recognised gains/(losses)</b>					
Foreign exchange adjustment		1	-	1	1
<b>Net movement in funds</b>		<b>2,200</b>	<b>-</b>	<b>2,200</b>	<b>(3,383)</b>
<b>Reconciliation of funds</b>					
Total Funds at 1 November 2020		18,663	-	18,663	22,046
Total Funds at 31 October 2021		20,863	-	20,863	18,663

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

STATEMENT OF FINANCIAL ACTIVITIES  
YEAR ENDED 31 OCTOBER 2021

	Note	General Funds £000	Restricted Fund £000	Total 2021 £000	Total 2020 £000
<b>Income and endowments from:</b>					
Voluntary income	2	5	-	5	19
Gift aid from trading group		300	-	300	300
Investment income		361	-	361	355
Other income		1	-	1	2
<b>Total</b>		<b>667</b>	<b>-</b>	<b>667</b>	<b>676</b>
<b>Expenditure on:</b>					
Raising funds:					
Investment management costs		33	-	33	27
Costs of generating voluntary funds	6	3	-	3	3
Charitable activities	7	22	-	22	716
<b>Total</b>		<b>58</b>	<b>-</b>	<b>58</b>	<b>746</b>
<b>Net (expenditure)/income and net movement in funds before gains and losses on investments</b>		<b>609</b>	<b>-</b>	<b>609</b>	<b>(70)</b>
Investment (losses)/gains		1,419	-	1,419	(3,059)
<b>Net (expenditure)/income</b>		<b>2,028</b>	<b>-</b>	<b>2,028</b>	<b>(3,129)</b>
<b>Other recognised gains</b>					
Revaluation gains		-	-	-	-
<b>Net movement in funds</b>		<b>2,028</b>	<b>-</b>	<b>2,028</b>	<b>(3,129)</b>
Fund balances carried forward at 1 November 2020		17,478	-	17,478	20,607
Fund balances carried forward at 31 October 2021		19,506	-	19,506	17,478

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**CONSOLIDATED BALANCE SHEET  
AT 31 OCTOBER 2021**

	Note	2021 £000	2020 As restated £000
<b>Fixed assets</b>			
Intangible assets	11	805	995
Tangible assets	12	4,317	3,821
Investments	13	12,742	9,996
		17,864	14,812
<b>Current assets</b>			
Stocks	14	684	1,261
Debtors	15	1,500	1,938
Cash at bank and in hand	16	3,189	4,174
		5,373	7,373
<b>Creditors: amounts falling due within one year</b>	17	(2,311)	(3,349)
		3,062	4,024
<b>Net current assets</b>		3,062	4,024
<b>Total assets less current liabilities</b>		20,926	18,836
<b>Creditors: amounts falling due after more than one year</b>	18	(63)	(173)
		20,863	18,663
<b>Funds</b>			
<b>Unrestricted income funds</b> (including capital redemption reserve of £1.2 million)		20,863	18,663
		20,863	18,663
<b>Total funds</b>		20,863	18,663

Approved by the Board of Trustees on 9<sup>th</sup> June 2022

And signed on its behalf by:

**I R MOON**

**R CROOKS**

**BALANCE SHEET  
AT 31 OCTOBER 2021**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Tangible assets	12	400	400
Investments	13	18,274	16,648
		18,674	17,048
<b>Current assets</b>			
Debtors	15	17	16
Cash at bank and in hand	16	1,264	1,392
		1,281	1,408
<b>Creditors: amounts falling due within one year</b>	17	(448)	(977)
		833	431
<b>Net current assets</b>		833	431
<b>Total assets less current liabilities</b>		19,507	17,479
<b>Creditors: amounts falling due after more than one year</b>	18	(1)	(1)
<b>Net assets</b>		19,506	17,478
<b>Funds</b>			
<b>Unrestricted income funds:</b>			
General funds		19,506	17,478
		19,506	17,478
		19,506	17,478

Approved by the Board of Trustees on 9<sup>th</sup> June 2022

And signed on its behalf by:

**I R MOON**

**R CROOKS**

**STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 OCTOBER 2021**

	Note	The Group		The Charity	
		2021	2020	2021	2020
		£000	As restated £000	£000	£000
<b>Cash used in operating activities</b>	23	(131)	(2,278)	(282)	(175)
Proceeds from sale of investments		1,831	1,827	1,386	1,668
Purchase of investments		(3,066)	(1,690)	(1,594)	(1,516)
Purchase of subsidiary		-	-	-	-
Purchase of tangible fixed assets		(3)	(37)	-	-
Investment income		387	398	362	355
Interest paid		(3)	(2)	-	-
<b>Cash provided by investing activities</b>		(854)	496	154	507
<b>Change in cash and cash equivalents in the year</b>		(985)	(1,782)	(128)	332
<b>Cash and cash equivalent brought forward</b>		4,174	5,956	1,392	1,060
<b>Cash and cash equivalent carried forward</b>		3,189	4,174	1,264	1,392
<b>Analysis of cash and cash equivalents</b>					
Cash and bank and in hand		3,189	4,174	1,264	1,392
<b>Cash and cash equivalents as at 31 October 2021</b>		3,189	4,174	1,264	1,392

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
YEAR ENDED 31 OCTOBER 2021**

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**1. Accounting policies****Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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 (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Trustees are satisfied that the Group has sufficient resources and therefore consider that the going concern basis remains appropriate.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**1.1 Basis of consolidation**

The financial statements consolidate the results of The Ulverscroft Foundation for the year ended 31 October 2021 with those of its subsidiary undertakings for the same financial year on a line by line basis. A summary of the results of the subsidiaries is shown in note 3.

**1.2 Income recognition**

Voluntary income excluding legacies is accounted for on a receipts basis. Legacy income is recognised when there is notification of a grant of probate and the amount receivable can be measured with sufficient accuracy.

Fundraising trading income comprises the invoiced value of goods supplied, exclusive of VAT and trade discounts and is wholly attributable to the principal activity of the trading group.

**1.3 Expenditure recognition**

Resources expended are accounted for on an accruals basis. The irrecoverable element of VAT, where applicable, is included with the item of expense to which it relates.

Support costs are those costs which enable the raising of funds and charitable activities to be undertaken.

**1.4 Grants payable**

Grants are accounted for on an accruals basis and are accounted for in full if the amount awarded is unconditional or the conditions attached have been met. Grants paid are shown as a movement in creditors. Details of grants in the year are shown in note 8.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2021**

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**1.5 Investment assets and investment income**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in ‘net gains / (losses) on investments’ in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Investments in subsidiaries are measured at cost less impairment.

**1.6 Leased assets**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**1.7 Employee benefits**

The trading group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.8 Intangible assets**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer’s interest in the fair value of the Group’s share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis through the Consolidated Statement of Financial Activities over its useful economic life, being 10 years from the date of transition to FRS102 or acquisition, if later.

**1.9 Tangible fixed assets**

Tangible fixed assets under the historical cost convention, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line basis. The estimated useful lives are as follows:

Plant and machinery	4 to 5 years
Fixtures and fittings	4 to 5 years
Motor vehicles	4 to 5 years
Freehold property	50 years

The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

Annual impairment reviews are performed in accordance with the requirements of FRS102 to ensure that the carrying value is not higher than the recoverable amount.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2021**

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**1.10 Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

**1.11 Stocks and work in progress**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress and finished goods include advanced royalties, labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Financial Activities.

**1.12 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.13 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk to change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**1.14 Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

**1.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans and grants, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021**

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**1.16 Foreign currency translation**

Foreign currency transactions are translated into the functional currency using in-house exchange rates at the date of the transaction. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and which arise when remitted from overseas bank accounts, are deemed to be 'realised' and recognised in turnover. Amounts arising on the retranslation of year end monetary items are deemed to be 'unrealised' and appear in administrative expenses in the profit and loss account.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange difference arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**1.17 Pensions - defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.18 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised on respect of all timing difference that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed of and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing difference in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent difference except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and that amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021**

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**1.19 Provisions for liabilities**

Provisions are made where an event had taken place that gives the Group a legal or constructive obligation that probably required settlement by transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated profit and loss account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**1.20 Fund accounting**

Unrestricted funds are those that are available for use, at the discretion of the Trustees, in furtherance of the general objectivities of the charity.

