

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

Legal and administrative information

Trustees	R.P. Gent * (chairman) R.J. Crooks * J. Sandford-Smith R.A. Clarke (resigned 23 rd July 2021) D.T. Hicks (resigned 10 th March 2022) G.H.A. Woodruff I.R. Moon * C. Ashton (appointed 21 st April 2022) R. Clarke (appointed 21 st 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**

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

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

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

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

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

I R MOON
TRUSTEE

9th June 2022

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

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

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

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. 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: 29th 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
Income and endowments from:					
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
Total		8,632	-	8,632	8,794
Expenditure on:					
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
Total		8,532	-	8,532	11,739
Net income and net movement in funds before gains and losses on investments					
		100	-	100	(2,945)
Investment gains/(losses)		2,099	-	2,099	(439)
Net income		2,199	-	2,199	(3,384)
Other recognised gains/(losses)					
Foreign exchange adjustment		1	-	1	1
Net movement in funds		2,200	-	2,200	(3,383)
Reconciliation of funds					
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
Income and endowments from:					
Voluntary income	2	5	-	5	19
Gift aid from trading group		300	-	300	300
Investment income		361	-	361	355
Other income		1	-	1	2
Total		667	-	667	676
Expenditure on:					
Raising funds:					
Investment management costs		33	-	33	27
Costs of generating voluntary funds	6	3	-	3	3
Charitable activities	7	22	-	22	716
Total		58	-	58	746
Net (expenditure)/income and net movement in funds before gains and losses on investments		609	-	609	(70)
Investment (losses)/gains		1,419	-	1,419	(3,059)
Net (expenditure)/income		2,028	-	2,028	(3,129)
Other recognised gains					
Revaluation gains		-	-	-	-
Net movement in funds		2,028	-	2,028	(3,129)
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	2020
		£000	As restated £000
Fixed assets			
Intangible assets	11	805	995
Tangible assets	12	4,317	3,821
Investments	13	12,742	9,996
		<hr/>	<hr/>
		17,864	14,812
Current assets			
Stocks	14	684	1,261
Debtors	15	1,500	1,938
Cash at bank and in hand	16	3,189	4,174
		<hr/>	<hr/>
		5,373	7,373
Creditors: amounts falling due within one year	17	(2,311)	(3,349)
		<hr/>	<hr/>
Net current assets		3,062	4,024
		<hr/>	<hr/>
Total assets less current liabilities		20,926	18,836
Creditors: amounts falling due after more than one year	18	(63)	(173)
		<hr/>	<hr/>
		20,863	18,663
		<hr/>	<hr/>
Funds			
Unrestricted income funds			18,663
(including capital redemption reserve of £1.2 million)		20,863	
		<hr/>	<hr/>
Total funds		20,863	18,663
		<hr/>	<hr/>

Approved by the Board of Trustees on 9th June 2022

And signed on its behalf by:

I R MOON

R CROOKS

BALANCE SHEET
AT 31 OCTOBER 2021

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

Approved by the Board of Trustees on 9th 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 2021 £000	2020 As restated £000	The Charity 2021 £000	2020 £000
Cash used in operating activities	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)	-	-
Cash provided by investing activities		(854)	496	154	507
Change in cash and cash equivalents in the year		(985)	(1,782)	(128)	332
Cash and cash equivalent brought forward		4,174	5,956	1,392	1,060
Cash and cash equivalent carried forward		3,189	4,174	1,264	1,392
Analysis of cash and cash equivalents					
Cash and bank and in hand		3,189	4,174	1,264	1,392
Cash and cash equivalents as at 31 October 2021		3,189	4,174	1,264	1,392

