

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

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**

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

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

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

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

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**

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

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.

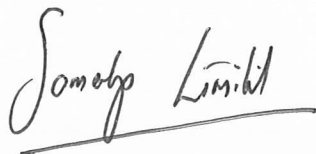
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee 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. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (CONTINUED)
YEAR ENDED 31 OCTOBER 2020

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 LIMITEDChartered 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
Income and endowments from:					
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
Total		8,794	-	8,794	10,418
Expenditure on:					
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
Total		11,739	-	11,739	11,762
Net income and net movement in funds before gains and losses on investments					
		(2,945)	-	(2,945)	(1,344)
Investment gains/(losses)		(439)	-	(439)	515
Net income		(3,384)	-	(3,384)	(829)
Other recognised gains/(losses)					
Foreign exchange adjustment		1	-	1	(1)
Net movement in funds		(3,383)	-	(3,383)	(830)
Reconciliation of funds					
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
Income and endowments from:					
Voluntary income	2	19	-	19	91
Gift aid from trading group		300	-	300	300
Investment income		355	-	355	418
Other income		2	-	2	2
Total		676	-	676	811
Expenditure on:					
Raising funds:					
Investment management costs		27	-	27	27
Costs of generating voluntary funds	6	3	-	3	3
Charitable activities	7	716	-	716	387
Total		746	-	746	417
Net (expenditure)/income and net movement in funds before gains and losses on investments					
		(70)	-	(70)	394
Investment (losses)/gains		(3,059)	-	(3,059)	451
Net (expenditure)/income		(3,129)	-	(3,129)	845
Other recognised gains					
Revaluation gains		-	-	-	-
Net movement in funds		(3,129)	-	(3,129)	845
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
Fixed assets			
Intangible assets	11	995	1,419
Tangible assets	12	2,680	2,527
Investments	13	9,997	10,905
		<hr/>	<hr/>
		13,672	14,851
Current assets			
Stocks	14	1,261	1,008
Debtors	15	1,938	2,513
Cash at bank and in hand	16	4,174	6,210
		<hr/>	<hr/>
		7,373	9,731
Creditors: amounts falling due within one year	17	(3,349)	(3,599)
		<hr/>	<hr/>
Net current assets		4,024	6,132
		<hr/>	<hr/>
Total assets less current liabilities		17,696	20,983
Creditors: amounts falling due after more than one year	18	(173)	(77)
		<hr/>	<hr/>
		17,523	20,906
		<hr/>	<hr/>
Funds			
Unrestricted income funds		17,523	20,906
(including capital redemption reserve of £1.2 million)		<hr/>	<hr/>
Total funds		17,523	20,906
		<hr/>	<hr/>

Approved by the Board of Trustees on 10th June 2021

And signed on its behalf by:



R P GENT



R CROOKS


BALANCE SHEET
AT 31 OCTOBER 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	12	400	400
Investments	13	16,648	19,859
		<hr/>	<hr/>
		17,048	20,259
Current assets			
Debtors	15	16	24
Cash at bank and in hand	16	1,392	1,060
		<hr/>	<hr/>
		1,408	1,084
		<hr/>	<hr/>
Creditors: amounts falling due within one year	17	(977)	(659)
		<hr/>	<hr/>
Net current assets		431	425
		<hr/>	<hr/>
Total assets less current liabilities		17,479	20,684
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	18	(1)	(77)
		<hr/>	<hr/>
Net assets		17,478	20,607
		<hr/>	<hr/>
Funds			
Unrestricted income funds:			
General funds		17,478	20,607
		<hr/>	<hr/>
		17,478	20,607
		<hr/>	<hr/>

Approved by the Board of Trustees on 10th 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 2020 £000	2019 £000	The Charity 2020 £000	2019 £000
Cash used in operating activities	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)	-	-
Cash provided by investing activities		496	(65)	507	80
Change in cash and cash equivalents in the year		(1,782)	(1,403)	332	(222)
Cash and cash equivalent brought forward		5,956	7,359	1,060	1,282
Cash and cash equivalent carried forward		4,174	5,956	1,392	1,060
Analysis of cash and cash equivalents					
Cash and bank and in hand		4,174	6,210	1,392	1,060
Bank overdraft		-	(254)	-	-
Cash and cash equivalents as at 31 October 2020		4,174	5,956	1,392	1,060

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2020**

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

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

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

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

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

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

	2020	2019
	£000	£000
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)
Gross profit	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	-
Operating loss – continuing	(2,296)	(1,483)
Investment income	43	61
Interest payable	(2)	(2)
Loss on ordinary activities before taxation	(2,255)	(1,424)
Taxation - current	-	46
Loss on ordinary activities after taxation	(2,255)	(1,378)
Non-controlling interest	-	-
Loss attributable to the parent company	(2,255)	(1,378)
Foreign exchange losses	(1)	(1)
Amount gift aided to parent charity	(300)	(300)
Movement in funds for the year	(2,556)	(1,679)
Asset, liabilities and funds		
Assets	10,289	13,241
Liabilities	(2,544)	(2,940)
Funds		
Funds attributable to the parent company	7,745	10,301
	7,745	10,301
	2020 £000	2019 £000
4 Investment income		
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	2019
	£000	£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	32	32
other		
plants & machinery	124	88
	<hr/>	<hr/>

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
	<hr/>	<hr/>	<hr/>	<hr/>
Total	3	30	16	49
	<hr/>	<hr/>	<hr/>	<hr/>

A total of 6 trustees (2019 – 6 trustees) were paid travelling expenses in the year, as shown above.

7 Charitable activities

	2020	2019
	£000	£000
Grants payable	670	341
Support costs (note 6)	30	31
Governance costs (note 6)	16	15
	<hr/>	<hr/>
	716	387
	<hr/>	<hr/>

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> <u>£000</u>
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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 OCTOBER 2020

	2020
	£000
8 Grants approved and not yet paid (notes 17 and 18):	
Charitable activities (continued)	
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
	<hr/>
	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
	<hr/>	<hr/>
	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
	<hr/>	<hr/>
	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)
Tax on loss on ordinary profits	-	(46)

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)
	-	(46)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED 31 OCTOBER 2020

11 Intangible assets

The Group

Goodwill
arising on
consolidation

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/>
At 31 October 2019	1,419
	<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
The Group					
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.

	Freehold Property £000	Investment Property £000	Total £000
The Charity			
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)
	Market value at 31 October 2020	9,997	8,948
	Investment in Group undertakings:		
	At 1 November 2019	-	10,000
	Impairment	-	(2,300)
	At 31 October 2020	-	7,700
	Total:		
	Market value at 31 October 2020	9,997	16,648
	Market value at 31 October 2019	10,905	19,859
	Historical cost at 31 October 2020	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	-	-
	1,261	1,008	-	-
15 Debtors	The Group		The Charity	
	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
	1,938	2,513	16	24
16 Cash and cash equivalents	The Group		The Charity	
	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)	-	-
	4,174	5,956	1,392	1,060
17 Creditors: amounts falling due within one year	The Group		The Charity	
	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
	3,349	3,599	976	659

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/>

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/>

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	2019	2020	2019
	£000	£000	£000	£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	-
	(2,278)	(1,338)	(175)	(302)

24 Financial instruments

	The Group		The Charity	
	2020	2019	2020	2019
	£000	£000	£000	£000
Financial assets				
Financial assets that are debt instruments measured at amortised cost	1,452	1,576	-	-
	1,452	1,576	-	-
Financial liabilities				
Financial liabilities measured at amortised cost	(2,300)	(2,748)		(747)
	(2,300)	(2,748)		(747)

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.