Restricted funds are those that are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Where restricted income has been expended on the designated project it is considered that the restrictions have been met and the sums are therefore transferred to unrestricted funds.

**1.21 Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

(a) Critical judgments in applying the Group's accounting policies:

None

(b) Critical accounting estimates and assumptions:

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

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note 1.9 for the useful economic lives for each class of assets.

(ii) Stock provisioning:

The Group considers it necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the work in progress provision, management considers the nature, condition and age of the stock, as well as applying assumptions around anticipated saleability and future usage.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2021**

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**1.21 Judgements and key sources of estimation uncertainty (continued)**

(iii) Investment properties:

The Group carries its investment properties at fair value being recognised in the Statement of Financial Activities. See accounting policy note 1.10 and note 12 for more information

(iv) Legacy income:

Income from pecuniary and residuary legacies are recognised when there is entitlement and the income is measurable and probable.

(v) Expenditure allocations:

Expenditure is apportioned where it relates to more than one cost category.

**2. Voluntary income**

	<b>2021</b>	<b>2020</b>
		<b>As</b>
	<b>£000</b>	<b>restated</b>
		<b>£000</b>
Donations	4	12
Legacies	1	7
	<hr/>	<hr/>
	£5	£19
	<hr/>	<hr/>

**3. Subsidiary activities**

The charity owns the whole of the ordinary share capital of Ulverscroft Group Limited, which is incorporated in England and Wales. Ulverscroft Group Limited has a number of other subsidiary companies under its control which, together, form the trading group as detailed in note 13. The trading group is principally engaged in the publishing, printing and distribution of large print and audio books for the blind and partially sighted to libraries in the English speaking world.

A summary of the consolidated results for the trading group is shown on the next page. Audited accounts for the consolidated trading group have been filed with the Registrar of Companies.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

3 Subsidiary activities (continued)	2021	2020
	£000	As restated £000
<b>Turnover</b> - continuing	8,178	8,221
Cost of sales	(4,895)	(5,971)
<b>Gross profit</b>	<u>3,283</u>	<u>2,250</u>
Distribution costs	(708)	(749)
Administrative expenses	(2,922)	(3,604)
Exceptional administrative expenses	(107)	(682)
Fair value movements	680	320
Other operating income	77	169
<b>Operating profit/(loss) – continuing</b>	<u>303</u>	<u>(2,296)</u>
Investment income	25	43
Interest payable	(3)	(2)
<b>Profit/(Loss) on ordinary activities before taxation</b>	<u>325</u>	<u>(2,255)</u>
Taxation - current	147	-
<b>Profit/(Loss) on ordinary activities after taxation</b>	<u>472</u>	<u>(2,255)</u>
Non-controlling interest	-	-
<b>Profit/(Loss) attributable to the parent company</b>	<u>472</u>	<u>(2,255)</u>
Foreign exchange losses	-	(1)
Amount gift aided to parent charity	(300)	(300)
<b>Movement in funds for the year</b>	<u>172</u>	<u>(2,556)</u>
<b>Asset, liabilities and funds</b>		
Assets	10,983	11,430
Liabilities	<u>(1,926)</u>	<u>(2,545)</u>
<b>Funds</b>		
Funds attributable to the parent company	<u>9,057</u>	<u>8,885</u>
	<u>9,057</u>	<u>8,885</u>
	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>As restated £000</b>
4 <b>Investment income</b>		
Bank interest	5	19
Building Society interest	5	7
Return on listed investments	361	357
	<u>£371</u>	<u>£383</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

5 **Net income for the year**

Net income is stated after charging:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>As restated £000</b>
Auditors remuneration	28	47
audit fees	7	5
other services	99	115
Goodwill amortisation	91	91
Amortisation of intangible fixed assets	89	141
Depreciation	(10)	11
Foreign exchange (profit)/loss	140	251
Operating lease rentals	140	251
	<hr/>	<hr/>

6 **Support costs**

The charity allocates its support costs to reflect the use of resources in each area.

	<b>Costs of generating voluntary funds</b>	<b>Charitable activities</b>	<b>Governance costs</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Staff costs	3	31	7	41
Office costs	-	1	-	1
Professional fees	-	-	-	-
Trustees travelling expenses	-	-	-	-
Auditor's fees	-	-	7	7
Insurance	-	-	2	2
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>3</b>	<b>32</b>	<b>16</b>	<b>51</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

A total of 6 trustees (2020 – 6 trustees) were paid travelling expenses in the year, as shown above.

7 **Charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Grants payable	(26)	670
Support costs (note 6)	32	30
Governance costs (note 6)	16	16
	<hr/>	<hr/>
	<b>22</b>	<b>716</b>
	<hr/> <hr/>	<hr/> <hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

## 7 Charitable activities (continued)

The following grants were approved in year:	<u>2021</u> <u>£000</u>
University of Liverpool	31
Ulverscroft David Owen Prize	1
Scarboocia	2
Walsall Society for the Blind	1
Coventry Resource Centre	5
Orchestra of the Swan	5
Void Gallery	1
Devon in Sight	1
Ystragynlais Lib. Powys CC	2
Calibre	3
Courtyard Trust	1
Leicestershire VI Bowling Club	2
Wirral Community Narrowboat Trust	1
Henshaws	4
Open Sight Hampshire	5
Wiltshire Sight	3
Braille Chess Association	2
Mondo Foundation	2
BPUS	5
Intercare	3
University of Leicester adjustment	(106)
	<hr/>
	(26)
	<hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

	<b>2021</b> <b>£000</b>
<b>8 Grants approved and not yet paid (notes 17 and 18):</b>	
<b>Charitable activities (continued)</b>	
GOSH Ulverscroft Vision Research Group	91
University of Liverpool	31
University of Leicester – Proudlock	202
Share the Vision	30
Ruharo Eye Centre	8
LSH&TM Will Dean Surgical Training	65
Comprehensive Research Network	2
Ulverscroft David Owen Prize	1
Ystragynlais Lib. Powys CC	2
Intercare	5
	437
	437

**9 Staff costs**

The average number of employees during the year were as follows:

	<b>2021</b>	<b>2020</b> <b>As</b> <b>restated</b>
Management and administration of the charity	1	2
Trading group Administration	63	57
Production	34	64
	98	123
	98	123
	<b>2021</b>	<b>2020</b> <b>As</b> <b>restated</b>
	<b>£000</b>	<b>£000</b>
The total staff costs for the year were:		
Wages and salaries	2,280	2,851
Social security costs	213	259
Other pension costs	88	94
	2,581	3,204
	2,581	3,204

Two directors (2020 – two) of the Ulverscroft Group Limited have benefits accruing under a defined contribution pension scheme. Total employee benefits (including pension contributions) paid to key management personnel of the trading group amounted to £190,000.

One employee of the trading group received employee benefits (excluding pension contributions) in excess of £60,000. The employee earned between £100,000 and £110,000.

None of the Trustees received nor waived remuneration from the Foundation in 2021 or 2020 and none of the Foundation staff earn in excess of £60,000. Reimbursed expenses are shown in note 6.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

10 Taxation

	2021	2020 As restated
	£000	£000
Corporation Tax	(37)	
Adjustments in respect of previous periods	(110)	-
	<hr/>	<hr/>
<b>Tax on loss on ordinary profits</b>	<b>(147)</b>	<b>-</b>
	<hr/>	<hr/>

**Factors affecting the tax charge for the year**

The tax assessed for the year is different from the expected rate of corporation tax. The differences are explained below:

	2021	2020 As restated
	£000	£000
Profit/(Loss) on ordinary activities before taxation	325	(2,255)
	<hr/>	<hr/>

	2021	2020 As restated
	£000	£000
Loss on ordinary activities multiplied by the expected rate of corporate tax of 19% (2020 – 19%)	62	(428)
Effects of:		
Fixed asset difference	-	(25)
Expenses not deducted for tax purposes	1	-
Adjustments in respect of previous periods	(110)	-
Goodwill amortisation and impairment	19	68
Other timing differences	6	3
Deferred tax not recognised	33	449
Non taxable income	(148)	(67)
Depreciation in excess of capital allowances	27	-
Research and development enhanced deductions	(37)	-
	<hr/>	<hr/>
	<b>(147)</b>	<b>-</b>
	<hr/>	<hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