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

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

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

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

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

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

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

	2021	2020
	£000	As restated £000
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
	Turnover - continuing	8,178	8,221
	Cost of sales	(4,895)	(5,971)
	Gross profit	3,283	2,250
	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
	Operating profit/(loss) – continuing	303	(2,296)
	Investment income	25	43
	Interest payable	(3)	(2)
	Profit/(Loss) on ordinary activities before taxation	325	(2,255)
	Taxation - current	147	-
	Profit/(Loss) on ordinary activities after taxation	472	(2,255)
	Non-controlling interest	-	-
	Profit/(Loss) attributable to the parent company	472	(2,255)
	Foreign exchange losses	-	(1)
	Amount gift aided to parent charity	(300)	(300)
	Movement in funds for the year	172	(2,556)
	Asset, liabilities and funds		
	Assets	10,983	11,430
	Liabilities	(1,926)	(2,545)
	Funds		
	Funds attributable to the parent company	9,057	8,885
		9,057	8,885
		2021	2020
		£000	As restated £000
4	Investment income		
	Bank interest	5	19
	Building Society interest	5	7
	Return on listed investments	361	357
		£371	£383

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:

	2021	2020
	£000	As restated £000
Auditors remuneration audit fees	28	47
other services	7	5
Goodwill amortisation	99	115
Amortisation of intangible fixed assets	91	91
Depreciation	89	141
Foreign exchange (profit)/loss	(10)	11
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.

	Costs of generating voluntary funds £000	Charitable activities £000	Governance costs £000	Total £000
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/>
Total	3	32	16	51
	<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

	2021	2020
	£000	£000
Grants payable	(26)	670
Support costs (note 6)	32	30
Governance costs (note 6)	16	16
	<hr/>	<hr/>
	22	716
	<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
Scarbochia	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

	2021
	£000
8 Grants approved and not yet paid (notes 17 and 18):	
Charitable activities (continued)	
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
	<hr/>
	437
	<hr/> <hr/>

9 Staff costs

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

	2021	2020
		As restated
Management and administration of the charity	1	2
Trading group Administration	63	57
Production	34	64
	<hr/>	<hr/>
	98	123
	<hr/>	<hr/>

	2021	2020
		As restated
	£000	£000
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
	<hr/>	<hr/>
	2,581	3,204
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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/>
Tax on loss on ordinary profits	(147)	-
	<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)

	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/>
	(147)	-
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED 31 OCTOBER 2021

11 Intangible assets

<u>The Group</u>	Goodwill 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
The Group					
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.

	Freehold Property £000	Investment Property £000	Total £000
The Charity			
Cost or valuation			
At 1 November 2020	40	360	400
Revaluation	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 October 2021	40	360	400
	<hr/>	<hr/>	<hr/>
Depreciation	40	360	400
At 1 November 2020	-	-	-
And at 31 October 2021	-	-	-
	<hr/>	<hr/>	<hr/>
Net book amount			
At 31 October 2021	40	360	400
	<hr/>	<hr/>	<hr/>
At 31 October 2020	40	360	400
	<hr/>	<hr/>	<hr/>

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
	Market value at 31 October 2021	12,742	10,574
	Investment in Group undertakings:		
	At 1 November 2020 and 31 October 2021	-	7,700
	Total:	12,742	18,274
	Market value at 31 October 2021		
	Market value at 31 October 2020	9,996	8,947
	Historical cost at 31 October 2021	9,452	16,034

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	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	684	1,261	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
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
	<hr/>	<hr/>	<hr/>	<hr/>
	1,500	1,938	17	16
	<hr/>	<hr/>	<hr/>	<hr/>
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
	<hr/>	<hr/>	<hr/>	<hr/>
	3,189	4,174	1,264	1,392
	<hr/>	<hr/>	<hr/>	<hr/>

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

	2021	2020
	£000	As restated £000
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

	2021	2020
	£000	As restated £000
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
	(131)	(2,278)	(282)	(175)

24 Financial instruments

	The Group		The Charity	
	2021	2020	2021	2020
	£000	£000	£000	£000
Financial assets				
Financial assets that are debt instruments measured at amortised cost	1,108	1,438	-	-
	1,108	1,438	-	-
Financial liabilities				
Financial liabilities measured at amortised cost	(1,502)	(2,620)	(441)	(972)
	(1,502)	(2,300)	(441)	(972)

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

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.