## 11 Intangible assets

The GroupGoodwill  
arising on  
consolidation

Cost	
At 1 November 2020 and 31 October 2021	5,990
Amortisation	
At 1 November 2020	4,995
Provision for year	190
At 31 October 2021	5,185
Net book amount	
At 31 October 2021	805
At 31 October 2020	995

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

12 Tangible assets

	Investment Property £000	Freehold Property £000	Plant and Machinery £000	Fixtures, Fittings and Motor Vehicles £000	Total £000
<b>The Group</b>					
Cost or valuation					
At 1 November 2020	2,126	1,556	67	859	4,608
Additions	-	-	-	3	3
Disposals	-	-	-	(425)	(425)
Exchange adjustment	-	-	-	(3)	(3)
Reclassification	582	(650)	-	-	(68)
Revaluation	587	-	-	-	587
At 31 October 2021	3,295	906	67	434	4,702
Depreciation					
At 1 November 2020	-	23	43	721	787
Provided in the year	-	7	1	81	89
Disposals	-	-	-	(420)	420
Exchange adjustment	-	-	-	(4)	(4)
Reclassification	-	(67)	-	-	(67)
At 31 October 2021	-	(37)	44	378	385
Net book amount					
At 31 October 2021	3,295	943	23	56	4,317
Net book amount					
At 31 October 2020	2,126	1,533	24	138	3,821

The net book amount at 31 October 2021 represents fixed assets used for:

Management and administration of the charity	-	40	-	-	40
Trading purposes	-	903	23	56	982
Investment purposes	3,295	-	-	-	3,295
	3,295	943	23	56	4,317

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

12 **Tangible assets (cont'd)**

The fair value based on their estimated open market value of the investment properties were revalued by the directors in the year resulting in a revaluation surplus of £588,000.

If the investment properties had been accounted for under the historic cost accounting rules, including the net book value of those properties reclassified at the transition date to FRS102, the properties would have been included at £2,508,000 (2020: £2,233,000).

The Foundation's investment property was last revalued in 2015 by Sturgis, Snow and Astill on an open market value basis. The Trustees consider that this continues to represent the open market value of the property at 31 October 2021.

The historical cost of the Foundation property as a whole is £317,000 of which £286,000 relates to the investment property portion.

	<b>Freehold Property £000</b>	<b>Investment Property £000</b>	<b>Total £000</b>
<b>The Charity</b>			
Cost or valuation			
At 1 November 2020	40	360	400
Revaluation	-	-	-
	-----	-----	-----
At 31 October 2021	40	360	400
	-----	-----	-----
Depreciation	40	360	400
At 1 November 2020	-	-	-
And at 31 October 2021	-	-	-
	-----	-----	-----
Net book amount			
At 31 October 2021	40	360	400
	-----	-----	-----
At 31 October 2020	40	360	400
	-----	-----	-----

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

13 Investments	The Group As restated £000	The Charity £000
Quoted investments:		
Market value at 1 November 2020	9,996	8,947
Additions	3,066	1,594
Eliminated on Disposal	(1,635)	(1,191)
Unrealised gains	1,315	1,224
	<hr/>	<hr/>
Market value at 31 October 2021	12,742	10,574
	<hr/>	<hr/>
Investment in Group undertakings:		
At 1 November 2020 and 31 October 2021	-	7,700
	<hr/>	<hr/>
<b>Total:</b>	12,742	18,274
Market value at 31 October 2021		
	<hr/>	<hr/>
Market value at 31 October 2020	9,996	8,947
	<hr/>	<hr/>
Historical cost at 31 October 2021	9,452	16,034
	<hr/>	<hr/>

### Group undertakings

Name	Principal activity
Ulverscroft Group Limited – Co. No. 01672255	Holding company
F.A Thorpe (Publishing) Limited* – Co. No. 00803803	Dormant
Ulverscroft Limited (formerly Ulverscroft Large Print Books Limited)* – Co. No. 01068776	Publishing and distribution
Library Magna Books Limited* – Co. No. 01145362	Dormant
Ulverscroft Large Print (Australia) Pty Limited* (incorporated in Australia) – Co. No. 055644105	Publishing and distribution
Ulverscroft Large Print (USA) Inc.* (incorporated in USA) – Co. No. 1794135	Publishing and distribution
Isis Publishing Limited* – Co. No. 02723226	Dormant
Soundings Limited* – Co. No. 01664231	Dormant
La Jolie Ronde Limited* – Co. No. 02291948	Educational publishing and franchising
Words & Graphics Limited*(**) – Co. No. 02379011	Dormant
Oakhill Publishing Limited* - Co No. 05387076	Dormant

\* Shares held by Ulverscroft Group Limited

All of the above subsidiary undertakings are wholly owned and have been consolidated into these financial statements on a line by line basis. With the exception of the overseas subsidiary undertakings, as noted above, all of the subsidiary undertakings are incorporated in England and Wales.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

14 Stocks	The Group		The Charity	
	2021	2020 As restated	2021	2020
	£000	£000	£000	£000
Work in progress	408	495	-	-
Finished goods and goods for resale	276	766	-	-
	<u>684</u>	<u>1,261</u>	<u>-</u>	<u>-</u>
	<u><u>684</u></u>	<u><u>1,261</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
15 Debtors	The Group		The Charity	
	2021	2020 As restated	2021	2020
	£000	£000	£000	£000
Trade debtors	1,040	1,375	-	-
Other debtors	68	63	-	-
Prepayments and accrued income	392	500	17	16
	<u>1,500</u>	<u>1,938</u>	<u>17</u>	<u>16</u>
	<u><u>1,500</u></u>	<u><u>1,938</u></u>	<u><u>17</u></u>	<u><u>16</u></u>
16 Cash and cash equivalents	The Group		The Charity	
	2021	2020 As restated	2021	2020
	£000	£000	£000	£000
Cash at bank and in hand	3,189	4,174	1,264	1,392
	<u>3,189</u>	<u>4,174</u>	<u>1,264</u>	<u>1,392</u>
	<u><u>3,189</u></u>	<u><u>4,174</u></u>	<u><u>1,264</u></u>	<u><u>1,392</u></u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

17 Creditors: amounts falling due within one year

	The Group		The Charity	
	2021	2020 As restated	2021	2020
	£000	£000	£000	£000
Trade creditors	796	933	4	4
Social security and other taxes	70	98	-	-
Other creditors	135	237	-	-
Grants	437	967	437	967
Accruals and deferred income	873	1,114	7	6
	<u>2,311</u>	<u>3,349</u>	<u>448</u>	<u>977</u>

18 Creditors: amounts falling due after more than one year

The Group and The Charity	Group		Charity	
	2021	2020 As restated	2021	2020
	£000	£000	£000	£000
Due between two and five years:				
Grants	1	1	1	1
Onerous lease provision	62	172	-	-
	<u>63</u>	<u>173</u>	<u>1</u>	<u>1</u>

19 Pension commitments

**The Group**

The trading group makes payments to employees' individual personal pension plans. The assets of the scheme are held separately from those of the trading group in an independently administered fund. The pension cost charge represents contributions payable by the trading group and amounted to £88,000 (2020 - £94,000). At the year end there were outstanding contributions of £12,000 (2020 - £31,000).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

20 **Financial commitments**

At 31 October 2021 the Group and charity had future minimum lease payment under non-cancellable operating leases as follows:

**The Group**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>As restated £000</b>
Within one year	64	178
Within two to five years	31	218
After more than five years	-	-
	<hr/>	<hr/>
	95	396
	<hr/> <hr/>	<hr/> <hr/>

**The Charity**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>As restated £000</b>
Under one year	1	1
Within two to five years	-	1
	<hr/>	<hr/>
	1	2
	<hr/> <hr/>	<hr/> <hr/>

21 **Related party transactions**

Transactions between individual group companies have not been disclosed as the group has taken advantage of the exemption conferred by FRS102 on the basis that the group is a wholly owned subsidiary of the Foundation.

22 **Restricted income fund**

There were no restricted fund balances held at 31 October 2021.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2021

23 Reconciliation of net incoming resources to net cash inflow from operating activities

	The Group		The Charity	
	2021	2020 As restated	2021	2020
	£000	£000	£000	£000
Net incoming resources	2,053	(3,384)	2,028	(3,129)
Depreciation	178	194	-	-
Goodwill amortisation	99	448	-	-
Interest received	(386)	(398)	(361)	(355)
Interest paid	3	2	-	-
Decrease/(increase) in stocks	578	(253)	-	-
Decrease/(increase) in debtors	493	577	(1)	8
Increase/(decrease) in creditors	(1,040)	(72)	(530)	242
Increase/(decrease) in provisions	(109)	172	-	-
Foreign exchange	1	(2)	-	-
Investment (gains)/losses	(2,099)	438	(1,419)	759
Taxation received/(paid)	93	-	-	-
Profit/loss on sale	5	-	-	-
Non-operating items		-	-	2,300
	<u>(131)</u>	<u>(2,278)</u>	<u>(282)</u>	<u>(175)</u>

24 Financial instruments

	The Group		The Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost	1,108	1,438	-	-
	<u>1,108</u>	<u>1,438</u>	<u>-</u>	<u>-</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(1,502)	(2,620)	(441)	(972)
	<u>(1,502)</u>	<u>(2,300)</u>	<u>(441)</u>	<u>(972)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, amounts owed to group undertakings, and other creditors.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2021**

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**25 Prior year adjustment**

The trading group has changed its accounting policy to adopt the amendments of the 2017 FRS102 Triennial Review. As a result, from 1 November 2018, properties let by the parent company of the trading group to subsidiary undertakings are shown as freehold properties in tangible fixed assets at amortised cost and prior year figures have been restated accordingly. The deemed cost of the intra-group property is the fair value of the property at the date of transition to the 2017 FRS102 Triennial Review. Previously such properties were recorded as investment properties at fair value.

The impact of the re-statement on the prior year company financial statements was to increase the carrying value of tangible fixed assets by £1,375,000 and reduce the carrying value of investments properties by the same amount, with no overall change in total net assets.

The impact of the re-statement on the prior year trading groups financial statements was to increase the carrying value of net assets by £1,140,318. Being an increase in the carrying value of tangible fixed assets. The increase represented an uplift from historic cost net book value of £234,682 to fair value at the date of transition of £1,375,000.

The fair value uplift from historic cost has been transferred from the non-distributable profit and loss reserve to a non-distributable revaluation reserve.

**THE ULVERSCROFT FOUNDATION**

England & Wales - Charity number 264873

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# Accounts

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**THE ULVERSCROFT FOUNDATION**  
**AND ITS SUBSIDIARY UNDERTAKINGS**

**ANNUAL ACCOUNTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2020**

**SOMERBYS LIMITED**  
**CHARTERED ACCOUNTANTS**  
**30 NELSON STREET**  
**LEICESTER**  
**LE1 7BA**

# THE ULVERSCROFT FOUNDATION AND ITS SUBSIDIARY UNDERTAKINGS

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CHARITY REGISTRATION NO: 264873

GOVERNED BY DEED OF TRUST DATED 31 OCTOBER 1972

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**Legal and administrative information**

Trustees	R.P. Gent * (chairman) R.J. Crooks * J. Sandford-Smith R.A. Clarke D.T. Hicks G.H.A. Woodruff I.R. Moon *  (* Investment sub-committee)
Secretary	Mrs. J. Sumner
Treasurer	E.V. Hill *
Office	No.1 The Green Bradgate Road Anstey Leicester LE7 7FU
Independent Auditor	Somerbys Limited Chartered Accountants Statutory Auditor 30 Nelson Street Leicester LE1 7BA
Bankers	Barclays Bank plc Leicester
Investment Advisors	Brewin Dolphin 9 Colmore Row Birmingham B3 2BJ

**ANNUAL REPORT OF THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2020**

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**Structure, governance and management**

The Foundation was created and is governed by a Deed of Trust dated 31 October 1972 and its Charity Registration number is 264873.

New Trustees are chosen by the existing Trustees having regard to both their general and specific experience of the activities of the Foundation and may be appointed by the continuing Trustees for such limited period as they may decide. The ordinance of the Trust is reviewed and amended regularly by the Trustees. New and existing Trustees have this and other relevant information; discussions take place and explanations are given when appropriate regarding the policies and activities of the Charitable Trust and regarding the duties and responsibilities of Trustees generally. The Foundation complies with the principles of the Code of Good Governance.

The Foundation is operated on a day to day basis by the Secretary and the Treasurer, who call upon any of the Trustees for material decisions. The Trustees meet eight times a year and more frequently if required. Alternate meetings concentrate on progress reports and financial reports of the Foundation and its trading subsidiary company, The Ulverscroft Group Limited.

The Trustees consider on a regular basis, the major risks to which the Foundation and its assets might at some time become exposed. The main risk identified at the present time and for the immediate future is the continuing reduction in local authority funding which will impact on the market for the group's products. In addition to any specific risks identified, the Trustees are aware that any trading venture, such as the Ulverscroft Group, may experience failures and losses, not always within the Foundation's control. The Trustees endeavour to ensure that adequate direction and management exists within the Group and review quarterly reports produced by the Group on the trading status of each activity, its level of success and forecast of its future progress or decline, in addition to financial reports on profits, assets, liabilities and cash flow.

Mr R.J. Crooks, Mr R.P. Gent and Mr R.A. Clarke were all Trustees at the signing date of the accounts who hold title to property belonging to the Foundation.

**Objectives and activities**

The primary objects of the Ulverscroft Foundation, as recorded in the original Trust Deed, are to relieve, assist and provide treatment and education for sick or handicapped persons and in particular (but without prejudice to the generality of the foregoing) persons suffering from defective eyesight; to promote or conduct medical research and to provide and assist in the provision of facilities for the treatment or alleviation of sick or handicapped persons.

There are no specific restrictions nor are there specific investment powers imposed by the Trust Deed.

The policies adopted to further these objects are summarised as follows:

- to gather in donations, legacies and investment income including that from the wholly owned trading organisation, the Ulverscroft Group Limited, which by the nature of its trading activity of publishing large print books and audio books, supports the objects of the Foundation by assisting persons with visual impairment.
- in their capacity as investors and shareholders of the Ulverscroft Group Limited, the Trustees are required to act in accordance with their ordinance, remaining independent from the management of the Group and its day to day activities while reviewing the state of business progress; in other respects acting as shareholders.
- to manage with the support of its investment advisors, the investment of funds not utilised in the wholly owned trading organisation or for other charitable purposes at the time.
- to develop long and short term charitable projects and to make grants in accordance with the objects of the Foundation.
- to administer the Foundation as efficiently as possible through its Secretariat.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**Public benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

The Trustees take into account when considering grant applications, the number of potential beneficiaries, the impact and sustainability of the projects supported and, in the case of research funding, the medium to long-term potential to deliver significant public benefit.

Detailed criteria to assist applicants are listed on the Foundation's Website, and the Secretary offers advice when requested.

**Investment powers, policy and performance**

In accordance with the Trust Deed and agreed Investment Policy, the Trustees may invest in any manner of investments at their discretion. The Trustees have the same powers in all respects as if they were absolute owners. The shareholdings in listed companies, shown on the Balance Sheet of the Foundation, amount to 54% of the fixed asset investments.

The main investment held by the Foundation is that in the Ulverscroft Group, amounting to £7,700,000. The Trustees consider this to be a sound investment having regard to its activities and to the Balance Sheet value of the Group.

Other than the Ulverscroft Group, the Trustees take advice from their investment advisors with the policy of a balance of yield and security, subject to ethical considerations, for example, firearms, gambling, tobacco products and animal testing are all excluded. The performance during the year is regarded as satisfactory taking account of market conditions.

**The Ulverscroft Group**

Since 1964, Ulverscroft Large Print Books Limited has republished existing titles in a format easily read by blind and partially sighted people. Profits were given to charitable causes connected with blind and partially sighted people and to ophthalmic research. In 1972, the Ulverscroft Foundation was formed and acquired the Company in order to protect its trade and the charitable distribution of its surplus profits.

The accounts of Ulverscroft Group Limited incorporating the original Large Print Books Company are now consolidated with those of the Foundation.

Reductions in public spending have impacted adversely on the Group's trading position. It is addressing these issues through cost savings and diversification (e.g. developing a digital offering). A viability study commissioned in the financial year 2019/20 resulted in the creation of an action plan to enable the Group to meet the challenges presented by a rapidly-changing commercial environment, and the Trustees are closely monitoring the Group's performance against the plan.

**Grants**

Grants are made in accordance with the objects of the Foundation and are focused, when possible, on charity projects in partnership with the recipient organisations. 24 grants were approved during the year totalling £670,000 (£508,000 being due in future years). Additionally, payments totalling £268,000 were made in respect of grant projects in progress, which were started in previous years. The total grant payments during the year amounted to £430,000.

Included in creditors due within one year and after more than one year are grants for future years where intent has been declared, without legal obligation, to maintain payments over future defined periods, primarily for research. A list of material grants and projects expended during the year is included within the attached accounts. Major grants approved to date include those to GOSH Ulverscroft Vision Research Group, University of Leicester, Will Dean Surgical Training Programme, University of Liverpool and University of Newcastle.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**Achievements and performance**

By the very nature of the objectives laid down for the Foundation, and the policies of the Trustees to achieve them, there are no regular defined patterns of charitable giving. The search for suitable recipients for major grants is ongoing, do not occur on a regular basis and in any event are dependent on the finance available. The Foundation reviews its grants policy annually to ensure that an appropriate balance is maintained between expenditure on research and innovation, clinical care, and community-based support to visually-impaired people in the UK and overseas.

The Covid pandemic has had an adverse impact on the finances of many charities, which have been unable to conduct their normal fundraising activities. Consequently the Ulverscroft Foundation has received a number of requests to assist with day-to-day funding needs. The Trustees have taken the view that the Foundation's limited resources should continue to be used to support projects which are additional to applicants' day to day activities, as this is vital to the longer-term development of services for blind and partially-sighted people. They have therefore reluctantly declined to support applications for maintenance funding.

The Group has attempted to increase its market share and has diversified into the downloadable e-book market. The Trustees are conscious of the likely diminution of its prime library market and the Group is in the course of researching alternatives. However, at the current time, the Group continues to rely substantially on its main market, the public library system in the U.K and English-speaking countries and on its language courses provided by one of the subsidiaries, La Jolie Ronde Limited. The attached accounts show the achievements of the Group.

**Financial review**

The attached Statement of Financial Activities and the supporting notes summarise clearly the resources received and expended during the year ended 31 October 2020 and the attached Balance Sheet and its supporting notes reflect the position in terms of assets and liabilities at 31 October 2020. The Trustees consider that the results and position are satisfactory.

The above paragraphs describe the various policies adopted by the Trustees within the activities of the Foundation which have included the management of finance. Funding sources are detailed in the Financial Activities Statement and stem from dividends and interest from investments, donations and bequests. Resources expended by the Foundation are also detailed and, other than grants, primarily relate to salaries and professional fees.

Reserves are set out on page 11 of the attached accounts. Total reserves amount to £17,523,000 of which £9,778,000 relates to the general funds of the Foundation and £7,745,000 relates to the Trading Group. There are no restricted funds at the balance sheet date and free reserves (unrestricted reserves excluding fixed assets but including investments) amounted to £14,843,000. The Trustees' policy is to maintain sufficient uncommitted funds in reserves to ensure the future sustainability of its charitable activities, including the award of major grants and capital investments.

**Unpaid volunteers and services in kind**

The Foundation does not depend upon the services of unpaid volunteers or other services in kind.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**Plans for future periods**

The Trustees continue to search for the opportunity to direct the funds of the Foundation towards major projects which appear to bring particular benefit and relief to those who are blind and partially sighted, including research towards the prevention of related diseases, the challenge being to select projects where the Foundation's resources can achieve the maximum effect. The Foundation has completed a strategic partnership with Share the Vision, which will fund an agreed programme of works designed to improve access to books and reading for visually impaired people through public libraries. The commencement of the programme was delayed in the light of the Covid pandemic and the subsequent closure of libraries. Additionally, the Trustees continue to select and respond with grants to appeals.

There are no known post balance sheet events and no known contingent liabilities to be disclosed to date. The Trustees confirm that they believe that this report and attached accounts, which should be read with this report, comply with current statutory requirements including the Statement of Recommended Practice (SORP FRS102).

**Risk policy**

The Trustees have reviewed for any significant risks and have put in place systems or procedures to manage these.

**COVID-19**

The Foundation's business has continued uninterrupted through a mix of online meetings and face-to-face where this has been permitted. The impact of the pandemic on its charitable activities has been outlined in the above paragraphs.

There has been a global pandemic from the outbreak of coronavirus (COVID-19). The impact became significant in the UK in March 2020 and continues to cause widespread disruption to normal patterns of activity in the UK and globally. As a result of measures to combat the spread of the virus, the UK has imposed a forced lockdown which has impacted upon both the parent Charity and Trading Group.

As at the date of approval of these financial statements, the degree of uncertainty remains high and, therefore, it is not possible to quantify the financial effect of the pandemic. However, the Trustees have considered the resources available across the Group and consider these to be sufficient to ensure that the Group will be able to continue to operate for the foreseeable future.

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**Trustees' responsibilities statement**

The Trustees are responsible for preparing the Trustees' Annual 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 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 Foundation and of the incoming resources and application of resources of the Foundation 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 in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**R P GENT**  
TRUSTEE

10 June 2021

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES  
YEAR ENDED 31 OCTOBER 2020**

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**Opinion**

We have audited the consolidated financial statements of The Ulverscroft Foundation for the year ended 31 October 2020 which comprise the Consolidated Statement of Financial Activities, Parent Statement of Financial Activities, the Consolidated Balance Sheet, Parent Balance Sheet, Consolidated Cash Flow Statement, Parent Cash Flow Statement and notes to the financial statements, 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 group's and parent charity's affairs as at 31 October 2020, and of the group's incoming resources and application of resources 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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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.

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

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records; 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 set out on page 5, the Trustees are responsible for the preparation of financial statements which 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 group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

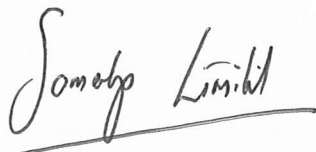
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**Use of this report**

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Date: 21.07.2021

**SOMERBYS LIMITED**

Chartered Accountants

Statutory Auditor

30 Nelson Street

Leicester

LE1 7BA

Somerbys Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 OCTOBER 2020**

	Note	General Funds £000	Restricted Fund £000	Total 2020 £000	Total 2019 £000
<b>Income and endowments from:</b>					
Voluntary income	2	19	-	19	91
Other trading activities					
Trading income	3	8,221	-	8,221	9,860
Investment income	4	383	-	383	465
Other		171	-	171	2
<b>Total</b>		<b>8,794</b>	<b>-</b>	<b>8,794</b>	<b>10,418</b>
<b>Expenditure on:</b>					
Raising funds:					
Commercial trading:-					
Expenditure - continuing	3 & 5	10,993	-	10,993	11,391
Taxation	10	-	-	-	(46)
Investment management costs		27	-	27	27
Costs of generating voluntary funds	6	3	-	3	3
Charitable activities	7	716	-	716	387
<b>Total</b>		<b>11,739</b>	<b>-</b>	<b>11,739</b>	<b>11,762</b>
<b>Net income and net movement in funds before gains and losses on investments</b>					
		(2,945)	-	(2,945)	(1,344)
Investment gains/(losses)		(439)	-	(439)	515
<b>Net income</b>		<b>(3,384)</b>	<b>-</b>	<b>(3,384)</b>	<b>(829)</b>
<b>Other recognised gains/(losses)</b>					
Foreign exchange adjustment		1	-	1	(1)
<b>Net movement in funds</b>		<b>(3,383)</b>	<b>-</b>	<b>(3,383)</b>	<b>(830)</b>
<b>Reconciliation of funds</b>					
Total Funds at 1 November 2019		20,906	-	20,906	21,736
Total Funds at 31 October 2020		17,523	-	17,523	20,906

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 OCTOBER 2020**

	Note	General Funds £000	Restricted Fund £000	Total 2020 £000	Total 2019 £000
<b>Income and endowments from:</b>					
Voluntary income	2	19	-	19	91
Gift aid from trading group		300	-	300	300
Investment income		355	-	355	418
Other income		2	-	2	2
<b>Total</b>		<b>676</b>	<b>-</b>	<b>676</b>	<b>811</b>
<b>Expenditure on:</b>					
Raising funds:					
Investment management costs		27	-	27	27
Costs of generating voluntary funds	6	3	-	3	3
Charitable activities	7	716	-	716	387
<b>Total</b>		<b>746</b>	<b>-</b>	<b>746</b>	<b>417</b>
<b>Net (expenditure)/income and net movement in funds before gains and losses on investments</b>		<b>(70)</b>	<b>-</b>	<b>(70)</b>	<b>394</b>
Investment (losses)/gains		(3,059)	-	(3,059)	451
<b>Net (expenditure)/income</b>		<b>(3,129)</b>	<b>-</b>	<b>(3,129)</b>	<b>845</b>
<b>Other recognised gains</b>					
Revaluation gains		-	-	-	-
<b>Net movement in funds</b>		<b>(3,129)</b>	<b>-</b>	<b>(3,129)</b>	<b>845</b>
Fund balances carried forward at 1 November 2019		20,607	-	20,607	19,762
Fund balances carried forward at 31 October 2020		17,478	-	17,478	20,607

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**CONSOLIDATED BALANCE SHEET  
AT 31 OCTOBER 2020**

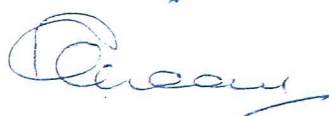
	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Intangible assets	11	995	1,419
Tangible assets	12	2,680	2,527
Investments	13	9,997	10,905
		13,672	14,851
<b>Current assets</b>			
Stocks	14	1,261	1,008
Debtors	15	1,938	2,513
Cash at bank and in hand	16	4,174	6,210
		7,373	9,731
<b>Creditors: amounts falling due within one year</b>	17	(3,349)	(3,599)
		4,024	6,132
<b>Net current assets</b>		4,024	6,132
<b>Total assets less current liabilities</b>		17,696	20,983
<b>Creditors: amounts falling due after more than one year</b>	18	(173)	(77)
		17,523	20,906
<b>Funds</b>			
<b>Unrestricted income funds</b> (including capital redemption reserve of £1.2 million)		17,523	20,906
<b>Total funds</b>		17,523	20,906

Approved by the Board of Trustees on 10<sup>th</sup> June 2021

And signed on its behalf by:



**R P GENT**



**R CROOKS**


**BALANCE SHEET  
AT 31 OCTOBER 2020**

	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Tangible assets	12	400	400
Investments	13	16,648	19,859
		17,048	20,259
<b>Current assets</b>			
Debtors	15	16	24
Cash at bank and in hand	16	1,392	1,060
		1,408	1,084
<b>Creditors: amounts falling due within one year</b>	17	(977)	(659)
		431	425
<b>Net current assets</b>		431	425
<b>Total assets less current liabilities</b>		17,479	20,684
<b>Creditors: amounts falling due after more than one year</b>	18	(1)	(77)
		17,478	20,607
<b>Net assets</b>		17,478	20,607
<b>Funds</b>			
<b>Unrestricted income funds:</b>			
General funds		17,478	20,607
		17,478	20,607

Approved by the Board of Trustees on 10<sup>th</sup> June 2021

And signed on its behalf by:

 R P GENT

 R CROOKS

**STATEMENT OF CASH FLOWS**  
**YEAR ENDED 31 OCTOBER 2020**

	Note	The Group		The Charity	
		2020 £000	2019 £000	2020 £000	2019 £000
<b>Cash used in operating activities</b>	23	(2,278)	(1,338)	(175)	(302)
Proceeds from sale of investments		1,827	1,889	1,668	1,308
Purchase of investments		(1,690)	(1,815)	(1,516)	(1,470)
Purchase of subsidiary		-	(340)	-	-
Purchase of tangible fixed assets		(37)	(100)	-	-
Investment income		398	303	355	242
Interest paid		(2)	(2)	-	-
<b>Cash provided by investing activities</b>		496	(65)	507	80
<b>Change in cash and cash equivalents in the year</b>		(1,782)	(1,403)	332	(222)
<b>Cash and cash equivalent brought forward</b>		5,956	7,359	1,060	1,282
<b>Cash and cash equivalent carried forward</b>		4,174	5,956	1,392	1,060
<b>Analysis of cash and cash equivalents</b>					
Cash and bank and in hand		4,174	6,210	1,392	1,060
Bank overdraft		-	(254)	-	-
<b>Cash and cash equivalents as at 31 October 2020</b>		4,174	5,956	1,392	1,060

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
YEAR ENDED 31 OCTOBER 2020**

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**1. Accounting policies****Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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 (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Trustees have considered the Groups resources in light of the potential impact of the global pandemic from the outbreak of coronavirus. The Trustees are satisfied that the Group has sufficient resources and therefore consider that the going concern basis remains appropriate.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**1.1 Basis of consolidation**

The financial statements consolidate the results of The Ulverscroft Foundation for the year ended 31 October 2020 with those of its subsidiary undertakings for the same financial year on a line by line basis. A summary of the results of the subsidiaries is shown in note 3.

**1.2 Income recognition**

Voluntary income excluding legacies is accounted for on a receipts basis. Legacy income is recognised when there is notification of a grant of probate and the amount receivable can be measured with sufficient accuracy.

Fundraising trading income comprises the invoiced value of goods supplied, exclusive of VAT and trade discounts and is wholly attributable to the principal activity of the trading group.

**1.3 Expenditure recognition**

Resources expended are accounted for on an accruals basis. The irrecoverable element of VAT, where applicable, is included with the item of expense to which it relates.

Support costs are those costs which enable the raising of funds and charitable activities to be undertaken.

**1.4 Grants payable**

Grants are accounted for on an accruals basis and are accounted for in full if the amount awarded is unconditional or the conditions attached have been met. Grants paid are shown as a movement in creditors. Details of grants in the year are shown in note 8.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**1.5 Investment assets and investment income**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Investments in subsidiaries are measured at cost less impairment.

**1.6 Leased assets**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

**1.7 Employee benefits**

The trading group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.8 Intangible assets**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis through the Consolidated Statement of Financial Activities over its useful economic life, being 10 years from the date of transition to FRS102 or acquisition, if later.

**1.9 Tangible fixed assets**

Tangible fixed assets under the historical cost convention, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line basis. The estimated useful lives are as follows:

Plant and machinery	4 to 5 years
Fixtures and fittings	4 to 5 years
Motor vehicles	4 to 5 years
Freehold property	50 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**1.10 Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

**1.11 Stocks and work in progress**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress and finished goods include advanced royalties, labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Financial Activities.

**1.12 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.13 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk to change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**1.14 Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

**1.15 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans and grants, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**1.16 Foreign currency translation**

Foreign currency transactions are translated into the functional currency using in-house exchange rates at the date of the transaction. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and which arise when remitted from overseas bank accounts, are deemed to be 'realised' and recognised in turnover. Amounts arising on the retranslation of year end monetary items are deemed to be 'unrealised' and appear in administrative expenses in the profit and loss account.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange difference arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**1.17 Pensions - defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**1.18 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised on respect of all timing difference that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed of and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing difference in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent difference except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and that amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**1.19 Provisions for liabilities**

Provisions are made where an event had taken place that gives the Group a legal or constructive obligation that probably required settlement by transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated profit and loss account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**1.20 Fund accounting**

Unrestricted funds are those that are available for use, at the discretion of the Trustees, in furtherance of the general objectives of the charity.

Restricted funds are those that are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Where restricted income has been expended on the designated project it is considered that the restrictions have been met and the sums are therefore transferred to unrestricted funds.

**1.21 Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

(a) Critical judgments in applying the Group's accounting policies:

None

(b) Critical accounting estimates and assumptions:

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

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See accounting policy note 1.9 for the useful economic lives for each class of assets.

(ii) Stock provisioning:

The Group considers it necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the work in progress provision, management considers the nature, condition and age of the stock, as well as applying assumptions around anticipated saleability and future usage.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

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**1.21 Judgements and key sources of estimation uncertainty (continued)**

(iii) Investment properties:

The Group carries its investment properties at fair value being recognised in the Statement of Financial Activities. See accounting policy note 1.10 and note 13 for more information

(iv) Legacy income:

Income from pecuniary and residuary legacies are recognised when there is entitlement and the income is measurable and probable.

(v) Expenditure allocations:

Expenditure is apportioned where it relates to more than one cost category.

(vi) COVID-19 Pandemic

There has been a global pandemic from the outbreak of coronavirus. The impact became significant in March 2020 and, as a result, the Group's operations were disrupted following a forced lockdown. As a result of this, there is a high degree of estimation uncertainty surrounding the impact of the pandemic, accuracy of future cash flows and the ability to return to normal patterns of activity.

**2. Voluntary income**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Donations	12	41
Legacies	7	50
	<hr/>	<hr/>
	£19	£91
	<hr/>	<hr/>

**3. Subsidiary activities**

The charity owns the whole of the ordinary share capital of Ulverscroft Group Limited, which is incorporated in England and Wales. Ulverscroft Group Limited has a number of other subsidiary companies under its control which, together, form the trading group as detailed in note 13. The trading group is principally engaged in the publishing, printing and distribution of large print and audio books for the blind and partially sighted to libraries in the English speaking world.

A summary of the consolidated results for the trading group is shown on the next page. Audited accounts for the consolidated trading group have been filed with the Registrar of Companies.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2020

3	Subsidiary activities (continued)	2020 £000	2019 £000
	Turnover - continuing	8,221	9,860
	Cost of sales	(5,971)	(5,744)
	<b>Gross profit</b>	2,250	4,116
	Distribution costs	(749)	(952)
	Administrative expenses	(3,604)	(4,282)
	Exceptional administrative expenses	(682)	(429)
	Fair value movements	320	64
	Other operating income	169	-
	<b>Operating loss – continuing</b>	(2,296)	(1,483)
	Investment income	43	61
	Interest payable	(2)	(2)
	<b>Loss on ordinary activities before taxation</b>	(2,255)	(1,424)
	Taxation - current	-	46
	<b>Loss on ordinary activities after taxation</b>	(2,255)	(1,378)
	Non-controlling interest	-	-
	<b>Loss attributable to the parent company</b>	(2,255)	(1,378)
	Foreign exchange losses	(1)	(1)
	Amount gift aided to parent charity	(300)	(300)
	<b>Movement in funds for the year</b>	(2,556)	(1,679)
	<b>Asset, liabilities and funds</b>		
	Assets	10,289	13,241
	Liabilities	(2,544)	(2,940)
	<b>Funds</b>		
	Funds attributable to the parent company	7,745	10,301
		7,745	10,301
		<b>2020</b> <b>£000</b>	<b>2019</b> <b>£000</b>
4	<b>Investment income</b>		
	Bank interest	19	38
	Building Society interest	7	7
	Return on listed investments	357	420
		£383	£465

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2020

5 Net income for the year

Net income is stated after charging:

	2020 £000	2019 £000
Auditors remuneration		
audit fees	47	37
other services	5	4
Goodwill amortisation	115	115
Amortisation of intangible fixed assets	91	-
Depreciation	141	205
Foreign exchange (profit)/loss	11	8
Operating lease rentals		
other	32	32
plants & machinery	124	88
	<u>          </u>	<u>          </u>

6 Support costs

The charity allocates its support costs to reflect the use of resources in each area.

	Costs of generating voluntary funds £000	Charitable activities £000	Governance costs £000	Total £000
Staff costs	3	29	6	38
Office costs	-	1	-	1
Professional fees	-	-	-	-
Trustees travelling expenses	-	-	1	1
Auditor's fees	-	-	7	7
Insurance	-	-	2	2
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<b>3</b>	<b>30</b>	<b>16</b>	<b>49</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

A total of 6 trustees (2019 – 6 trustees) were paid travelling expenses in the year, as shown above.

7 Charitable activities

	2020 £000	2019 £000
Grants payable	670	341
Support costs (note 6)	30	31
Governance costs (note 6)	16	15
	<u>          </u>	<u>          </u>
	<u>716</u>	<u>387</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
 YEAR ENDED 31 OCTOBER 2020

7 Charitable activities (continued)

The following grants were approved in year:	<u>2020</u> £000
LSH & TM Will Dean Surgical Training	261
Foresight Gardening Enterprises	3
Sheffield VI Walking Group	1
Sight For Surrey	2
Open Country	2
Charnwood Talking News	2
Blind Cricket England & Wales	2
Extant	2
Bromley Talking News	2
Intercare	2
World Medical Education	4
University of Leicester	247
Share the Vision	30
Living Paintings Trust	2
Devon Development Education	5
Second Sight (Pledge)	30
Sense International	2
Deafblind Scotland	5
Southend on Sight	2
Improving Lives Plymouth	3
North East Sensory Services	3
John Fawcett Foundation	5
Listening Books	3
Ruharo Eye Centre	50
	<hr/>
	670
	<hr/> <hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2020

	2020
	£000
<b>8 Grants approved and not yet paid (notes 17 and 18):</b>	
<b>Charitable activities (continued)</b>	
GOSH Ulverscroft Vision Research Group	150
University of Leicester – Prof. I Gottlob	168
University of Liverpool	52
Newcastle University	83
University of Leicester – Proudlock	247
Share the Vision	30
Ruharo Eye Centre	8
LSH&TM Will Dean Surgical Training	196
Second Sight (Pledge)	30
Comprehensive Research Network	2
Ulverscroft David Owen Prize	1
	967

**9 Staff costs**

The average number of employees during the year were as follows:

	2020	2019
Management and administration of the charity	2	2
Trading group Administration	57	79
Production	64	51
	123	132

	2020	2019
	£000	£000
The total staff costs for the year were:		
Wages and salaries	3,028	3,024
Social security costs	258	250
Other pension costs	94	96
	3,380	£3,370

Two directors (2019 – two) of the Ulverscroft Group Limited have benefits accruing under a defined contribution pension scheme. Total employee benefits (including pension contributions) paid to key management personnel of the trading group amounted to £201,000.

One employee of the trading group received employee benefits (excluding pension contributions) in excess of £60,000. The employee earned between £100,000 and £110,000.

None of the Trustees received nor waived remuneration from the Foundation in 2020 or 2019 and none of the Foundation staff earn in excess of £60,000. Reimbursed expenses are shown in note 6.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
 YEAR ENDED 31 OCTOBER 2020

10 Taxation

	2020 £000	2019 £000
Adjustments in respect of previous periods	-	(46)
<b>Tax on loss on ordinary profits</b>	<b>-</b>	<b>(46)</b>

**Factors affecting the tax charge for the year**

The tax assessed for the year is different from the expected rate of corporation tax. The differences are explained below:

	2020 £000	2019 £000
Loss on ordinary activities before taxation	(2,255)	(1,424)

	2020 £000	2019 £000
Loss on ordinary activities multiplied by the expected rate of corporate tax of 19% (2019 – 19%)	(428)	(271)

Effects of:

Fixed asset difference	(25)	24
Expenses not deducted for tax purposes	-	3
Utilisation of tax losses	-	6
Adjustments in respect of previous periods	-	(46)
Goodwill amortisation and impairment	68	22
Other timing differences	3	-
Deferred tax not recognised	449	233
Non taxable income	(67)	(17)
	<b>-</b>	<b>(46)</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
 YEAR ENDED 31 OCTOBER 2020

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## 11 Intangible assets

<u>The Group</u>	<b>Goodwill arising on consolidation</b>
Cost	
At 1 November 2019	5,966
Acquisition of subsidiary undertaking	24
	<hr/>
At 31 October 2020	5,990
	<hr/>
Amortisation	
At 1 November 2019	4,547
Provision for year	206
Impairment charge	242
	<hr/>
At 31 October 2020	4,995
	<hr/>
Net book amount	
At 31 October 2020	995
	<hr/> <hr/>
At 31 October 2019	1,419
	<hr/> <hr/>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2020

## 12 Tangible assets

	Investment Property £000	Freehold Property £000	Plant and Machinery £000	Fixtures, Fittings and Motor Vehicles £000	Total £000
<b>The Group</b>					
Cost or valuation					
At 1 November 2019	1,457	1,010	64	828	3,359
Additions	-	-	4	33	37
Exchange adjustment	-	-	-	5	5
Valuation	309	-	-	-	309
At 31 October 2020	1,766	1,010	68	866	3,710
Depreciation					
At 1 November 2019	-	247	29	556	832
Provided in the year	-	17	15	109	141
Impairments	-	-	-	53	53
Exchange adjustment	-	-	-	4	4
At 31 October 2020	-	264	44	722	1,030
Net book amount					
At 31 October 2020	1,766	746	24	144	2,680
Net book amount					
At 31 October 2019	1,457	763	35	272	2,527

The net book amount at 31 October 2020 represents fixed assets used for:

Management and administration of the charity	-	40	-	-	40
Trading purposes	-	706	24	144	874
Investment purposes	1,766	-	-	-	1,766
	1,766	746	24	144	2,680

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

**12 Tangible assets (cont'd)**

The fair value based on their estimated open market value of the investment properties were revalued by the directors in the year resulting in a revaluation surplus of £309,000.

If the investment properties had been accounted for under the historic cost accounting rules, including the net book value of those properties reclassified at the transition date to FRS102, the properties would have been included at £2,233,000 (2019: £2,233,000).

The Foundation's investment property was last revalued in 2015 by Sturgis, Snow and Astill on an open market value basis. The Trustees consider that this continues to represent the open market value of the property at 31 October 2020.

The historical cost of the Foundation property as a whole is £317,000 of which £286,000 relates to the investment property portion.

	<b>Freehold Property £000</b>	<b>Investment Property £000</b>	<b>Total £000</b>
<b>The Charity</b>			
Cost or valuation			
At 1 November 2019	40	360	400
Revaluation	-	-	-
	-----	-----	-----
At 31 October 2020	40	360	400
	-----	-----	-----
Depreciation	40	360	400
At 1 November 2019	-	-	-
And at 31 October 2020	-	-	-
	-----	-----	-----
Net book amount			
At 31 October 2020	40	360	400
	=====	=====	=====
At 31 October 2019	40	360	400
	=====	=====	=====

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2020

13 Investments	The Group £000	The Charity £000
Quoted investments:		
Market value at 1 November 2019	10,905	9,859
Additions	1,666	1,516
Eliminated on Disposal	(1,987)	(1,828)
Unrealised gains	(587)	(599)
	9,997	8,948
Market value at 31 October 2020		
Investment in Group undertakings:		
At 1 November 2019	-	10,000
Impairment	-	(2,300)
At 31 October 2020	-	7,700
	-	7,700
<b>Total:</b>		
Market value at 31 October 2020	9,997	16,648
	9,997	16,648
Market value at 31 October 2019	10,905	19,859
	10,905	19,859
Historical cost at 31 October 2020	9,050	15,631
	9,050	15,631

**Group undertakings**

Name	Principal activity
Ulverscroft Group Limited – Co. No. 01672255	Holding company
F.A Thorpe (Publishing) Limited* – Co. No. 00803803	Dormant
Ulverscroft Limited (formerly Ulverscroft Large Print Books Limited)* – Co. No. 01068776	Publishing and distribution
Library Magna Books Limited* – Co. No. 01145362	Dormant
Ulverscroft Large Print (Australia) Pty Limited* (incorporated in Australia) – Co. No. 055644105	Publishing and distribution
Ulverscroft Large Print (USA) Inc.* (incorporated in USA) – Co. No. 1794135	Publishing and distribution
Isis Publishing Limited* – Co. No. 02723226	Dormant
Soundings Limited* – Co. No. 01664231	Dormant
La Jolie Ronde Limited* – Co. No. 02291948	Educational publishing and franchising
Words & Graphics Limited*(**) – Co. No. 02379011	Typesetting, design and printing
Oakhill Publishing Limited* - Co No. 05387076	Dormant

\* Shares held by Ulverscroft Group Limited  
(\*\*) At the year-end, the trade and assets of this company was transferred across to Ulverscroft Limited, following which, it became dormant..

All of the above subsidiary undertakings are wholly owned and have been consolidated into these financial statements on a line by line basis. With the exception of the overseas subsidiary undertakings, as noted above, all of the subsidiary undertakings are incorporated in England and Wales.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2020

14 Stocks	The Group		The Charity	
	2020 £000	2019 £000	2020 £000	2019 £000
Work in progress	495	271	-	-
Finished goods and goods for resale	766	737	-	-
	<u>1,261</u>	<u>1,008</u>	<u>-</u>	<u>-</u>
<b>15 Debtors</b>	<b>The Group</b>		<b>The Charity</b>	
	2020 £000	2019 £000	2020 £000	2019 £000
Trade debtors	1,375	1,239	-	-
Other debtors	63	337	-	-
Prepayments and accrued income	500	937	16	24
	<u>1,938</u>	<u>2,513</u>	<u>16</u>	<u>24</u>
<b>16 Cash and cash equivalents</b>	<b>The Group</b>		<b>The Charity</b>	
	2020 £000	2019 £000	2020 £000	2019 £000
Cash at bank and in hand	4,174	6,210	1,392	1,060
Bank overdraft	-	(254)	-	-
	<u>4,174</u>	<u>5,956</u>	<u>1,392</u>	<u>1,060</u>
<b>17 Creditors: amounts falling due within one year</b>	<b>The Group</b>		<b>The Charity</b>	
	2020 £000	2019 £000	2020 £000	2019 £000
Bank overdraft	-	254	-	-
Trade creditors	933	1,326	4	2
Social security and other taxes	98	168	-	-
Other creditors	237	272	-	-
Grants	967	651	966	651
Accruals and deferred income	1,114	928	6	6
	<u>3,349</u>	<u>3,599</u>	<u>976</u>	<u>659</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2020

## 18 Creditors: amounts falling due after more than one year

The Group and The Charity	Group 2020 £000	Group 2019 £000	Charity 2020 £000	Charity 2019 £000
Due between two and five years:				
Grants	1	1	1	77
Onerous lease provision	172	-	-	-
	<u>173</u>	<u>1</u>	<u>1</u>	<u>77</u>

## 19 Pension commitments

**The Group**

The trading group makes payments to employees' individual personal pension plans. The assets of the scheme are held separately from those of the trading group in an independently administered fund. The pension cost charge represents contributions payable by the trading group and amounted to £31,000 (2019 - £96,000). There were no outstanding or prepaid contributions at the beginning or end of the year.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 OCTOBER 2020**

**20 Financial commitments**

At 31 October 2020 the Group and charity had future minimum lease payment under non-cancellable operating leases as follows:

**The Group**

	2020		2019	
	Land and buildings £000	Other £000	Land and buildings	Other
Within one year	84	93	84	67
Within two to five years	99	118	99	152
After more than five years	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	183	211	183	219
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**The Charity**

	2020		2019	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Under one year	-	1	-	1
Within two to five years	-	-	-	1
	<hr/>	<hr/>	<hr/>	<hr/>
	-	1	-	2
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**21 Related party transactions**

Transactions between individual group companies have not been disclosed as the group has taken advantage of the exemption conferred by FRS102 on the basis that the group is a wholly owned subsidiary of the Foundation.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)  
YEAR ENDED 31 OCTOBER 2020

22 **Restricted income fund**

There were no restricted fund balances held at 31 October 2020.

23 **Reconciliation of net incoming resources to net cash inflow from operating activities**

	The Group		The Charity	
	2020 £000	2019 £000	2020 £000	2019 £000
Net incoming resources	(3,384)	(829)	(3,129)	845
Depreciation	194	205	-	-
Goodwill amortisation	448	115	-	-
Interest received	(398)	(403)	(355)	(242)
Interest paid	2	2	-	-
Decrease/(increase) in stocks	(253)	36	-	-
Decrease/(increase) in debtors	577	238	8	(8)
Increase/(decrease) in creditors	(72)	(244)	242	(446)
Increase/(decrease) in provisions	172	-	-	-
Foreign exchange	(2)	(1)	-	-
Investment (gains)/losses	438	(415)	759	(451)
Taxation received/(paid)	-	(46)	-	-
Profit/loss on sale	-	1	-	-
Non-operating items	-	3	2,300	-
	<u>(2,278)</u>	<u>(1,338)</u>	<u>(175)</u>	<u>(302)</u>

24 **Financial instruments**

	The Group		The Charity	
	2020 £000	2019 £000	2020 £000	2019 £000
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost	1,452	1,576	-	-
	<u>1,452</u>	<u>1,576</u>	<u>-</u>	<u>-</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(2,300)	(2,748)	-	(747)
	<u>(2,300)</u>	<u>(2,748)</u>	<u>-</u>	<u>(747)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, amounts owed to group undertakings, and other creditors.

